

00001

1 EXXON VALDEZ OIL SPILL

2 TRUSTEE COUNCIL

3 Public Meeting

4 Monday, March 1, 1999

5 9:30 o'clock a.m.

6 First Floor Conference Room

7 645 G Street

8 Anchorage, Alaska

9 TRUSTEE COUNCIL MEMBERS PRESENT:

10 STATE OF ALASKA -

MR. CRAIG TILLERY

11 DEPARTMENT OF LAW (Chairman):

Trustee Representative
for the Attorney General

12

13 STATE OF ALASKA - DEPARTMENT

MR. FRANK RUE

14 OF FISH AND GAME:

Commissioner

15 U.S. DEPARTMENT OF INTERIOR:

MS. MARILYN HEIMAN

16

Special Assistant to the
Secretary for Alaska

17

18 U.S. DEPARTMENT OF AGRICULTURE -

MR. DAVE GIBBONS

19 U.S. FOREST SERVICE

Trustee Representative

20 U.S. DEPARTMENT OF COMMERCE - NMFS:

MR. STEVE PENNOYER

21

Director, Alaska Region

22 STATE OF ALASKA - DEPARTMENT

MS. MICHELE BROWN

23 OF ENVIRONMENTAL CONSERVATION:

Commissioner

24 Proceedings electronically recorded, then transcribed by:

25 Computer Matrix, 3522 West 27th., Anchorage, AK - 243-0668

00002

1 TRUSTEE COUNCIL STAFF PRESENT:

2 EVOS COUNCIL STAFF

3 MS. MOLLY McCAMMON	Executive Director
4 MR. ERIC MYERS	Director of Operations
5 MS. TRACI CRAMER	Director of Administration
6 MS. REBECCA WILLIAMS	Executive Secretary
7 MR. STAN SENNER	Science Coordinator
8 MS. SANDRA SCHUBERT	Project Coordinator
9 MR. HUGH SHORT	Community Facilitator
10 MR. JOE HUNT	Communication Coordinator
11 DR. BOB SPIES (Telephonically)	Chief Scientist
12 MR. ALEX SWIDERSKI	State of Alaska, Dept of Law
13 MR. BARRY ROTH	Department of the Interior
14 MS. BILL HAUSER	Alaska Department of F&G
15 MS. GINA BELT	Department of Justice
16 MR. BRUCE WRIGHT	NOAA/NMFS
17 MS. MARIANNE SEE	Alaska Department of
18	Environmental Conservation
19 MR. BUD RICE	National Park Service
20 MR. KEN HOLBROOK	U.S. Forest Service
21 MS. KAREN MURPHY	U.S. Forest Service
22 MS. CATHERINE BERG	U.S. Fish and Wildlife
23 MS. DEDE BOHN	U.S. Geological Service
24 MS. CAROL FRIES	Alaska Department of Natural
25	Resources

00003

TABLE OF CONTENTS

1		
2	Approval of Agenda	4
3	Approval of Minutes, 1/22/99, 2/9/99	4
4	Executive Director's Report (Ms. McCammon)	5
5	Project 99391, Cook Inlet Information Management	
6	and Monitoring Status (Ms. Gaunt, Mr. Samuels)	9
7	Public Comment:	
8	Dave Cobb	53
9	Pamela Brodie	55
10	Chris Blackburn	58
11	Al Birch	59
12	Bob Henrichs	61
13	Paul Palmera	62
14	Calvin J. Lensink	64
15	Arliss Sturgulewski	67
16	Matthew Zencey	71
17	John Schoen	74
18	Jay Stange	75
19	Dave Cline	81
20	Nancy Michaelson	85
21	Geoff Butler	87
22	Walter Parker	90
23	Kevin Harun	95
24	Brad Meiklejohn	98
25	Patty Brown-Schwalenberg	102
26	Jerome Selby	106
27	Theresa Obermeyer	111
28	Mike O'Connor	115
29	Chip Dennerlein	117
30	Rep. Gene Therriult	123
31	Update on Injured Human Services	128
32	Future Uses of the Restoration Reserve	132

00004

P R O C E E D I N G S

1
2 (On record - 9:42 a.m.)

3 CHAIRMAN TILLERY: The March 1 meeting of the
4 Exxon Valdez Trustee Council is called to order. With us we
5 have Dave Gibbons representing the United States Forest Service,
6 Craig Tillery with the Department of Law, Steve Pennoyer with
7 National Marine Fisheries Service, Frank Rue, the Commissioner
8 of Fish & Game, Michele Brown, the Commissioner of the Alaska
9 Department of Environmental Conservation, and Marilyn Heiman
10 who has been recently appointed as the Special Assistant to the
11 Secretary of the Interior for Alaska has joined us and has
12 taken her place as a Council member, and welcome, Marilyn.

13 MS. HEIMAN: Thank you, Craig, thank you.

14 CHAIRMAN TILLERY: The first order of business
15 is the approval of the agenda. Is there a motion?

16 MR. PENNOYER: So moved.

17 MR. RUE: Second.

18 CHAIRMAN TILLERY: Anyone opposed?

19 (No opposing responses)

20 CHAIRMAN TILLERY: Hearing none, the motion
21 passes, and the agenda is approved.

22 The second thing we need to do is the approval of the
23 January 22nd and February 9th meeting notes. Is there a motion
24 from the.....

25 MR. GIBBONS: So moved.

00005

1 MR. PENNOYER: Second.

2 CHAIRMAN TILLERY: Is there any objection?

3 (No opposing responses)

4 CHAIRMAN TILLERY: Hearing none, those meeting
5 notes are approved.

6 What I'd like to do is to move on to the Executive
7 Director's report with Ms. McCammon.

8 Before we do that, I do want to make one comment or
9 reminder for the people on line. We do have a public comment
10 period scheduled at 10:30. I would note that the Council has
11 previously announced that a final deadline for any written and
12 oral comments with regard to how to use the Restoration Reserve
13 was set for February 12th. That deadline has passed. And as I
14 said no comments will be accepted after that time. Thus any
15 comments on the use of the reserve will not be -- cannot be
16 relied upon by Council members in making any decisions. So
17 hopefully you will be able to keep that in mind during the
18 public comment period.

19 Ms. McCammon, can you go forward with your report?

20 MS. McCAMMON: Thank you, Mr. Chairman. I'll
21 do this very briefly. We only have a few items. Just to note
22 in your packet, you do have a copy of the financial report as
23 of December 31st, and also a quarterly project status summary
24 as of December 31st. So if you go through those and have any
25 questions about them, just contact me.

00006

1 In the quarterly project summary, you will note that we
2 continue to make steady improvement on getting some of those
3 old final reports completed, finalized and available to the
4 public, and it also indicates where we are in terms of a number
5 of the projects that are underway, and which ones may be
6 slightly behind for various reasons. So, again, if you have
7 any questions in the future, just contact me on those.

8 In terms of habitat protection, we do have some good
9 news today. One is to report that Mr. Wayne Blondeau in Valdez
10 has accepted the Trustee Council's offer for purchase of his
11 100 acres in Valdez. This was an offer that the Council made
12 at its January meeting. It is conditioned on the City of
13 Valdez donating 50 adjacent acres to the State, so the total
14 acreage protected for the price of 626,000-some odd would be
15 150 acres of close to downtown Valdez property. So this is
16 great news. We've already gone forward and submitted a request
17 to the Governor's capital budget to get this included, so it
18 can be concluded by July 1st.

19 The second bit of news that we hope will be good is
20 that the Eyak shareholders have been voting on the changes to
21 their proxy. That vote will conclude tomorrow with a special
22 meeting in Cordova. We expect to hear by noon the results of
23 that vote. So hopefully the Eyak deal will be a done deal as
24 of noon tomorrow. Fingers crossed.

25 The Tenth Symposium commemoration and scientific

00007

1 symposium is underway. We're constantly revising the day one
2 agenda, and I'll be getting some revisions out to all of you.
3 I think we're getting down to some of the final details. We're
4 still trying to get a Federal person from Washington, D.C. to
5 speak at that, and we have several that are still -- we still
6 haven't got final commitments on. But that is still under way.

7 The Tenth Symposium has generated a high amount of
8 media interest. We thought last summer that everyone had been
9 here last summer to do their stories, but lo and behold,
10 everyone else who hasn't done any stories on the tenth
11 anniversary are here last week, this week, the next week. Now,
12 on Tuesday, March 8th, or Monday, March 8th, we have CNN, the
13 Washington Post, British Broadcasting Service, NBC are in town.
14 There's obviously a lot of interest in what is happening to the
15 resources that were injured by the spill and what the extent of
16 recovery has been. The 60 Minutes piece will air on Sunday,
17 March 14th. This is an Ed Bradley piece on 10 years after the
18 spill.

19 The National Geographic video will appear on March
20 17th. I don't know if any of you have seen it, but the March
21 issue of National Geographic does have a major article about 10
22 years after the spill. It was done by John Mitchell. It has a
23 very nice piece in it.

24 The video that the Trustee Council funded will be
25 airing statewide on Public TV on March 17th. And we've already

00008

1 sent that around to all of the school libraries and science
2 teachers in the spill area, and have received -- actually in
3 the State, and have received quite a good response already.
4 And you will be getting a copy of that video, too.

5 And what I'll do in the next week or so as some of the
6 dates finalize, we'll be sending you out a listing of what
7 times, channels, and things like that to expect.

8 Also, a week ago Sunday, there was a front page story
9 in the Oregonian paper on the spill, and I'll get you a copy of
10 that article, also.

11 So again, a lot of media interest. I think the people
12 of Cordova are probably getting a little overwhelmed by
13 everybody that's been in town there. But there's a lot of
14 attention, a lot of concern about the fact that 10 years after
15 the spill that there still is not full recovery.

16 So with that, I'd be happy to take any questions and
17 move on to the next agenda item if not.

18 CHAIRMAN TILLERY: Questions from Council
19 members?

20 (No audible responses)

21 CHAIRMAN TILLERY: Molly, one thing, could you
22 give a brief summary of what occurred when you did the injury
23 update back in Washington?

24 MS. McCAMMON: Yes, we did -- after the Council
25 took action updating the status of injury of the resources

00009

1 injured by the spill, we did a press conference back in
2 Washington, D.C., at the National Press Club. It was very well
3 attended. We had 10 TV stations' cameras. I mean, all the
4 major networks: CNN, C-Span, Fox TV, almost everybody. I
5 think they were looking for something that was non-impeachment
6 related, so we -- actually it was great timing. The Senate was
7 meeting in private that day. It was great timing in terms of
8 getting a lot of attention there, and we had probably 30 print
9 reporters present at the press conference also.

10 This was followed by a luncheon speech that I gave to
11 the National Resources Council of America, their conservation
12 round table, describing the Restoration Program, and where we
13 are 10 years after the spill. So again there's a lot of
14 attention, a lot of focus on what has happened over the past 10
15 years, what is different now 10 years later. A lot of
16 questions about is there any oil remaining, could a spill of
17 this nature occur again. What kinds of changes have been made
18 in terms of response and prevention, and where we are in terms
19 of recovery of the species.

20 CHAIRMAN TILLERY: Any questions?

21 (No audible responses)

22 CHAIRMAN TILLERY: Okay. The next item on the
23 agenda is Project 99391, the Cook Inlet Information Management
24 and Monitoring Status Report. If you could start by
25 briefly.....

00010

1 MS. McCAMMON: Yes.

2 CHAIRMAN TILLERY:explaining why we're
3 here, and then we.....

4 MS. McCAMMON: We're here.....

5 CHAIRMAN TILLERY:can move through
6 the.....

7 MS. McCAMMON: This project was funded by the
8 Trustee Council for this fiscal year. It has two phases, and
9 when it was funded, the Council had some concerns about the
10 extent of the project, some of the scope of it, how it would
11 actually be implemented. And some of those concerns we felt
12 might be addressed after the initial phase of the process -- of
13 the project, which included the User Needs Workshop, and a
14 little bit more discussion with those who might potentially use
15 a database of this nature. And so the Council's action on this
16 included, after Phase I was concluded, the project proposers
17 coming back to the Trustee Council, giving a presentation on
18 the results of Phase I, having the results of Phase I reviewed
19 by the Chief Scientist and other peer reviewers, and then
20 basically going on with Phase II of the project.

21 What we have today are two things. One is a
22 presentation by Bill Samuels and Cary Gaunt with Scientific
23 Applications International Corporation, and they'll be giving a
24 status report on the results of Phase I of this project. And
25 then following that, we did have the report peer reviewed by

00011

1 three peer reviewers over the weekend with very quick turn
2 around, and those reviews will be summarized by the Chief
3 Scientist, and I believe the Chief Scientist will also have
4 some recommendations for you to consider and talk about. And
5 so the Council is not formally here to take any action unless
6 there are concerns or issues that the Council wants addressed
7 as part of Phase II.

8 MR. PENNOYER: Mr. Chairman.

9 CHAIRMAN TILLERY: Mr. Pennoyer.

10 MR. PENNOYER: Would you define Phase I and
11 Phase II, or will they do that when we get the report?

12 MS. McCAMMON: They'll do that, but Phase I
13 basically was a User Needs Workshop, and an identification of
14 what potential databases and information might be included in a
15 central database on Cook Inlet. Phase II, the intent then is
16 to develop -- is to use one watershed, and I believe they're
17 choosing the Kenai River, and to focus and develop a prototype
18 model of what such a data base might include or might look
19 like, and get feedback from various users, whether they're the
20 resource agencies, private nonprofit groups, resource
21 developers, people of that nature, to see if that is meeting
22 their needs, but they'll go into more detail on that. This is
23 Phase II -- Phase I and Phase II of year one. There's also a
24 proposed year two, so they'll talk about that also.

25 MR. PENNOYER: Mr. Chairman, one.....

00012

1 CHAIRMAN TILLERY: Okay. Mr. Pennoyer.

2 MR. PENNOYER: Then my presumption is we've
3 already dedicated the funding for year one, Phase I and Phase
4 II, but we don't proceed to Phase II unless Phase I is
5 approved, is that correct? That's where we are?

6 MS. McCAMMON: Well, the Council does not have
7 to approve going forward to Phase II. This is basically your
8 opportunity that if there are serious problems, you can call a
9 halt, but the Council has approved both Phase I and Phase II at
10 this point.

11 CHAIRMAN TILLERY: Any other questions or
12 comments?

13 (No audible responses)

14 MS. McCAMMON: Do you want to go ahead?

15 CHAIRMAN TILLERY: Shall we proceed then?

16 MS. ZIENER: I'm Kelly Ziener.

17 COURT REPORTER: Microphone.

18 MS. McCAMMON: We have to get you on the
19 record, Kelly.

20 CHAIRMAN TILLERY: I think you need.....

21 MS. ZIENER: Oh, I'm sorry.

22 COURT REPORTER: There's a microphone right
23 here.

24 CHAIRMAN TILLERY:to be up here and do we
25 need to put a mike over there or something, or do we.....

00013

1 (Off record conversation re microphones)

2 CHAIRMAN TILLERY: Excuse me, I believe she
3 needs to speak into that?

4 MS. McCAMMON: She's miked now.

5 CHAIRMAN TILLERY: Does that get her to the
6 teleconference network?

7 MS. McCAMMON: Yes. No. That gets you to the
8 teleconference.

9 COURT REPORTER: That goes to the machine. The
10 recording.

11 MS. ZIENER: Oh, I need both. All right. Oh,
12 wow. I'm wired here.

13 MS. McCAMMON: Double-miked. Will she be
14 tripled-miked then?

15 UNIDENTIFIED VOICE: You're okay. You're okay.

16 MS. ZIENER: Okay. I'm Kelly Ziener. I'm with
17 DNR, and I'm one of the principle investigators on this
18 project. And I just want to quickly summarize some of the
19 things that you briefly spoke about for a minute here, but just
20 to clarify, a quick summary of the project goals for CIIMS, we
21 refer to it as CIIMS, for Phase I was to evaluate the current
22 approach to information management within the Cook Inlet, to
23 define the needs of the Cook Inlet stakeholders with regard to
24 information management, and also to develop recommendations and
25 an implementation approach to CIIMS.

00014

1 So the tasks associated with these goals encompassed
2 user needs analysis, which included a user needs workshop, and
3 also a preliminary data inventory. These tasks have been
4 accomplished successfully with the following: We distributed a
5 questionnaire, quite an extensive questionnaire, and received
6 more than 70 completed questionnaires. We did user outreach
7 through a series of project briefings which we held in
8 Anchorage, Juneau, Kenai and Homer, and we had User Needs
9 Workshop, which we felt was successful. We had over 100
10 participants for the workshop. And also two documents, the
11 preliminary data inventory, and the post workshop report which
12 you should have all received last week.

13 Just briefly, this project is run by a project team.
14 It's very much a coordinated effort, a multi-agency effort.
15 The management is carried out through the project team, and we
16 meet every two weeks as a general rule.

17 And I'm just going to give you a run down of who's on
18 that project team. We have Greg Kellogg from EPA, Lowell
19 Suring from the Forest Service, Leslie Patrick from U.S.
20 Geological Survey, Russell Kunibe, and Jeff Hock from
21 DEC, and Carol Fries and Dorothy Mortenson from DNR.

22 Our technical consultants are from Science Applications
23 International Corporation, and Bill Samuels and Cary Gaunt are
24 here with us today to give this presentation. Bill Samuels is
25 a senior scientist with over 20 years experience developing

00015

1 environmental data integration systems, including ones for
2 Montana, Colorado, and the Government of Jordan, just to
3 mention a few. And Cary Gaunt is a senior environmental
4 planner and policy analyst, and she's SAIC's project manager on
5 EPA's Chesapeake Bay program which is another very large data
6 integration management system. And I just want to tell you
7 want they're going to talk about today.

8 They're going to tell you what the benefits of CIIMS
9 will be, the key findings from our user analysis and our
10 workshop, recommendations, an implementation plan, and the
11 approach to the prototype, and the key issues that are
12 associated with this project. So with that, I'll turn it over
13 to Bill and Cary.

14 MS. GAUNT: Thanks, Kelly. And good morning,
15 and thanks to all of you for having the opportunity for Bill
16 and for myself to be able to talk to you about this very
17 important project which we refer to as CIIMS, that's the
18 acronym I'm be using throughout my presentation. I'm going to
19 spend some time providing some background information on the
20 findings we had from the user analyses and the workshop, and
21 Bill will talk more about the system implementation aspects of
22 the project.

23 As Kelly mentioned, we've had quite a lot to cover, but
24 we'll only be able to cover the highlights in this
25 presentation, but at the end feel free to ask any questions on

00016

1 anything you've heard, and we can elaborate. As well Kelly
2 mentioned there is a post-workshop report, and there was also a
3 pre-workshop report that provide more information if you would
4 like to look at those.

5 What I want to start with is painting a quick picture
6 of the vision of CIIMS, just so you can get a concept of what
7 it could be in your minds. It will be an application, an
8 Internet application using the World Wide Web technologies that
9 will provide a gateway. Imagine almost, if you will, a
10 one-stop shopping location for all kinds of information that's
11 available for Cook Inlet, and eventually it could be expanded
12 to encompass any or all of the Alaska watershed that you're
13 interested in. But it does provide just one entrance into an
14 array of information through the Web. And that's important,
15 because it provides in that framework a very great way to
16 showcase lots of information. For example, some of the
17 research results that have been collected as part of the Exxon
18 Valdez oil spill research and restoration efforts, but it also
19 provides tools, and that's what makes CIIMS different than some
20 of the other efforts that are on-going out there. It provides
21 tools and a place and way to integrate this information at a
22 watershed level or other geographic levels so that you can
23 start to ask questions about the ecosystem health. By being
24 able to integrate information and analyze it through CIIMS, you
25 can start to get a sense of the ecosystem pulse and measure it.

00017

1 And I have spent a great deal of time, over six years,
2 working with the Chesapeake Bay program. They're doing a
3 similar type of project and are using it now to develop
4 environmental indicators, and eventually they want to move to
5 have an electronic on-line state of the Bay report that we
6 automatically updated periodically.

7 Also, one thing that I want to talk about in terms of a
8 benefit of this kind of integrated information system is that
9 it really evolves into being a great time-savings device for
10 organizations, and it does that really in two ways. It
11 provides -- by providing this one-stop shopping and this
12 ability to find and access information on line, it reduces the
13 amount of time that researchers and data providers have filling
14 data requests. And I know that's a big time thing for a lot of
15 people. In addition, it makes it easier for all kinds of
16 users, ranging from the general public to research scientists
17 to find information, because there's so much out there.

18 And, again, just to let you know it can, in fact, work,
19 at the Chesapeake Bay program where they've been able to start
20 to implement this, they used to have a backlog of three to six
21 months to fill information requests, and now they can do it
22 pretty much instantaneously on line, because much of that data
23 are up there and can be downloaded over the Web. One woman,
24 who's one of the biological researchers with the Bay program,
25 told me that she thinks that her time has been reduced by 70

00018

1 percent in terms of the amount of time it takes her to fill
2 data requests. And she's so excited because she's getting
3 retrained in new areas and doing new work.

4 Bill, you can move on if you.....

5 The other thing that I want to spend a really brief
6 moment talking about is findings. We -- as Kelly mentioned,
7 there was many months worth of background investigations to lay
8 an effective framework for coming up with recommendations for
9 CIIMS. I won't at all try to cover all those findings, they
10 are in the pre-workshop report. But just in a nutshell, we did
11 find that there were many frustrations expressed by the user
12 community and data provider community with the way that
13 information was currently being handled. And uniformly, I
14 mean, without -- an overwhelming number of people said what we
15 really want, what we really want is a one-stop shopping place
16 we can go to find out all the information that we want to find
17 out on Cook Inlet. And we also want, as sort of our next tier
18 of interest, to have tools such as mapping tools, for example,
19 on line that we can use to analyze, bring together, integrate
20 and make sense of this information, and that's what CIIMS does.
21 It provides that form of framework for this kind of integrated
22 analyses.

23 Now, what we did is we took the findings that were
24 gathered by the project team, and then Bill and I have done
25 quite a lot of work in other regions on this kind of project,

00019

1 and the SAIC team has also. We took out collective expertise
2 and understanding and came up with recommendations. But we
3 also -- we did that within the context of certain criteria.

4 And the most important criteria that I'll just mention
5 briefly, is that we absolutely did not want to reinvent the
6 wheel. There are a lot of very good efforts going on up here
7 already. I won't start to list them, because there are quite a
8 few. And we want to build on them. We do not want to
9 undermine them, we want to build on them. The efforts that are
10 out there now we found tend to be either subject specific,
11 agency specific, or they're focusing on a particular type of
12 information, specifically geospatial data for the most part.
13 What CIIMS does is it provides a context and a framework.
14 Think of it almost as an umbrella within which all of these
15 other efforts can be brought together and integrated. So it
16 provides a framework to make sense of the whole.

17 In light of that, and thinking of this kind of
18 watershed framework for Cook Inlet, which is CIIMS, we came up
19 with three types of recommendations that are essential to
20 making it happen. There are policy, procedural, standard
21 guidelines that will need to be developed as part of CIIMS.
22 They essentially provide the framework for making CIIMS happen.

23 We also want -- we recognize that there's a lot of
24 information out there, and we want CIIMS to be able to be
25 doable. I mean, that's a key criteria. We want -- so we

00020

1 realize that it needs to be implemented in phases, but that
2 those phases need to be targeted on the priorities of the user
3 community, the stakeholders out there as it were, and those
4 people that provide data. So we have a number of
5 recommendations that are related to what are our priorities?
6 What do we want CIIMS to do over what time frames.

7 And then lastly, CIIMS is also a computer application.
8 It has hardware, it has software, that are involved with it, so
9 there are a number of recommendations related to system design
10 and implementation from the technical perspective.

11 We won't talk about all the recommendations, there are
12 quite a lot of them, they're in the post-workshop report, but I
13 want to highlight a few:

14 Number one, without exception and very important, is
15 that there needs to be an oversight group that can champion
16 CIIMS. This group would serve to monitor progress towards
17 implementation. They would oversee the implementation plan,
18 make sure that it's being done on time in a high quality manner
19 that meets the needs of the stakeholders. This group would
20 sort of help keep the vision as it were. We took a poll at the
21 workshop, and as Kelly mentioned, there were over 100 people
22 participating in this workshop. We took a poll to find out
23 what people thought about an oversight group. One hundred
24 percent of the respondents said this was necessary. Now, the
25 group split in terms of whether this should be a new group, or

00021

1 whether this could be an existing group such as the AGDC or the
2 Cook Inlet Coalition, so there needs to be some work to figure
3 out how to make this happen. But it is a key recommendation
4 for making this project succeed over the long term.

5 The other very important thing, and you've heard
6 mention of it before, is that there needs to be a very clearly
7 defined implementation plan that very clearly states roles and
8 responsibilities, particular action items and tasks and
9 milestones. And this not only needs to be written down, but it
10 needs to be advertised in a way that people can understand, and
11 it needs to build towards the large vision of CIIMS. As we
12 mentioned, we're going to implement CIIMS in phases so that
13 it's doable, so that we can show success stories early on, but
14 it will build to a larger vision, and we want to have an
15 implementation plan that will be on-line so that people can
16 interact with it and understand how we're progressing.

17 And that's -- part of that, of course, is the
18 prototype. We do not want to develop CIIMS in a black box.
19 Stakeholders have been important from day one. They will
20 continue to be important. We want this project to be iterative
21 and interactive. The prototype will allow that as a first part
22 where we'll create something that people will be able to view,
23 play with, work with and try and respond back to. All of this
24 would be on-line in a very interactive fashion.

25 Obviously the crux of an information management system

00022

1 is the information that it contains. We had quite a number of
2 recommendations about information, but what was very
3 interesting and what set CIIMS apart from other efforts that
4 are out there is that the participants, the user community by
5 and large pretty much uniformly said, we want to broaden CIIMS
6 to address all types of users from general publics, you know,
7 citizens, to research scientists. And in that context, we
8 recognize that there is lots of different kinds of information
9 that needs to be incorporated into the CIIMS framework, but we
10 need to do it in a realistic fashion, so we need to prioritize
11 that information and to incorporate it using a phased approach.

12 You can think of the information of CIIMS in terms of a
13 pyramid. And if you look at the bottom levels of the pyramid,
14 the raw data, the primary data, most of the efforts that are
15 going on in the State currently are dealing with those levels,
16 those data levels. That's the raw data that comes from
17 monitoring efforts, for example. What CIIMS -- what people
18 want CIIMS to deal with is the entire pyramid, and the pyramid
19 builds from data all the way up to more summarized levels of
20 information, the top of which is these public documents, which
21 might be things like fact sheets or brochures, which take data
22 and make sense of it, so that people can understand. And an
23 effective CIIMS when it's fully implemented will allow a person
24 to enter at the top level of that pyramid. They might want to
25 click in, they might want to read a fact sheet about salmon,

00023

1 the salmon fishery, for example. They can read that fact
2 sheet, but they'll be able to drill down through the system to
3 eventually get to the raw data that were used to create that
4 fact sheet. That's the power of CIIMS, and that's how it is
5 different than other efforts that are out there.

6 Now, there's lots and lots of information that people
7 are interested in. The post-workshop report provides the
8 results of a very detailed poll that we took at the workshop
9 and from the users. You can see from this list of top 10 that
10 most of the information that people are interested in getting
11 into the system right way, or incorporate into the system, is
12 related to land use, is related to habitat and species
13 information. So a lot of resource base information. And,
14 again, I'd point you to the post-workshop report to find out
15 more details.

16 The other important thing when you're designing a
17 system like this is you have to ask the users, well, what do
18 you want it to do for you? And that's what we call system
19 functions. Bill's going to talk much more about system
20 functions. I just want to point out that without a doubt,
21 overwhelmingly the most important first immediate term priority
22 for functionality for CIIMS is that people want to be able to
23 use it to be able to find and to be able to put into context
24 and to be able to access all kinds of information.

25 Now, when I talk about accessing information, that's

00024

1 where this kind of policies and procedures framework comes into
2 play. In order to make it happen efficiently, and to encourage
3 data sharing, there are some voluntary guidelines that you may
4 want to consider. Again, we took a poll at the workshop.
5 Again, it was a very representative group of stakeholders, over
6 100 people, and over 80 percent of the respondents said that
7 they thought that there should be a Cook Inlet or Alaska
8 watershed metadata standard.

9 Now, metadata is referred to as data about data, or you
10 can think of it as an electronic card catalog of information
11 about your data sources. There are metadata efforts out there.
12 The folks at the workshop would like to customize some of those
13 efforts to be more Cook Inlet specific, more Alaska watershed
14 data specific. And what I mean by that is they want to move
15 beyond spacial data, geospacial data into nonspacial data such
16 as biological and habitat data which are so important, but are
17 not sufficiently covered by some of the existing efforts. In
18 addition, they want to create metadata to handle the upper
19 levels of that pyramid for the more communications and public
20 outreach information.

21 But, being mindful of the fact that there is the FGDC,
22 Federal Data, Geographic Data Committee guidelines out there,
23 and for those bottom levels, the primary data levels, all data
24 within CIIMS should be FGDC compliant.

25 The other two things I'll just briefly mention is that

00025

1 a data standards and a data dictionary. Again, the
2 participants, over 80 percent of the participants felt that it
3 would be helpful for them to have uniform data standards and a
4 data dictionary. A data dictionary is essentially a way of
5 providing guidelines on how you report information when you
6 write it down in a database. You know, what kind of units
7 should you use, et cetera. And that that should be customized
8 for Cook Inlet, again to make it easier. And I can provide
9 more details later.

10 But right now I would like to turn the table over to
11 Bill so he can talk about where we do we go from here, and how
12 are we going to implement CIIMS in a reasonable fashion.

13 MR. SAMUELS: Thanks, Cary. Good morning. I'd
14 like to spend the rest of our time describing to you the second
15 part of our project, we've been talking -- referring to it as
16 Phase II, which is to design and build a prototype.

17 Our work focuses on using a phased approach to building
18 the system, and we had used this approach successfully in the
19 past on projects of a similar nature. Cary's talked about the
20 Chesapeake Bay, and we developed similar information management
21 systems for the State of Colorado, the State of Montana, and
22 also some international work with the Government of Jordan.

23 The next slide.

24 We proposed to build a system in the form of using a
25 phased approach. Our overall system implementation is -- will

00026

1 be conducted in three phases: A pilot phase, which is the
2 second part of this project, and that is to build a prototype,
3 followed next year by an initial production phase, and then
4 concluding with a final implementation phase. Let me briefly
5 take you through each phase of the project.

6 Next slide.

7 In our pilot phase, which is design and build a
8 prototype, we are going to develop an interactive web base
9 system that will allow a user to discover information about
10 Cook Inlet, and enter metadata about Cook Inlet.

11 Next one.

12 In our initial production phase, this will focus on
13 data access and interactive mapping. And it would span the
14 geographic area focus from the initial prototype watershed,
15 which is the Kenai River, to the entire basin.

16 Next one.

17 And then our final production phase, this will focus on
18 data manipulation. For example, the inclusion of tools for
19 statistical analysis for GIS and for other analytical
20 operations.

21 So let me show you a little bit about the design for
22 the prototype, because that's where our next phase of this
23 project is going to take us. The map showing the whole basin
24 is shown there in gray. The prototype area is the dark black
25 line, which is the Kenai River watershed. That's defined by

00027

1 the U.S. Geological Survey eight-digit hydrologic unit
2 boundaries.

3 Let's go to the next one.

4 In terms of one slide to talk about the design summary,
5 the information types are going to be the databases that Cary
6 had showed you previously. The top 10 list, plus others that's
7 going to be on that list that are documented in the report.
8 And the functions that we're going to be providing are those
9 short-term priority functions that were indicated by the users
10 during the workshop, which essentially covered discovering
11 information about Cook Inlet.

12 The next one.

13 A little bit more detail about the prototype design
14 summary. You see a little bit further breakout of the
15 functions there on the left. And three major issues were --
16 rose to the top during the workshop: Being able to identify
17 information, for example, through the use of key word searches;
18 being able to access information, for example, viewing maps and
19 documents, fact sheets, summarized information; and then also
20 contributing information through the form of users using the
21 system to enter metadata about their data sets.

22 Next.

23 Let me just walk you through a couple of example
24 functions to give you an idea of what -- how the system is
25 going to provide answers to users.

00028

1 The first one is the very basic key function. What
2 information exists in my area.

3 And, the next slide, what we did for the workshop, once
4 we developed what we called a mock-up system, to give users at
5 the workshop something to react to, rather than trying to
6 design and talk about the system from a blank slate, put
7 something up, let the users react to it. So here's an
8 indication of our -- one of the screens from our mock-up. You
9 see a number of buttons there on the left, but the one we want
10 to show is when a user presses the bottom that says learn about
11 Cook Inlet, we've got information that shows up.

12 The next one.

13 And this then is a list of preliminary links that we
14 put together for agencies and groups that currently have
15 information about Cook Inlet. And it's a long list. This is
16 only the top, maybe, one-third of all the agencies. As you
17 scroll down the list in mock-up, you see many, many more
18 information sources available.

19 So that gives you a flavor of what some of the users
20 saw at the workshop in terms of being able to answer questions
21 about discovering information.

22 To continue on, let's look at the next example
23 function. This would be an example of what we foresee as an
24 interactive mapping function, and the question the user might
25 pose is, are there any contaminated sites near brown and black

00029

1 bear habitat. So the next screen that the user would see would
2 be a map. And this map shows -- you read -- the key indicates
3 the dark gray area black bear habitat, brown bear habitat. And
4 then you see three different sources of contaminated sites in
5 this region near Kenai: Information from EPA's toxic chemical
6 release inventory, the yellow triangles; solid waste landfills
7 as the red boxes with the cross in the middle; and also
8 hazardous waste sites, and the hazardous waste sites are
9 defined as being monitored through EPA's Research Conservation
10 Recovery Act, commonly known as RCRA sites.

11 But the system through the interactive mapping will
12 allow the user to drill down even further and get a view of the
13 information at a finer level of detail. So the next screen
14 shows a zoom-in on the Kenai area, and we're looking at a map
15 now which is familiar with many users. It's the USGS seven and
16 a half minute quadrangle, and we overlaid these same sites on
17 top of that. And showing you some of the information that
18 associated with each site. In this case, we're just pointing
19 to each one and identifying the name of the site.

20 The next one.

21 So let me just review the bidding, so to speak, in
22 terms of where we're going in our schedules. During the months
23 of March and Aug -- through -- during the period between March
24 and August, we're going to be designing and building the
25 prototype. And the products of that effort are going to be a

00030

1 system implementation plan, and a prototype. During September
2 we will conduct an evaluation of the prototype. There will be
3 data testing by users. This evaluation results will be
4 analyzed, and then in early December we'll develop the final
5 system specifications. And then this will enable us to be
6 ready to go into the initial production phase, which is the
7 next year's effort.

8 The next one.

9 Now, why do we feel this effort can work?

10 Next slide.

11 Our experience with the Chesapeake Bay system is that
12 essentially that's our field of dreams. If you build it, they
13 will come, and we experienced that through the fact that two
14 years ago there was no data on line about the Chesapeake Bay
15 system, and now what we found in the last year, the number of
16 hits to that site have actually doubled. Also, we have heard
17 from users and from data providers that data requests have
18 increased, while the time to process these requests have gone
19 down, and Cary cited a specific event for that.

20 The next one.

21 Some of the issues on this -- with -- associated with
22 achieving success with respect to cost saving and funding are
23 illustrated on this slide. For example, the system will be
24 successful if it takes advantage of existing investments and
25 data technologies, and we plan to do this.

00031

1 Also, cost savings are realized by increased
2 information management efficiency. Less time for data
3 providers to process requests, less time for users in finding
4 information.

5 This basically concludes our presentation. I'd like to
6 leave you with this last slide, which is our -- we feel that
7 the CIIMS system will best be achieved by following these keys
8 to success that are up here in the last slide.

9 Thank you very much.

10 CHAIRMAN TILLERY: Okay. Thank you very much.
11 Are there questions or comments from Council members at this
12 point? Commissioner Rue.

13 MR. RUE: I guess a couple of questions on the
14 long-term maintenance. In other states like Montana or
15 Chesapeake, how -- have they had an oversight group, and then,
16 second, how have they continued to fund the operation of
17 something like this?

18 MR. SAMUELS: I'm going to let Cary answer the
19 question about the Bay, and then I can talk about Montana.

20 MR. RUE: Sure.

21 MS. GAUNT: Do I need to do the mike again?

22 CHAIRMAN TILLERY: You do.

23 MS. McCAMMON: We're on teleconference.

24 MS. GAUNT: I'll just pull a chair up. We can
25 both sit up here.

00032

1 With regards to the Chesapeake Bay, they established an
2 oversight group, which was comprised of stakeholders from
3 different organizations throughout the Chesapeake Bay
4 watershed, so there were representatives from citizen groups,
5 representatives from each of the agencies that are
6 participating. That group meets on a monthly basis, and
7 basically oversees the implementation plan.

8 With regards to funding of the -- of this project and
9 the long-term maintenance, let me just -- by having the
10 oversight group established, the agencies bought into the
11 concept of doing that. That was an important step, considering
12 agency and organizational support for the system. What we
13 found over time is that the initial -- as Bill showed on that
14 one slide, which is no longer up there, much of what this kind
15 of integrated information framework is, it's about
16 re-engineering your day-to-day business. So in other words,
17 all the organizations out there were collecting monitoring data
18 already, were trying to process and manage monitoring data
19 already, and there's -- and they are still doing it, but
20 they're just doing it in a different framework, and in a
21 different way, a different way of doing business.

22 The EPA supported the project with some up front
23 funding to establish a metadata guideline. In fact they put
24 together a customized Chesapeake Bay watershed metadata
25 guideline, and a series of metadata entry tools, so easy

00033

1 on-line tools for people to use. They also published the data
2 dictionary.

3 Agencies that are participating in the Chesapeake Bay's
4 integrated system sign on by agreeing to sign a memorandum of
5 participation in CIIMS. When they do that, that means that
6 they're going to follow those guidelines. But the individual
7 organizations have not found that they've had to kick in much
8 money, because most of it -- you know, the EPA provided tools,
9 and actually the up front cost for those tools was less than
10 about 200K, and then the agencies have just been able to do
11 their business in a different fashion. So they have not had to
12 get any new FTEs, they have not had to, you know, spend a lot
13 of money. They just trained their people to think in a
14 different fashion.

15 Oh, and the other thing within the context of making
16 this successful is that you don't want to propose technologies
17 people don't know about, so people within the Chesapeake Bay
18 watershed were already using relational database management
19 systems like Microsoft Access and Oracle, so we said that's
20 great, keep doing it, but why don't you consider, you know,
21 this design versus this design, or maybe you could tweak
22 something here, so again we did not want people to have to
23 learn something new. We worked within the context of what they
24 were already doing, and made it more efficient.

25 That's probably too long of an answer for what you

00034

1 wanted.

2 MR. SAMUELS: In Montana, there was a similar
3 effort, but not quite as formal as the Chesapeake Bay Oversight
4 Committee in structure that occurs there. The project was
5 funded by EPA, but the work was done for the -- the system was
6 built for the Montana Department of Environmental Quality, and
7 they formed a -- the system is actually called Montana View,
8 and they formed a group composed of members of the Department
9 of Environmental Quality, the Department of Natural Resources,
10 and the Montana State Library, and the Montana State Library
11 provides a GIS system support to the DEQ and DNR, and so that
12 committee, those three agencies are currently maintaining and
13 operating the system.

14 CHAIRMAN TILLERY: Mr. Rue.

15 MR. RUE: No, that's fine. That answers.....

16 CHAIRMAN TILLERY: Mr. Pennoyer.

17 MR. PENNOYER: That answered my question, too.

18 CHAIRMAN TILLERY: Ms. Brown.

19 MS. BROWN: Can I just do a follow-up to
20 Frank's question? I think, you know, the workshop and getting
21 all the users in, and all the things you said, is a great way
22 of proceeding, and I assume -- but I wanted to clarify, from
23 the enthusiasm that was seen there, and the way you are trying
24 to adapt the development to the users' needs, do we have the
25 commitment to have them start doing business a little bit

00035

1 differently from a lot of the agency, to use this once it's on
2 line?

3 MR. SAMUELS: I feel from the turn-out from the
4 workshop that we do, but I think maybe that question is
5 possibly best answered by Carol, who is our project manager
6 from DNR. She might have a better sense of the user community.

7 MS. FRIES: From the agencies who we have
8 spoken -- from the agencies who we have spoken with.....

9 MR. BROWN: You don't have to be on knees.

10 MS. FRIES:we feel that people are very
11 interested in what we're doing here, that they are faced with
12 this problem of getting their data out to people who need it,
13 and so they were very much focused on the CIIMS project from
14 the start, because they felt like this was their way to get
15 their data out to folks.

16 MS. BROWN: Uh-hum.

17 MS. FRIES: So, yes, I think very much.

18 CHAIRMAN TILLERY: Mr. Pennoyer.

19 MR. PENNOYER: I will ask a follow-up. And I
20 think probably the only way to answer that question is to go to
21 your second part of this and see how it works out in a trial
22 application, but I have some real concerns about the turning,
23 because I know a lot of these places aren't even getting their
24 own data, their raw data, into systems that are usable, and
25 they publish aggregated things, but it's not getting out from

00036

1 some of them, so I'm not sure everybody that came into your
2 group and said this was a good idea, how far they thought they
3 were going to go down, and what things they thought they would
4 selectively want to do versus other things they wouldn't, how
5 they choose the protocols for good versus garbage in/garbage
6 out discussions, and all that type of thing. Probably the only
7 way to do it is to go look at an example, which you are
8 proposing to do, so I'm still a little -- I know the Chesapeake
9 situation somewhat, and -- but that's been going on for a long
10 time. There's a lot of -- a long history way back to the
11 oystermen, a history of.....

12 MS. GAUNT: Uh-hum.

13 MR. PENNOYER:people bringing data to the
14 table, and being concerned about the long terms impacts. I
15 think they probably were a little more mature on the databases,
16 but I'm not sure of that, but I think they may -- they should
17 have been, but I'm not sure where.....

18 MS. GAUNT: They should have been.

19 MR. PENNOYER: I think they should have been is
20 the good answer. Maybe this does two things. Maybe this also
21 gets it out, but then implies an increased attention to doing
22 things people ought to be doing anyhow. I yet don't see how it
23 all comes together exactly, and I guess when you do your second
24 phase, that would be an example of how that would happen, and
25 we can work with that. So.....

00037

1 MR. SAMUELS: I think that's part of the goal
2 of the prototype, is to get that system out there, and get
3 users to examine it and evaluate it, to work with it, then that
4 will -- I think will bring them together and help pull that
5 focus the next set of efforts.

6 CHAIRMAN TILLERY: Mr. Pennoyer.

7 MR. PENNOYER: Can I have one follow up?

8 CHAIRMAN TILLERY: Please.

9 MR. PENNOYER: For an example, the Fish and Game
10 Department, and in their limnology lab on the Kenai Peninsula,
11 and a lot of work funded by Exxon, has done a lot of lake work
12 on sockeye salmon, and a lot of that information I think was in
13 published reports, but I'm not sure where the raw data actually
14 sits, and I'm not clear which people -- what things people
15 would bring into it as the important (indiscernible) areas and
16 lakes, and things like that, so there's just an immense amount
17 of stuff out there, and I'm not -- depending on who signs on
18 the protocol, I'm not sure if we're actually going to get the
19 money to put all that raw data into this system, given the
20 State budget condition right now. So I just -- maybe an
21 example is the only way to see.

22 CHAIRMAN TILLERY: Commissioner Rue.

23 MR. RUE: I guess I would just make one final
24 comment. I'm real enthusiastic. I think there's some
25 tremendous benefits. We've already seen some -- internally,

00038

1 for instance, we have a live database in Bristol Bay during the
2 fishery, where our data -- we're putting in the fishery, you
3 know, statistics daily, and you can go on the Web and interact,
4 and people quit calling us. They can get -- they can find out
5 how many fish are being caught, and what the escapements are,
6 and they can actually -- which is great. So I see some huge
7 potential benefits here for not only people knowing what's
8 going on, but also us doing our real jobs and not just
9 answering.....

10 MS. GAUNT: Right.

11 MR. RUE:the same question 500 times a
12 day.

13 MR. SAMUELS: Uh-hum.

14 MS. GAUNT: And one comment about putting
15 together a prototype -- by the way, the Chesapeake Bay program,
16 you'd think, because they are so heavily funded and have been
17 in existence for so long, you would think that they would have
18 been very organized. They spent a lot of their money on the
19 policy side of the house, and their data were pretty much in
20 disarray.

21 And that one statistic about nothing on-line two years
22 ago is not a lie. If you tried to call and ask for the -- for
23 what the dissolved oxygen trends were in the Mainsten Bay, it
24 took forever, so it can happen. Change can happen very
25 quickly, and I think that was the -- one of the messages I'd

00039

1 like to send to you from the Bay program experience, is that
2 once they -- they spent about six months doing the user needs
3 analyses and having a workshop similar to what you all did, and
4 then within a year and a half had started to get some of those
5 major information sets up there.

6 And one thing about that build it and they will come,
7 the prototyping is very important, because if you can get
8 someone to champion getting certain -- you know, getting some
9 priority information out there, get the Web site established,
10 and work with stakeholders to see -- you know, get the look in
11 the field right, what we found in some of the other areas is
12 that once people see it, they could start to see the benefits
13 as you mentioned, Frank, about reducing the amount of time to
14 find and process data, and then other agencies have started to
15 voluntarily step forward and say, ooh, I want to do this, too.
16 And again, in the Chesapeake Bay watershed, EPA took the lead,
17 but within a matter of about a year after -- actually less than
18 that, there are now about seven organizations from citizen
19 groups to state organizations that have jumped on the
20 bandwagon, because they can see the benefits through the
21 prototyping process.

22 MS. BROWN: I think I'll say what.....

23 CHAIRMAN TILLERY: Ms. Brown.

24 MS. BROWN: I'm equally enthusiastic about it.

25 It's exactly the kind of integration that we need in all of our

00040

1 stages of development, whatever group we're from.

2 I have a follow-up question that relates to I think
3 what you were saying, but I wanted to clarify, and that's that
4 not only if you build it, they will come to use it and to get
5 their data into it, but have you found in your other sites,
6 that it's actually helped agencies and people focus on where
7 there are raw data gaps and then put their energy into that as
8 opposed to maybe something that may have been irrelevant until
9 they really saw the whole picture?

10 MR. SAMUELS: Well, I'll just -- I can talk --
11 the answer to that from the Montana system is yes, that we --
12 that one of the programs that the system in Montana has to
13 address is this total maximum daily load issue, which is a big
14 problem there.....

15 MS. BROWN: I've heard of it, yeah.

16 MR. SAMUELS:as well as other places.
17 And it requires a lot of monitoring data.....

18 MS. BROWN: Uh-hum.

19 MR. SAMUELS:to examine the historical
20 ambient levels in the streams of different pollutants of
21 concerned, and then trends, and what kind of measures can be
22 done to bring these streams in compliance. So a system like
23 that that we built for Montana, we were able to show the
24 locations of all the monitoring stations, be able to provide
25 summary statistics about where the frequency of monitoring was,

00041

1 and being able to visualize, that really did point out where
2 there were significant gaps.....

3 MS. BROWN: Uh-hum.

4 MR. SAMUELS:in data collection efforts.

5 And that allowed them to go and see where they needed to add
6 additional data collection efforts to fill those gaps.

7 MS. BROWN: Thank you.

8 CHAIRMAN TILLERY: Mr. Gibbons.

9 MR. GIBBONS: Mr. Chairman. I understand that
10 this was peer reviewed by the chief scientist? Is he.....

11 MS. McCAMMON: Yes, and he is on line to.....

12 MR. GIBBONS: He's on line. Maybe Bob can.....

13 MS. McCAMMON:give us.....

14 MR. GIBBONS:give us some thoughts on the
15 peer review?

16 CHAIRMAN TILLERY: Are there any other
17 questions or comments by Council members at this time?

18 (No audible response)

19 CHAIRMAN TILLERY: So is that our -- thank you.

20 MS. McCAMMON: They maybe could.....

21 CHAIRMAN TILLERY: Just stay there.

22 MS. McCAMMON:stay available in.....

23 CHAIRMAN TILLERY: Yeah.

24 MS. McCAMMON:case there's any questions
25 after.....

00042

1 CHAIRMAN TILLERY: And is our next thing
2 from.....

3 MS. McCAMMON: Dr. Spies.

4 CHAIRMAN TILLERY: Dr. Spies. Okay.
5 Dr. Spies, are you available?

6 DR. SPIES: Yes, Tillery, I'm here.

7 CHAIRMAN TILLERY: Okay. Can you give us your
8 response, the recommendation and response of the peer
9 reviewers?

10 DR. SPIES: Sure. We downloaded this report
11 electronically last Thursday and distributed it to a couple
12 reviewers around the country, and they've had a chance to look
13 at it, and we've been working with them since that time, and
14 over the weekend to provide some review. And I can summarize
15 the review and recommendations kind of in the rec -- the review
16 points and the recommendation that I would make to the
17 Executive Director and also for your benefit.

18 First of all, we think that the progress on the first
19 part of the '99 Work Plan, or part I, has been quite
20 satisfactory, and we're enthusiastic about the potential of
21 this system. Given the fact that initial discussions were
22 talking about importing large amounts of data into a
23 centralized computer system, and the reviewers kind of not
24 reacting well to that, and talking about a Web-based
25 system, I think that they're definitely headed in the right

00043

1 direction here.

2 The reviewers have, however, raised a number of
3 questions with regards to the exact activities that take place
4 the remainder of '99 for part II of this project, as well as
5 the activities and some of the costs in the second year of the
6 project. I think that some of the comments that Cary made, and
7 especially Bill Samuels made this morning in regard to the rest
8 of '99 would help pretty much, but we would like to see some of
9 this captured and revised DPD for the rest of fiscal year '99
10 that would address some of the following items and concerns.
11 And again, Bill has mentioned most of these in his comments.

12 First of all, a detailed description of the prototype
13 Web based data system that has been identified from the report
14 and user workshop. I think most of the elements are in there,
15 but it's -- part of that report was a little repetitive and
16 somewhat difficult for the reviewers to follow, so I think that
17 we need to get something out there that's more fully defined in
18 terms of what that prototype's actually going to look like, and
19 that would include specifically the data to be included in the
20 prototype, a firm time line versus element, and it looks like
21 they've got that well in mind, so we need to capture that in
22 the DPD.

23 A period of user evaluation again, and a process for
24 identifying and evaluating user feedback on the prototype
25 performance, and it sounds like -- again like they've got that

00044

1 well in mind. And on what type of criteria the prototype will
2 be developed.

3 And, fourthly, some sort of plan for the operation and
4 maintenance of this system, that I think Commissioner Rue
5 brought up this point, including the technical, administrative,
6 and fiscal aspects of the system. How are we going to keep
7 this thing going, and how are we going to grow it in the future
8 beyond Trustee Council funding.

9 Point B. We think there needs to be a greater emphasis
10 on achieving the simpler preliminary aspects of the data
11 system.....

12 CONFERENCE OPERATOR: Pardon me, we're adding
13 Bob Henrichs at this time.

14 DR. SPIES: Okay. A greater emphasis on
15 achieving the simpler preliminary aspects of the data system,
16 with a little less emphasis on development of more
17 sophisticated requirements, so while we think that the on-line
18 analytical tools is a unique feature of this system, we're a
19 little bit worried about getting that effort ahead of where the
20 users are in terms of accepting those tools and the utility of
21 the tools and how often they'll be needed.

22 The reviewers felt that more emphasis should be given
23 to the actual first steps in building the system, getting it on
24 line and testing it, and obtaining wide participation and
25 support from the user community.

00045

1 And the third point I'd like to make, point C, is some
2 sort of demonstration of cost-sharing for fiscal year 2000.
3 That is mentioned, and we'd really like to see more
4 participation. If this is really going to be a system that's
5 going to be supported by a wide variety of user groups and
6 agencies, I think their participation fiscally would be.....

7 CONFERENCE OPERATOR: This is the conference
8 operator adding Trudy Oderman (ph).

9 DR. SPIES:the key indicator of their
10 enthusiasm for the system.

11 The original budget est -- the third point I'd like to
12 make, the original budget estimate that was submitted with the
13 original DPD for '99 was \$600,000 for fiscal year 2000. The
14 reviewers and I do not believe that that sort of figure is
15 justified at this time based on the cost that we're aware of
16 for instituting other Web-based distributed data networks
17 between institutions. I think you heard Cary refer to in the
18 case of the Chesapeake Bay system a figure of about \$200,000 to
19 get most of the system up and running.

20 So those are our essential -- my recommendations to the
21 Executive Director that incorporate a lot of the reviewer
22 comments.

23 CHAIRMAN TILLERY: Okay. Thank you, Dr. Spies.

24 If the teleconference operator is on line, it's not
25 necessary to announce when you're adding someone. Just add

00046

1 them in and we'll pick that up later.

2 Are there questions for Dr. Spies? Ms. Brown.

3 MS. BROWN: Dr. Spies, have you gone over these
4 items with the project team so that there's been a dialogue on
5 these points, or is this first time they're seeing it?

6 CONFERENCE OPERATOR: This is the conference
7 operator adding Kris Blackburn.

8 CHAIRMAN TILLERY: Conference operator?

9 CONFERENCE OPERATOR: Yes?

10 CHAIRMAN TILLERY: If you could just add people
11 without necessarily.....

12 CONFERENCE OPERATOR: I understand.

13 CHAIRMAN TILLERY:announcing them, that
14 would be fine.

15 CONFERENCE OPERATOR: Okay. Thank you.

16 DR. SPIES: Commissioner Brown, we've had very
17 little time to develop these review points, and we have not
18 time -- we have not had time to go through these yet with the
19 project team and the agencies, so I'm presenting them. I think
20 that there was a handout that was recently made available of
21 these comments.

22 MS. BROWN: Yes, we've received it.

23 DR. SPIES: It should be up in the Restoration
24 Office for distribution.

25 CHAIRMAN TILLERY: Okay.

00047

1 MR. RUE: I think we've got it.

2 CHAIRMAN TILLERY: Are there other questions
3 for Dr. Spies, or comments?

4 (No audible responses)

5 CHAIRMAN TILLERY: Was the -- Molly, is there
6 anyone else that will be making a presentation, or do you feel
7 like you want to.....

8 MS. McCAMMON: No.

9 CHAIRMAN TILLERY:address Dr. Spies'
10 comments? Are you prepared to do so at this time?

11 MR. SAMUELS: It's the first time we've seen
12 it.

13 MS. GAUNT: I mean, I think.....

14 MS. McCAMMON: I should mention, we got the
15 report Thursday, and the peer reviewers did work over the
16 weekend to get these comments. So I wanted to make sure you
17 got the comments, but I don't know how much they capture some
18 of the Council's interest or concerns, or what DNR is prepared
19 to respond to them today, or how DNR actually wants to handle
20 it, so I think it's probably fair to ask.....

21 CHAIRMAN TILLERY: It would seem appropriate
22 that the project would have a little bit more time to come back
23 and respond to these, and perhaps we could do that at a later
24 meeting, or just get a report, a written report back from it.

25 MS. McCAMMON: It's up to you how you want to

00048

1 handle it.

2 CHAIRMAN TILLERY: Carol, did you have a -- you
3 need to come up here if you have a comment.

4 MS. FRIES: Perhaps we could propose that as
5 the detailed implementation plan is drawn up, that that be sent
6 to the peer reviewers for their input. I think that might
7 allow the project team to address some of the questions that
8 have been raised, and demonstrate a little more fully what is
9 proposed to be accomplished, as well as the time line for doing
10 so between now and the end of this fiscal year.

11 DR. SPIES: Bill, I think that would help quite
12 a bit, because we're obviously dealing with moving targets.
13 You know, we had the post-workshop report to look at, and just
14 based on the comments of the SAIC team, it's obvious that
15 they've got many of these things in mind, that we just want to
16 see them captured by a revised DPD.

17 CHAIRMAN TILLERY: Commissioner Rue, did
18 you.....

19 MR. RUE: I guess I was a little nervous that
20 we have a very tight time line, if we start going back and
21 forth and back and forth, it could -- we'll lose it, so it
22 seems to me if these are good comments, that the Executive
23 Director and the Chief Scientist work with the project team to
24 incorporate some of these recommendations in the next steps. I
25 think we've got where we need to go without a whole lot of back

00049

1 and forth.

2 CHAIRMAN TILLERY: My understanding is that the
3 status of this is that this project is going forward
4 absent.....

5 MR. RUE: Let's move ahead, right.

6 CHAIRMAN TILLERY:this Council saying
7 stop, and I don't hear anybody.....

8 MR. RUE: Right.

9 CHAIRMAN TILLERY:saying stop, so I think
10 the direction would be to go forward, but as part of this
11 information process back to us, you -- we would like a response
12 to these.....

13 MR. SAMUELS: Right.

14 MS. GAUNT: Right.

15 CHAIRMAN TILLERY:concerns, or -- and
16 some dialogue, if that's acceptable.

17 MR. SAMUELS: Right.

18 MS. FRIES: Right.

19 CHAIRMAN TILLERY: Yeah.

20 MR. RUE: I just didn't want to see a giant do
21 loop start, and then they don't get it.....

22 CHAIRMAN TILLERY: No, no, I think they
23 continue what they're doing.

24 MS. FRIES: Can I? I think one thing that we
25 found beneficial in going to the peer reviewers was that we

00050

1 were getting some very good technical comments back, and I
2 think also the implementation plan will be posted on the Web
3 for other people to provide comments to us, and it sort of is
4 going to be an iterative process. But I think their comments
5 have been helpful, and keeping the technical evaluation I think
6 has been useful.

7 CHAIRMAN TILLERY: Ms. McCammon.

8 MS. McCAMMON: Mr. Chairman, a point of
9 clarification here, just for my benefit. We would be very
10 happy to work with the Chief Scientist and the project
11 proposers in responding to those questions identified by the
12 Chief Scientist. The question is, does this information go
13 back to you before I authorize Phase II, or what kind of role
14 is the Council playing in this? Do you just want to be
15 informed by memo on what's happening.....

16 MR. PENNOYER: Yeah. Mr. Chairman, I think the
17 sense.....

18 MS. McCAMMON:in response to those?

19 MR. PENNOYER:the sense was that we
20 wanted to be informed by memo, but.....

21 MS. McCAMMON: Okay.

22 MR. PENNOYER:there's no reason not to go
23 ahead with Phase II, and after that step back and look at where
24 we are on the.....

25 MS. McCAMMON: Okay. I just wanted to make

00051

1 sure.

2 MS. FRIES: Could I clarify one point? We're
3 not talking about rewriting the DPD then. We're talking about
4 developing the implementation plan and having that considered?
5 Because I think rewriting the DPD is another time consuming
6 exercise. The implementation plan is a part of that.

7 MS. McCAMMON: Mr. Chairman, I think we would
8 actually like a revised Detailed Project Description, but we
9 can talk about how best to do that.

10 CHAIRMAN TILLERY: I had the same concern when
11 I sort of read this recommendation, that we not spend a lot of
12 time just spinning that wheel, but if you can make it part of
13 the process that gives us -- makes us go forward, that would be
14 helpful.

15 MS. McCAMMON: We can do it as we've done
16 similar things, either in the form of a memo and describing
17 what the changes are, whatever.

18 CHAIRMAN TILLERY: Other comments or questions?
19 We do have Commissioner Shively with the Department of Natural
20 Resources with us here today. Commissioner, did you have any
21 comments?

22 MR. SHIVELY: Not at this time. Thank you.

23 CHAIRMAN TILLERY: Thank you. Okay. Thank you
24 very much.

25 MS. GAUNT: Thanks a lot. Thanks.

00052

1 CHAIRMAN TILLERY: Does that end our
2 presentation.....

3 MS. McCAMMON: Yes.

4 CHAIRMAN TILLERY:on CIIMS?

5 MS. McCAMMON: Yes.

6 CHAIRMAN TILLERY: Okay. The next item on the
7 agenda is the public comment period. I'd like to thank the
8 people who are on-line and who wish -- or in the audience, and
9 wish to make comments for being patient with us as we ran a
10 little bit long on the consideration of the last project. It's
11 10:46. It would be helpful if people would try to keep their
12 comments relatively brief, somewhere in perhaps the three to
13 four-minute range.

14 And I would like to reiterate what I indicated at the
15 beginning of the meeting, which is that there was a final
16 deadline for written and oral comments concerning use of the
17 Restoration Reserve. That was February 12th. The Council
18 cannot consider comments received after that date. So we'd
19 appreciate your cooperation with that. And with that in mind,
20 we'll begin taking public comment, unless anybody on the
21 Council needs to take a break for any reason? I see we lost
22 Commissioner Rue.

23 MR. PENNOYER: We're sort of doing it in place
24 I think.

25 CHAIRMAN TILLERY: Okay. Then we will move

00053

1 forward. It's a little bit different today, because we're not
2 on the teleconference network. I'm not totally sure that I
3 know who's out there, but I do have some names. I'll be going
4 through those and then ask for other people who I haven't named
5 who may be on line to see if they have any comments. And I
6 will start with the teleconference. I'll first start with
7 Glenn Ellison. Do you wish to make a comment, or is there
8 anyone with you who wishes to make a comment?

9 (No audible response)

10 CHAIRMAN TILLERY: All right. Then we have Bob
11 Spies. Dr. Spies, is there anyone with you who wishes to make
12 any kind of a public comment at this time?

13 DR. SPIES: No, there isn't.

14 CHAIRMAN TILLERY: Okay. The third person we
15 have is Dave Cobb in Valdez. Mayor Cobb, do you wish to make a
16 comment, or is there anyone else there who would like to make a
17 comment?

18 MR. COBB: Yes, Mr. Chairman, I'd like to make
19 a comment. First of all, good morning. I'd like to invite and
20 welcome any members in the audience or the Trustee Council to
21 attend on March 21st and 22nd, Partners in Prevention symposium
22 in reference to the 10th anniversary of the Exxon Valdez oil
23 spill. We will be hosting that symposium here in Valdez with a
24 significant amount of people attending.

25 I'd also like to extend the appreciation of the City of

00054

1 Valdez and its people for the efforts of the Council and Staff
2 with regard to the Blondeau parcel purchase in Valdez. This
3 purchase secures and protects a significant portion of valuable
4 wetlands and spawning habitat necessary for the restoration of
5 numerous injured species in Port Valdez. As we look forward to
6 on March 21st and 22nd Partners in Prevention symposium, what
7 we see here is truly a partnership in restoration between the
8 EVOS Trustees, the State of Alaska, and the City of Valdez. We
9 wish to really thank you for that.

10 Also, I'd like to encourage the Council members to move
11 ahead with a final determination for the Restoration Reserve.
12 As the 10th anniversary rapidly approaches, it is important to
13 make a decision fairly soon. Regardless of the disposition of
14 these funds, whether they're used for community projects or
15 significant small parcel purchases, or a long-term endowment
16 for scientific study and monitoring, a decision needs to be
17 made, and I would certainly encourage the Council to do that as
18 soon as possible.

19 Thank you.

20 CHAIRMAN TILLERY: Thank you, Mr. Cobb.

21 Questions or comments from Council members?

22 (No audible responses)

23 CHAIRMAN TILLERY: Okay. Is there anyone else
24 with you in Valdez who wishes to make a comment at this time?

25 MR. COBB: No, sir.

00055

1 CHAIRMAN TILLERY: Okay. Thank you very much.
2 Our next person is Mr. Hock. Mr. Hock. I believe he was
3 probably on for that last item.

4 MS. BROWN: He was on for the last one if there
5 were questions. Uh-hum.

6 CHAIRMAN TILLERY: Okay. Ms. Brodie, are you
7 on line?

8 MS. BRODIE: Yes.

9 CHAIRMAN TILLERY: Okay. Do you have a
10 comment, or is there anyone with you who has a comment?

11 MS. BRODIE: Yes, I'm alone in Homer. This is
12 Pamela Brodie. I wrote the -- a letter with some attachments
13 to the Trustee Council. I apologize for getting it in so late,
14 and I am past the deadline commenting about Restoration
15 Reserve. I had thought from the past that the Trustee Council
16 did consider comments up to a point of decision, so I hope
17 you'll bear with me for a couple of minutes on this.

18 What I wrote up was something about some of the
19 potential future sales, or future agreements that the Trustee
20 Council might make with land owners. And to be sure, none of
21 these land owners are probably what the Trustee Council thinks
22 of as the most ideal willing sellers in that some of them are
23 only at this point interested in conservation easements,
24 including Ouzinkie which just became a willing seller I think
25 at the end of last week. And some others do have higher prices

00056

1 than appraised values currently. But I know the Trustee
2 Council is thinking in terms of a research science endowment in
3 terms of long-term, not just five years from now, but 50, 100,
4 maybe hundreds of years from now being able to do science. And
5 I'd like to encourage the Trustee Council to remember that with
6 the Eyak Corporation and Koniag, that within the space of about
7 a year I think, a year, maybe two years, these corporations
8 became much more motivated to come to agreements with the
9 Trustee Council than they had been. And I think that within
10 the space of a few years, certainly five or 10 years, that some
11 corporations are going to be more motivated than they are now.

12 And I would also encourage the Trustee Council to take
13 another look at conservation easements, not to come to any
14 hasty decisions about the restoration reserve without taking a
15 look at Ouzinkie, for example.

16 And in particular, I'd like to point out that the Lake
17 Clark National Park and Preserve, which I've never been there,
18 but I understand from reading about it and talking to people,
19 that it's really a national park that's got everything that
20 people think about when they think about Alaska, and yet, as
21 with Kenai Fjords, the coastline is -- part of the coastline is
22 in private hands. In this case, lands which are commercial
23 timber, which are facing logging, and coastline which is
24 extremely productive salt marshes, especially well known for
25 brown bears, but supporting many other species. And while it

00057

1 might be hard with some of the numerous land owners, to come to
2 a quick decision, Seldovia Native Association is a willing
3 seller, fee simple. The others are more interested apparently
4 in conservation easements at this point. But I think that in
5 time, it's quite likely that a very important agreement could
6 be reached over Lake Clark, and I think it would be tragic if
7 there aren't funds available to make that park and preserve
8 whole.

9 So I hope that as you come to a decision about the
10 restoration reserve, that you'll keep Lake Clark and these
11 other potential land owners in mind. Thank you very much.

12 CHAIRMAN TILLERY: Okay. Thank you,
13 Ms. Brodie. I would remind people that again the public
14 comment on the uses of the reserve has closed. The Council
15 cannot consider remarks. It would be unfair to those people
16 who have abided by the deadline, and we did have quite a number
17 of people who submitted things on the 12th and immediately
18 preceding there, in an attempt to meet the deadline.

19 Are there questions or comments from Council members of
20 items from Ms. Brodie other than items on reserve?

21 (No audible responses)

22 CHAIRMAN TILLERY: Okay. Thank you. Pam, is
23 there anyone else -- you're there alone, is that what you said?

24 MS. BRODIE: Yes, I'm at my house. I don't
25 know if there's anyone else in Homer, but I don't.....

00058

1 CHAIRMAN TILLERY: Okay. Right. There's
2 probably somebody there.

3 The next person that I have on the list is Kris
4 Blackburn. Mr. Blackburn.

5 MS. BLACKBURN: Yes.

6 CHAIRMAN TILLERY: Ms. Blackburn.

7 MS. BLACKBURN: This is -- yes, this is Chris
8 Blackburn in Kodiak, and Al Birch is also with me here.

9 We submitted letters, I don't think we did it on the
10 12th, but we've done it for the last two years, urging the
11 foundation to be basically money for research. We want an
12 endowment that works along the lines that EVOS has been
13 working, not endowing a chair, but money for research on a
14 competitive basis.

15 (Background conversation on telephone)

16 MS. BLACKBURN: Am I still on?

17 CHAIRMAN TILLERY: Yeah. No, you are. Can you
18 please -- was that somebody with you or is that.....

19 MS. BLACKBURN: No.

20 CHAIRMAN TILLERY: Okay. Well,.....

21 MS. BLACKBURN: That was out of the blue.

22 CHAIRMAN TILLERY: Okay. Well, can you go
23 ahead and continue with your comments?

24 MS. BLACKBURN: Okay.

25 CHAIRMAN TILLERY: And again, do try to stay

00059

1 away from the reserve issue.

2 MS. BLACKBURN: The money for the Gulf of
3 Alaska has always been very poor, and the research needs have
4 been very large. We have a thriving fisheries industry all
5 over Alas -- all over the Gulf of Alaska, and to be able to
6 augment that with the kinds of work that EVOS could do, we
7 think is very important on a foundation basis.

8 We do understand the need for some money to buy land,
9 and within our -- we have an ad hoc research group in Kodiak,
10 which is most of the leaders and interested fishermen, and we
11 discussed this two years ago and agreed that 15 percent of the
12 annual proceeds out of the foundation could be used for land,
13 but we do not want to see this become another way to lock up
14 all the land in Alaska. We want to see it used carefully for
15 places that are truly critical.

16 And I think I'll turn this over to Al.

17 MR. BIRCH: Yeah. Good morning. I appreciate
18 the opportunity. Chris stated it pretty well. We definitely
19 need research in order to make informed decisions.

20 (Indiscernible - phone garble) and I understand that we have to
21 do something there, as has been in the past on the land
22 purchases, but I think it's time to really look at the long
23 term -- at a long-term endowment for research, so we can make
24 good decisions with this.

25 Thank you.

00060

1 CHAIRMAN TILLERY: Okay. Thank you. Are there
2 any comments or questions from Council members? Commissioner
3 Rue.

4 MR. RUE: Mr. Chairman, I hate to, not on this
5 particular speaker, but I do have a procedural question when
6 we're finished with these.....

7 (Background conversation on telephone)

8 CHAIRMAN TILLERY: Do you have.....

9 MR. RUE: Is this the time for a procedural
10 question?

11 CHAIRMAN TILLERY: I -- sure, this -- we'll
12 do.....

13 MR. RUE: We have told people.....

14 CHAIRMAN TILLERY:a procedural question.

15 MR. RUE:we're not going to have public
16 testimony on those issues. It closed. Do we want to still let
17 people testify on that?

18 CHAIRMAN TILLERY: Well, I don't -- I think
19 we've asked people not to testify on that, but I can't.....

20 MR. RUE: Can't stop them, all right.

21 CHAIRMAN TILLERY: We can't stop them, but I
22 think they need to know the Council will not be
23 considering.....

24 MR. RUE: All right. Fair enough.

25 CHAIRMAN TILLERY:relying upon remarks.

00061

1 MR. RUE: Fair enough. It's just we do have an
2 agenda we have to get through, so.....

3 CHAIRMAN TILLERY: That's correct. Okay. Any
4 other questions or comments?

5 (No audible responses)

6 CHAIRMAN TILLERY: Okay. The next person I
7 have on this list is Bob Henrichs, I assume in Cordova?

8 MR. HENRICHS: Yeah, I'm here in Cordova. And
9 any of you guys coming down this way, bring your snow shovels,
10 because we had two feet of snow Friday. Am I still on there?

11 CHAIRMAN TILLERY: You're still on.

12 (Laughter)

13 MR. RUE: Our jaws are all.....

14 MR. HENRICHS: I didn't hear any volunteers,
15 so.....

16 CHAIRMAN TILLERY: No.

17 MR. HENRICHS: Well, I'd like to speak -- I
18 understand you're not taking testimony on the Restoration
19 Reserve, but I do understand that you're going to spend some
20 more money before your time runs out that isn't Restoration
21 Reserve money, and I'd like to see money spent on the species
22 that aren't recovered, and cut back on habitat acquisition.
23 There are species that aren't recovered that people in the oil
24 spill region depend on for subsistence, and they don't seem to
25 be getting any attention.

00062

1 I'd also like to point that the damage was not done to
2 the land, it was done to the water column, and I'd like to see
3 more money spent on the Outer Continental Shelf, any damages to
4 the water column on the Outer Continental Shelf. And that's
5 all I have to say today.

6 CHAIRMAN TILLERY: Okay. Thank you, Bob. Are
7 there questions or comments from Council members?

8 (No audible responses)

9 CHAIRMAN TILLERY: Okay. Bob, is there anyone
10 else with you there who'd like to come.....

11 MR. HENRICH[S: No, I'm at home, so.....

12 CHAIRMAN TILLERY: Okay. All right. Thank
13 you.

14 Those are the names that I have. Is there anyone from
15 Kodiak who's on line?

16 MR. PANAMARIOFF: Yes, Paul Panamarioff,
17 Ouzinkie.

18 CHAIRMAN TILLERY: Okay. Do you have a
19 comment?

20 MR. PANAMARIOFF: Yeah, I'd like to make a
21 brief comment on, excuse me, that \$20 million community fund
22 that was proposed, which, of course, most of the people I've
23 spoken to in Kodiak believe that is an excellent idea. The
24 recovery -- much of the effort has been to the recovery of all
25 the tangible things, which are fine, but there are other

00063

1 needs, such as the human and traditional knowledge that go
2 hand-in-hand with programs such as Youth and Elders Conferences
3 that we've been having, the continuation of Spirit Camps, the
4 Kodiak Island interns continuing participation in the future.
5 It is money that I believe, that we believe need to be taken in
6 serious consideration.

7 And that's all I have, and I thank you very much.

8 CHAIRMAN TILLERY: Okay. Thank you. Are there
9 questions or comments from Council members?

10 (No audible responses)

11 CHAIRMAN TILLERY: Okay. Is there anyone else
12 with you who would like to comment?

13 MR. PANAMARIOFF: I'm alone.

14 CHAIRMAN TILLERY: Okay. Thank you. Is there
15 anyone else from Kodiak who's on line that would like to
16 comment?

17 (No audible responses)

18 CHAIRMAN TILLERY: Okay. Is there anyone else
19 from Valdez who's on line who would like to comment?

20 (No audible responses)

21 CHAIRMAN TILLERY: Is there anyone else from
22 Homer who's on line who would like to comment? Is there anyone
23 else who's on line who would like to comment?

24 (No audible responses)

25 CHAIRMAN TILLERY: Okay. Thank you.

00064

1 We're going to move to Anchorage. We have quite a
2 large list of people who would like to comment. Again, try to
3 keep your comments in the three-minute or so range, and we
4 would appreciate your cooperation in not commenting about the
5 use of the Restoration Reserve.

6 The first person on our list is Michael O'Connor.
7 Mr. O'Connor.

8 (No audible responses)

9 CHAIRMAN TILLERY: No? The next person on our
10 list is Calvin Lensink. Calvin. If you can come up here and I
11 guess we've got all the microphones you need. So.....

12 MR. LENSINK: Probably too many. Thank you for
13 the opportunity to testify on behalf of the Pacific Seabird
14 Group and the National Wildlife Refuge Association. The
15 Seabird Group and the Refuge Association are nonprofit
16 organizations whose membership is composed primarily of
17 professionals in the field of biologic conservation. The
18 Seabird Group is dedicated to the study of conservation of
19 marine birds in the North Pacific, and the Refuge Association
20 promotes the values of the national wildlife system.

21 Both organizations commend the Trustee Council for its
22 prior focus on habitat protection and research and monitoring
23 programs. Much has been accomplished. We have learned much
24 more about the resources and functioning of Prince William
25 Sound ecosystems than we did at the time of the spill. The

00065

1 Trustees have been able to purchase or protect much of the high
2 quality habitat from marine and coastal birds that were
3 severely injured by the spill, in so doing have protected
4 habitat that is important to many other species as well. In
5 total, about 650,000 acres in Kodiak Archipelago, the Kenai and
6 Prince William Sound have received protection.

7 Most of the fish and wildlife injured by the spill and
8 many other species of significant concern spend all or most of
9 their life cycles in marine environments. Although some means
10 for protection of marine habitats are possible, for example,
11 creation of marine sanctuaries, the Seabird Group and the
12 Refuge Association place a very high priority on the continued
13 gathering of long-term information on the health, processes,
14 variability of marine ecosystems, including the status and
15 ecology of fish and wildlife service -- fish and wildlife
16 populations, and the physical and biological oceanographic
17 factors that drive productivity. Think, if you will, of the
18 decline of several species of fish, seabirds, waterfowl, and
19 marine mammals over the past two decades, and the uncertainties
20 and controversies over their protection and management. We
21 simply cannot be wise stewards of the vast and complex
22 ecosystems such as in the Northern Gulf of Alaska without solid
23 long-term, and I emphasize the long-term, data on how the
24 system works.

25 For the above reasons, the Pacific Seabird Group and

00066

1 the National Wildlife Refuge Association recommend the
2 continued balance approach taken by the Trustee Council. Thus,
3 we strongly favor allocating about 100 million out of the 140
4 million for establishing permanent research and monitoring
5 programs for the Northern Gulf of Alaska. This would provide
6 the income of five to \$6 million a year, regard to staying --
7 sustaining a worthwhile program for long-term monitoring and
8 carefully targeted research. We believe that the Trustees are
9 able to commit these resources in perpetuity. It would
10 leverage funding commitments from other sources and programs,
11 thus enhancing the value of the Trustee Council's investment.

12 The Pacific Seabird Group has gone on record several
13 times supporting the allocation of some funds for endowment of
14 a chair at the University of Alaska. They continue to believe
15 this would be an appropriate step, and would encourage you to
16 explore that option as a means of implementing one part of the
17 proposed long-term research and monitoring program.

18 Finally, we believe that most of the funds not
19 dedicated to long-term research and monitoring programs,
20 perhaps 40 million or more, should be used to continue the
21 Trustee Council's efforts to acquire and protect key habitat,
22 particularly in the remaining critical areas of Kodiak Island.

23 And thank you again for your opportunity to testify
24 here.

25 CHAIRMAN TILLERY: Thank you. Are there

00067

1 questions or comments from Council members?

2 (No audible responses)

3 CHAIRMAN TILLERY: Okay. Thank you. Our next
4 person is McBurney. No? Okay. Arliss Sturgulewski is our
5 next person who has signed up.

6 MS. STURGULEWSKI: You've seen my face for 10
7 years. That's probably long enough.

8 Mr. Chairman, members of the Trustee Council, I did
9 listen to your admonition, and I had written testimony in by
10 the 12th, but I did want to make a couple of comments. I'm
11 here as an individual, but I also serve on the Rural Governance
12 Commission, the School Advisory Council, and the Bering Sea
13 Task Force. And I'm really struck by the impacts that people
14 have as a result of our both land and marine resources, and
15 I've travelled very extensively in rural Alaska over the past
16 year. And it's interesting, the tremendous amount of publicity
17 and industry that you have received and will receive over the
18 next couple of months. And I just wanted to pass along kudos
19 in some ways, and that was continued by the presentation we saw
20 a little bit earlier this morning.

21 But I think the Trustees, and you're not all the same
22 faces that were here, but as the process has gone on, we've
23 seen some really significant things happen that have not
24 happened, and that is coordinated research that has taken
25 place. We have seen the scientists instead of going off and

00068

1 doing their thing and just taking the pot of money might (sic)
2 be available to do far more in terms of assisting in a plan and
3 bringing in traditional knowledge.

4 The biggest thing that I think you've done is through
5 your Restoration Reserve conferences where people come and
6 we're starting, I'm not a scientist, to be able to understand
7 the things that you're learning, and that need for not only the
8 coordinated research, but the public involvement I think needs
9 to continue.

10 I'm very excited about what Senator Stevens is doing
11 and his very competent staff in taking a look at the Bering
12 Sea, and the potential for bringing in the stakeholders in the
13 very broad sense into looking at what is needed to be done
14 there. A lot of people have theories about warming, about
15 foreign fisheries and so on. The truth of the matter is, we
16 don't know what's really happening near shore as well as ocean.
17 And so I see what's happening in the Northern Gulf, there's a
18 lot to be learned that can be translated and transported into
19 the Bering Sea, but also the potential for the coordination
20 that can come from an on-going research in the Northern Gulf
21 along with the Bering Sea, and I think we'll go a long way to
22 really meeting the needs of Alaska.

23 Our public policy in this State is pretty deplorable,
24 and you're really setting the stage, I think, for some exciting
25 things to happen. So I've said it before, and will probably

00069

1 say it again, but I really do want to thank you for your work,
2 and I think you're on to something. Thank you.

3 CHAIRMAN TILLERY: Thank you very much. Are
4 there questions or comments? Ms. Sturgulewski, if you could
5 wait a second?

6 MR. RUE: A quick question.

7 CHAIRMAN TILLERY: Commissioner Rue would like
8 to interrogate you.

9 (Laughter)

10 MS. STURGULEWSKI: You better make it nice.

11 MR. RUE: You're always nice to me, so.....

12 MS. STURGULEWSKI: Thank you.

13 MR. RUE: Rural Govern- -- your lessons from
14 the Rural Governance experience, one of the things we've tried
15 to do in the Department is involve the public more in not only
16 the allocation decisions for the Board of Fish or Board of
17 Game, but also in some of our research and management actions.
18 And obviously the local -- have you in your travels with the
19 Local Governance.....

20 MS. STURGULEWSKI: Uh-hum.

21 MR. RUE:group, has that been a major
22 issue for folks, is involvement.....

23 MS. STURGULEWSKI: Well,.....

24 MR. RUE:in fisheries, wildlife
25 management?

00070

1 MS. STURGULEWSKI: Yeah. I've got to tell you
2 that, and I guess I'm going to sound critical here, one of the
3 biggest needs that we have found is for translators, is for
4 people that can explain to people what's going on, for the
5 educational part. I was really struck, we were out on the
6 Yukon at Nulato, and it happened to be a meeting of some 42
7 communities on the Yukon. They had a conference, and we
8 listened, that is, members of the Rural Governance, for a day
9 and a half. There were only two State people there when the
10 most incredible things came out: dependency on the resource
11 both the river itself, and then the land animals, but issues of
12 concern, of potential pollution of the river, on and on and on.
13 The face of government is still a long ways away from where the
14 people are.

15 And so I think that the message I would have is not
16 only do we develop policies for making decisions that affect
17 the people that live along the marine environment, and that
18 takes in the watersheds and all the rest, but we also find a
19 way of taking their knowledge that comes from observation for a
20 long time, and then transmitting knowledge back to them. And
21 there's just a real break between the people that live there,
22 and the people that make the laws and the rules and the
23 regulations. And it isn't an antagonistic situation, I think
24 it's one that can really be helped.

25 And you've done that. For the first time we've had --

00071

1 I've seen scientists reach out to get the traditional
2 knowledge, and there's a lot of stuff that's come out. I would
3 hope you would think about somewhere a paper of the lessons
4 you've learned through this whole process, because I think it
5 could be helpful in other areas. Thank you.

6 MR. RUE: Thank you.

7 CHAIRMAN TILLERY: Thank you. Are there other
8 questions or comments?

9 (No audible responses)

10 CHAIRMAN TILLERY: Okay. Thank you very much.
11 Jim Sikes. Okay. Matthew Zencey.

12 MR. ZENCEY: Hi. Thanks for the opportunity to
13 comment. In spite of the fact you won't be taking substantive
14 comments on the use of the Restoration Reserve, I do have some
15 comments on the process that you're using at this point.

16 We're -- I represent the Alaska Rain Forest Campaign, a
17 coalition of national environmental -- national and Alaska-
18 based environmental groups, with members of some nearly 2
19 million nationwide, and we're on record of long-standing
20 interest in seeing a substantial portion of the Restoration
21 Reserve used to further protect habitat. I won't go into the
22 merits of that position, since that is well documented, and
23 apparently you're not interested in hearing it amplified again
24 today, but I will talk about the process.

25 And I would say that your intention to make a decision

00072

1 without any public notice of what that decision is specifically
2 we find profoundly disappointing, and we think it spoils an
3 otherwise good record that the Trustee Council has had of
4 soliciting public comment and involving the public in its
5 decision. Specifically I think what the Council ought to do is
6 explain its intentions with respect to use of the Restoration
7 Reserve fund, and explain the rationale for it. You have three
8 very worthwhile potential uses of that fund: community
9 projects, further studies and habitat protection. And I think
10 it would be useful both from a planning standpoint and a public
11 process standpoint for you to thoroughly discuss what those
12 opportunities are on those three tracks, and why you propose to
13 allocate the reserve in the way you do, and let the public see
14 something specific.

15 What you had started last year, 14 months ago was what
16 I would call a scoping process, where you said this is the
17 universe of possibilities. We have no idea where you're going
18 to land inside that universe of possibilities. I have very
19 strong indications from a number of the Trustee Council
20 members, those who returned my calls at least, that you intend
21 to make a decision on the merits as to how the Restoration
22 Reserve will be used, at least insofar as habitat versus other
23 uses is concerned. And I think that's a defective public
24 process. I really think you need a more thorough and
25 comprehensive analysis released to the public so they have some

00073

1 sense of specifically where you're going and why.

2 Just to throw in a few other arguments into the mix for
3 why you ought to allow further public involvement and scrutiny
4 of this process, I would note that you have a deal pending with
5 Koniag, which is a very encouraging development. That was not
6 something that we all thought might still have legs, and I
7 think it's strategically or tactically perhaps unwise to let
8 Koniag know exactly how much money is potentially on the table.
9 You have a new offer from Ouzinkie Native Corporation for
10 conservation easements. You have serious negotiations going on
11 at Lake Clark with at least one willing seller, the National
12 Park Service does.

13 You have two brand new trustees, one whose first
14 meeting I believe is today. First or second. You have two
15 federal trustees that are relatively new to the Council, and
16 may not have as much familiarity with where the other trustees
17 want to head as they should before you make a decision like
18 this.

19 And, finally, I'd like to express some concern that the
20 -- about the nature of the executive session that is on your
21 agenda. I see it's habitat protection. I don't know if you're
22 going to discuss specific deals. I hope you are. Because if
23 you are intending to deliberate the split of the Restoration
24 Reserve, I would find that defective public process again.
25 It's my understanding the State trustees are bound by the State

00074

1 Open Meetings Law, and the State Open Meetings Law has a very
2 heavy bias in favor of open public process and deliberation.
3 And there would be no reason I'm aware of that would allow you
4 to deliberate the split of the Restoration Reserve in a session
5 that's not open to the public. So I certainly hope that you
6 will allow for a better public process and more thorough public
7 process by delaying any substantive decision on how the
8 Restoration Reserve should be used.

9 Thank you.

10 CHAIRMAN TILLERY: Thank you. Are there
11 questions or comments for Mr. Zencey? And I would note that
12 his comments on sort of procedure are appropriate, and it's
13 appropriately, Council, to consider and respond to those. Are
14 there any questions or comments of Council members?

15 (No audible responses)

16 CHAIRMAN TILLERY: Thank you very much. Our
17 next person would be John Schoen.

18 MR. SCHOEN: Good morning, Mr. Chairman,
19 Trustee Council members, and Ms. McCammon. My name is John
20 Schoen. I'm the Executive Director of the National Audubon
21 Society here in Alaska.

22 And I came prepared to talk about the reserve fund, and
23 it was a surprise to me when there's a bit of a change. So I'm
24 going to compromise. I'm going to dramatically make my
25 comments briefer, and I will touch on the procedural aspect

00075

1 briefly.

2 But, first, I believe that the EVOS Trustee Council and
3 staff have done an outstanding job in the restoration work, and
4 you've had an excellent public involvement process. We thank
5 you very much for that.

6 Audubon strongly favors a two-pronged approach for
7 allocating the reserve fund in a 50/50 split between habitat
8 acquisition, both large and small parcels, and long-term
9 research and monitoring. I'm not going to go into more detail
10 on that, because I submitted written comments last year for the
11 record.

12 Relative to your decision today, I understand that
13 you're close to making a decision today, and I strongly
14 encourage you to take your time. Don't be compelled to push
15 this quickly. Try and take a good look at the habitat
16 acquisition, the research issue, with your new Trustee Council
17 members, and I really encourage you to look at that closely.
18 This is a very, very big decision that could be with us for 100
19 years. And we really encourage you to look at that closely.

20 Thank you very much. I've made my comments much
21 briefer.

22 CHAIRMAN TILLERY: Thank you very much. Are
23 there questions or comments from Council members?

24 (No audible responses)

25 CHAIRMAN TILLERY: Thank you very much. Our

00076

1 next individual would be Jay Stange.

2 MR. STANGE: Good morning, everybody. My name
3 is Jay Stange, and in the last year I've been before the
4 Council a number of times to talk about this issue. And I
5 wanted to take a moment today, -- and by this issue, I mean the
6 Restoration Reserve, and at the risk of trying your patience, I
7 do have some comments on the reserve, not with regards to my
8 preferences about the way that reserve should be allocated, but
9 about the process as well.

10 I want to take a minute and just put into perspective
11 the decision that you have here, and the public process that
12 you've been through so far. I think to get 2400 comments on
13 any decision is a remarkable feat, and I want to congratulate
14 the Staff and the Council and other interested parties in
15 generating that much interest, and I think that it's fantastic.
16 It's been a long process, it's been a good process so far, and
17 I'm one of those folks who's been here to talk about this issue
18 a number of times.

19 And I haven't understood that there would be a closed
20 door process to make a decision about this money. You know,
21 normally when a decision of this magnitude is made, there's a
22 NEPA process, there's, you know, a list of alternatives that's
23 put out to the public for people to comment on, and, you know,
24 there's generally some indication other than a couple of media
25 interviews as to how the decision is going to go down.

00077

1 And, you know, I generally disagree with Senator
2 Murkowski and a number of interests that are pushing hard for
3 you to make a quick decision on this process, and I just want
4 to urge you to please respect the level of public interest that
5 you have right now in making a decision, and delay this
6 decision until such time as you have a chance to make sure the
7 public understands where you're headed, and have a chance to
8 provide you with as much information as they can about where to
9 go, because I think this is a really important decision, and
10 thank you very much.

11 CHAIRMAN TILLERY: Thank you. Are there
12 questions or comments from Council members? Ms. Brown.

13 MS. BROWN: I would just like to clarify,
14 although I understand the issue of whether or not the Council
15 ought to put out an inclination first for comment, I would like
16 to clarify that discussions on this are not happening in
17 executive session, that this is all, you know, in open session.
18 And earlier the question was asked, you know, if there's an
19 executive session, it's going to be to discuss details of
20 purchase. So I think we need to separate out the request that
21 we put out an inclination decision from the idea that these
22 decisions are being made in closed -- behind closed doors,
23 because those are very separate.

24 MR. STANGE: You know, thanks, Commissioner Brown, I
25 appreciate that. I think this decision should be made in

00078

1 public, and that there's no hurry. So take your time, listen
2 to everybody. We've had a lot of really smart people, and a
3 lot of really interested people come and talk to you about
4 this, and I hope that you can continue that relationship.

5 CHAIRMAN TILLERY: Commissioner Rue.

6 MR. RUE: I guess more a comment than a
7 question. It's my understanding that even were we to make a
8 decision about something like, you know, the split of the
9 Restoration Reserve, it would still be just a decision of this
10 current six-member Council that could then be changed if six
11 members decide to do it differently.

12 MR. STANGE: Uh-hum.

13 MR. RUE: Obviously if six people have decided
14 one direction, it's harder to then change that momentum,
15 but.....

16 MR. STANGE: Uh-hum.

17 MR. RUE:it's not, quote, something
18 irrevocable is my understanding of how the -- any decision we
19 would make, what it -- how it would actually be -- you
20 understand what I'm saying? Did I get it?

21 CHAIRMAN TILLERY: Mr. Pennoyer.

22 MR. PENNOYER: Well, just an additional comment
23 on the process question. I was under the impression we had
24 been fairly deliberative. We started a year ago.

25 MR. STANGE: Uh-hum.

00079

1 MR. PENNOYER: And that if you -- you know, I
2 think there are probably going to be new things coming up every
3 month for the next 10 years.

4 MR. STANGE: Uh-hum.

5 MR. PENNOYER: And those will certainly have to
6 enter the decision background. I'm not sure what you mean by
7 being more deliberative. If in another week, people are going
8 to give us better information? They knew that we had a range
9 of alternatives we were looking at.

10 MR. STANGE: Right.

11 MR. PENNOYER: They knew the three major areas
12 that were under consideration, so what do you think you're
13 going to -- if you say instead of this to this, you say
14 this,.....

15 MR. STANGE: Uh-hum.

16 MR. PENNOYER:and, of course, that's not
17 a policy until somebody votes on it,.....

18 MR. STANGE: Right.

19 MR. PENNOYER:does that allow more
20 information? A week or a month.....

21 MR. STANGE: Well, you know, I was.....

22 MR. PENNOYER:or six months?

23 MR. STANGE:I was fascinated by the
24 Staff's presentation outlining the public comment. You know,
25 I've been to three or four meetings in the last year to add my

00080

1 own comments, and a lot of those comments were new and fresh to
2 me. And I was also amazed by how many people have responded,
3 and so I think that, you know, what's new here is that we now
4 have a sea of opportunities, and you all have a really close
5 opportunity to examine, you know, sort of the impact or the
6 size of the public response to this proposal, which is huge. I
7 mean, to put it in perspective, the Chugach National Forest is
8 in a planning process and got -- spent a year and a half
9 gathering scoping and only got about this many comments, on the
10 order of this many comments. The Tongass National Forest had a
11 planning process a few years ago and there were I think about
12 16,000 comments submitted. And there were, you know,
13 organizations all around the United States and the North
14 America organizing public comments about that. So this is a
15 remarkable response you have. It's a great treasure to have so
16 much public interest today, and, you know, I just think that
17 people should have an opportunity to review a preliminary
18 decision before you move forward, and with all due respect to
19 Mr. Rue's comments about, you know, the malleability of an
20 eventual decision.

21 MR. PENNOYER: Thank you.

22 CHAIRMAN TILLERY: If you -- did you have a
23 comment?

24 MS. BROWN: Oh, no, I was just going to
25 comment, and thank a couple of the speakers. No one has ever

00081

1 said to me, take more time ever before, so thank you.

2 CHAIRMAN TILLERY: Yeah, I was going to clarify
3 that certainly.....

4 MS. BROWN: The first.

5 CHAIRMAN TILLERY:Senator Murkowski has
6 not directly or indirectly ever made such a suggestion to me.

7 MS. McCAMMON: Or to me.

8 CHAIRMAN TILLERY: Mr. Gibbons.

9 MR. GIBBONS: Yeah, maybe I should make a
10 clarification. There's a reference to two new members on the
11 board, or the Trustee Council here. Most of you in the
12 audience know that I've been involved with it since 1989, and
13 have been involved all the way through the process, so I'm not
14 really new to the process. So I just want to make it clear in
15 case you.....

16 MR. PENNOYER: And I was just recharacterized
17 as an old member.

18 (Laughter)

19 CHAIRMAN TILLERY: Okay.

20 MR. STANGE: Are you all finished with me?

21 CHAIRMAN TILLERY: I believe we are. Thank
22 you.

23 MR. STANGE: Okay. Thanks a lot.

24 CHAIRMAN TILLERY: Okay. Our next individual
25 is Dave Cline, did I -- I skipped over you. I apologize.

00082

1 MR. CLINE: That's all right. Good morning,
2 Mr. Chairman, Trustees, and Molly McCammon. My name is Dave
3 Cline, and I'm here this morning as chairman of what's called
4 the Kodiak Brown Bear Trust.

5 And I'd like to take this opportunity to first thank
6 you very much again for what I think is an absolutely superb
7 job in protecting I think some of the most world class fish and
8 wildlife habitats available to civilization today, you know, in
9 a world fast running out of wildlife and wild places. And in
10 my 28 years of conservation work here in Alaska, I have never,
11 you know, I can honestly say I've never seen a better public
12 process to date, qualify that a bit here, based on what I've
13 heard this morning, but a better public process to date guided
14 by really, really good science, and to accomplish so much in
15 terms of a lasting benefit to our superb coastal fish and
16 wildlife populations, and coastal communities. So I can't
17 really thank you enough for the wonderful work that you've
18 done. And I'm counting on more.

19 I'd like to share just briefly a few recommendations
20 this morning on behalf of our four trustees and 50 conservation
21 allies in Alaska and throughout the country. And these allies
22 are as diverse as the Safari Club International, the Alaska
23 Audubon Society, National Rifle Association, the Conservation
24 Fund, Wildlife Forever, and a host of other groups, all focused
25 on one thing, and that is supporting your efforts to restore

00083

1 world class coastal habitats in the Kodiak archipelago for the
2 lasting benefit of all those here and throughout the country
3 and the world that cherish such resources.

4 You've done a tremendous job to date with -- but the
5 job in my opinion is 75 percent complete, with important work
6 yet to be done. For example, fisheries scientists in Kodiak
7 agree with us that three of the five top salmon producing
8 systems in the archipelago are still unprotected, that is,
9 fully unprotected. The Ayakulik River on the Kodiak National
10 Wildlife Refuge, the Karluk River on the Kodiak National
11 Wildlife Refuge, and the Afognak system on Afognak Island. So
12 we urge you to take another close look, whatever time it takes,
13 for acquisition priorities to ideally do 100 percent of the job
14 in the Kodiak Archipelago. And this would mean acquiring or
15 continuing the negotiations to acquire the Karluk/Sturgeon
16 watershed which I understand are in a package and the
17 negotiations are going forward.

18 I think eight to 10 million more to the Fish & Wildlife
19 Service to purchase the remaining small parcels, and as you all
20 know these parcels are in often critical locations on salmon
21 systems in the Refuge. Fish & Wildlife Service doesn't have
22 any more money, but they've got up to 30 willing sellers that
23 they'd like to make offers to, so eight to 10 million there.

24 And then look again I think at Afognak Island. I've
25 been very fascinated with the history there. Just brushing up

00084

1 on it last night, I find that, you know, the Afognak Forest and
2 Fish Culture Reserve established by President Benjamin Harrison
3 back in 1898 was really the first area set aside from the
4 public lands in Alaska and in the Nation specifically for
5 protection of fish and wildlife populations. So there's a rich
6 conservation history there. Part of the system has been cut,
7 but we still have wonderful lands along the west and southwest
8 sides, including, of course, Afognak Lake.

9 And I'm interested, too, and so are our partners, in
10 the Ouzinkie lands. We understand they're coming forward with
11 some offers for some of their properties under conservation
12 easements. I urge you to give those serious consideration.

13 So in closing, I would just like to remind you that
14 even though I'm a strong supporter of science, I come from a
15 science background, science has shown us over and over again
16 the destruction of fresh water spawning systems in the Pacific
17 Northwest have led to the endangerment of at least 300 salmon
18 runs there. So, too, the destruction of habitat, coastal
19 habitats in the Lower 48 have caused the endangerment of a host
20 of wildlife populations, including the grizzly bear. So today
21 we find we're spending billions, I mean, billions of dollars
22 trying to restore vanquished runs and ravaged populations with
23 no amount of science, no amount of science ever really going to
24 do the job there. So in my honest opinion, you have the unique
25 opportunity in this 10th anniversary of the oil spill to take

00085

1 steps to round out the acquisition program along Alaska's oil
2 damaged coast, and the job you'll do will be of historic
3 proportions.

4 So, again, thank you very much on behalf of the Kodiak
5 Brown Bear Trust, and all of our partners, and I wish you well
6 in your good work.

7 CHAIRMAN TILLERY: Thank you. Are there
8 questions or comments for Mr. Cline?

9 (No audible responses)

10 CHAIRMAN TILLERY: Thank you very much. Nancy
11 Michaelson. Michaelson.

12 MS. MICHAELSON: Good morning. My name is
13 Nancy Michaelson, and I appreciate the opportunity to comment
14 to all of you this morning. I'm here to comment as an
15 individual, as an environmental activist, and a wife and a
16 mother.

17 Upon the incident of the incident of the Exxon Valdez
18 oil spill, the incident which brought your gathering together
19 into being, I decided to think about what I could do. I was
20 really upset when I heard about the oil spill, and I live in
21 the Palmer area, and I decided that I'd go down and volunteer
22 to clean birds and otters. Five and a half months later, I
23 finished my job with the Otter Rescue Centers. I worked both
24 in Valdez and in Seward.

25 And today I continue to be involved with otter

00086

1 rehabilitation. I am a member, a very active member of the
2 International Wildlife Research, the company that Dr. Pam
3 Tuomi, Dr. Randall Davis, and Dr. Terry Williams have put
4 together. And we just finished our annual training session.
5 And also have been trained not only as a sea otter -- in sea
6 otter husbandry, but I also -- and am happy to say I have done
7 the toughest job that anyone could ever love, and I am a
8 surrogate mother to sea otter pups.

9 When I was thinking about what I could do, I figured
10 what I could do after the oil spill is work with the animals.
11 And my family decided what they could do is let me work with
12 the sea otters and come visit me on weekends. Their weekends.
13 Of course, at the otter rescue centers, we didn't have days
14 off. And I think about that, you know, now 10 years later,
15 what can I do? After I finished working at the sea otters and
16 after the last adult otters were released from Seward, I stayed
17 on hand helping with the pups, and when those were released, I
18 went to work for the Sierra Club. I'm now employed by the
19 Sierra Club. I thought it was something that I could do to
20 keep right in there with my environmental activism interest. I
21 also have volunteered for numerous community organizations and
22 other conservation groups.

23 But when I think of the decisions that you're coming up
24 to, and with due respect to the fact that any comments on the
25 Restoration Reserve usage were due by February 12th, I hope

00087

1 that you when you're making -- looking at the comments and
2 making your decisions on what to do with that reserve, that you
3 remember that there are people in Alaska like me that get out
4 and do what they feel they personally can do. And like my
5 husband, who is a research associate, and he works on numerous
6 different research projects. And he knows and I know through
7 things I've done in the past, that there are many different
8 pots of money for different research. But when I think of the
9 wonderful things you've done, for what I kind of think in a sea
10 otter term now, but what you've done for the lands where even
11 some of the sea otters that I worked on came from, I really
12 thank you for the habitat acquisition that you've done, and I
13 hope that you remember that habitat acquisition is something
14 that I cannot do. No matter what I do, I don't have enough
15 money in my bank account to do anything about it, and I just
16 really urge you to think about the kinds of things, how you can
17 make decisions for the most common good, the most good impact
18 for the spill-related area, and for the people of the State of
19 Alaska who were really saddened by the oil spill. Thank you
20 very much.

21 CHAIRMAN TILLERY: Thank you very much. Are
22 there questions or comments from Council members?

23 (No audible responses)

24 CHAIRMAN TILLERY: Thank you very much. Our
25 next individual who has indicated they would like to speak is

00088

1 Jeff Butler.

2 MR. BUTLER: Hello. Good morning, and welcome
3 us all to March 1999. I'm Jeff Butler. I've lived here in the
4 State for 18 years, and I've been following this process since
5 '89, and while it's convenient to have a cut-off time line for
6 public comment, or comment on the Restoration Reserve, the 140
7 million still isn't spent, and that's why we're all here.
8 We're talking about that. We just got done listening to a
9 half-hour elaborate presentation on the most excellent idea of
10 what to study and how to study. And that idea, of course, had
11 everything to do with how to spend the fund. You're -- this is
12 our discussion, we're listening to these discussions. So here
13 we are. Bear with me here. I don't think I'll take more than
14 three minutes. It might take me a while to collect my
15 thoughts.

16 That presentation by DNR and the research scientists,
17 I'm not sure of the name, I think it's a wonderful idea, and I
18 think it's a study that needs to be done. I think it's --
19 these kind of studies are going to have to be done all over the
20 state. The Bering Sea. We're going to need these kind of
21 studies. We're going to need these kind of data bases. It's
22 going to be mandatory in order to protect the resources and the
23 economies that these resources are the basis of. My feeling is
24 that those studies need to be financed by State and Federal
25 Government, because they're -- those studies and that data is

00089

1 going to support economies that are the basis of those
2 governments. We're going to have to find the money. Later on
3 down the line, ten, 20 years from now when we do these studies
4 and create these data bases on the Bering Sea, and on all the
5 waters of Alaska, we're going to have to find the money. And
6 it's going to come from governments, it's going to come from
7 Federal and State Government.

8 These -- the 140 million, the Restoration Reserve, that
9 fund is for restoration and preservation. I feel a biological
10 living, natural and cultural resources and heritage. And I
11 urge you people to think long and well, and do your best to use
12 these funds to really move it forward to preserve and restore
13 living natural and cultural resources and heritage, and I think
14 there's ideas on the table now, and there will be in the
15 future. So I urge you to not spend it all on research now. Be
16 creative. We're going to have to do the research, that's
17 obvious.

18 So with that I will end my testimony and thank you very
19 much for your consideration. If you want a copy of this, this
20 is somewhat related to what I was talking about. It has
21 nothing to do with anything other than the Restoration Reserve
22 fund, but if you'd like a copy of it, I'll.....

23 CHAIRMAN TILLERY: Give it to the Executive
24 Director then.

25 MR. BUTLER: All right. Thank you.

00090

1 CHAIRMAN TILLERY: Thank you. Are there
2 comments or questions for Mr. Butler?

3 (No audible responses)

4 CHAIRMAN TILLERY: Thank you very much,
5 Mr. Butler. Nichole Whittington-Evans.

6 MS. WHITTINGTON-EVANS: I'll pass.

7 CHAIRMAN TILLERY: Walter Parker.

8 MR. PARKER: Thank you. I'm here for the
9 Arctic Research Commission. The -- mainly to bring you up to
10 speed on what the Commission's priorities are as they affect
11 the work that EVOS has been doing, and will continue to do.

12 The -- in our report to the President and the Congress,
13 which will be going out this month, and I missed your meeting
14 of January 24th, because we were working on that, our number
15 one priority will continue to be the Bering Sea, and the only
16 reason that the North Pacific and the Gulf of Alaska is not
17 included in that priority is because our mandate ends at the
18 Aleutian Chain. And -- but you can -- when you read the
19 report, you will see that everything that was said about the
20 Bering Sea will have some applicability in the Gulf of Alaska
21 and the North Pacific. Your own research, and indeed the
22 research in the modern area of the last 60 years, and
23 historical research on fur seals and whales, and the research
24 we did on traditional uses, getting ready for Law of the Sea,
25 all indicate that there is a strong tie between the Bering Sea

00091

1 ecosystems and North Pacific ecosystems, and whatever plan we
2 develop for Bering Sea ecosystems is going to have to recognize
3 that strongly. And since you've been the number one researcher
4 in the Gulf of Alaska for some time now, why, the work you have
5 already done and the work you finance in the future is going to
6 have a very strong influence on the Bering Sea.

7 In the present budget as I compute it now, based on the
8 last information I got in January, why, there's going to be
9 about \$67 million of federal money is available for Bering Sea
10 and North Pacific, \$16 million in agency monies, \$14 million in
11 Dinkum Sands and Bristol Bay monies, and the big bulk, \$37
12 million is the -- in the NSF budget. But how much of that \$37
13 million in the NSF budget is -- NFS budget is applied, is all
14 tied up in their system, in their peer review system. And
15 while we have a fairly strong influence with NSF, why, -- the
16 director sits as an ex officio member of the Commission, why,
17 still of the \$67 million for Arctic research in this year's
18 budget, why, when I allocate \$37 million to the Western Arctic,
19 I am against strong competition for Eastern Arctic projects,
20 and terrestrial projects. And when I say to the Western
21 Arctic, I'm just strictly speaking of marine ecosystems. So
22 that's what -- the money is there if the planning process can
23 operate in a timely fashion to ensure that the people who
24 approach NSF for money are coordinated into some larger plan.

25 The -- and there is, as you well know, no strong

00092

1 coordinating mechanism such as we applied when we made our
2 major land decisions in Alaska. There is no strong
3 Federal/State coordinating mechanism for marine ecosystems.
4 And the North Pacific Research Board was an effort to do that,
5 but that seems to have died aborning. So we have to really
6 consider exactly what we're going to do.

7 But the criticality of things is such that now that we
8 seem to be moving very rapidly into a phase which the -- in the
9 North Pacific and the Bering Sea, which the North Atlantic
10 entered into in the 1970s. So if we're not going to follow
11 the same process as was followed in the 1970s, the -- we need
12 to really start defining what our planning process, over-all
13 planning process is going to be.

14 Critical decisions are made in independent committees
15 without any real guidance. The last one that crossed my mind
16 was the -- whatever we do in the North Pacific, in the Bering
17 Sea is going to require a great deal more ship time than we
18 have had in the past. We were counting on the Healy, the new
19 Coast Guard research ice breaker for supplying some of that,
20 but a lot of people on the committee in NSF that govern ship
21 allocations want to use the Healy a lot in the Eastern Arctic.
22 And, you know, so that's the kind of resources that we have to
23 do, so I think, you know, if we're -- I think in the decisions
24 you make, the more you can relate them to this future, for the
25 short term, ten-year planning process we need to get into, and

00093

1 for the long term, you know, decades after that, why, the more
2 pressure it will put to see that the immediate research needs
3 of the Gulf are met, and that the enormous amount of research
4 that you have already funded can be transferred not only to the
5 Gulf, but to whatever develops in the Bering.

6 Thank you.

7 CHAIRMAN TILLERY: Thank you very much. Are
8 there questions or comments? Ms. Heiman.

9 MS. HEIMAN: Yeah. Well, thanks for your
10 presentation. I was just wondering, you mentioned \$67 million.
11 Is that all National Science Foundation's money, or is
12 that.....

13 MR. PARKER: No, \$37 million was what I figure
14 the Foundation could make available, considering other
15 priorities, but it would take very strong pressure to make that
16 much available.

17 MS. HEIMAN: So you think thirty-.....

18 MR. PARKER: But the other \$30 million is
19 already allocated in various agency budgets. It's all federal
20 money. It doesn't include any of the EVOS, that doesn't
21 include any EVOS money or the State money.

22 MS. HEIMAN: So you think there may be \$37
23 million for Arctic research?

24 MR. PARKER: No, there's \$67 million for Arctic
25 Research. What I was hoping was to get about \$37 million of it

00094

1 to spend to meet the very high priority that we have
2 established for the Bering Sea. That includes logistics money
3 for the ships and so forth, which there's \$22 million in the --
4 of new money in the NSF budget for logistic support, which was
5 our big break-through this year, and -- but that \$22 million is
6 for the entire Arctic, so it, you know, can be spent in
7 Greenland, Northern Canada, the Arctic Ocean, but I would hope
8 a substantial part of it would support logistics for research
9 in the Bering Sea.

10 MS. HEIMAN: Just to continue, I really
11 appreciated your comments on the Federal/State coordination of
12 scientific efforts, and I think that's going to be very
13 critical as we move forward that we don't have people
14 duplicating efforts with -- in the different areas that
15 research is taking place, and that there's some sort of entity
16 that's working to ensure that the priorities make sense, and
17 that everyone's working along those same lines. And I think
18 there's some very good people involved that I think have those
19 same goals, would be great to continue those discussions.

20 MR. PARKER: Yeah. Yeah. Prioritization of
21 research has been going on ever since the Dinkum Sands money
22 came out. You know, they did generate a great deal of
23 prioritization which is, you know, extremely valuable, and so,
24 you know, that will be one of the big input to whatever fine
25 process we come up with that's any different that what we've

00095

1 got in place now.

2 CHAIRMAN TILLERY: Thank you. Are there other
3 questions or comments from Council members?

4 (No audible responses)

5 CHAIRMAN TILLERY: Thank you very much. We
6 appreciate it, Mr. Parker. The next individual is Kevin Harun.
7 And again I would remind you that we'd like to try to keep
8 remarks down to about three minutes if you can.

9 MR. HARUN: Hi, I'm Kevin Harun, and I'm
10 director of the Alaska Center for the Environment, and we have
11 10,000 members, 95 percent of whom live in Alaska, most of whom
12 live in South Central Alaska.

13 And I was thinking about this hearing, I was here at
14 the first hearing, and the one thought I had was in the
15 parallel universe across the hall there, and I remember Bell
16 Dawson, who's a local conservationist, got up here, and Bell
17 said, you know, I don't know why I'm here. Your minds are
18 already made up, and Charlie Cole looked over, former Attorney
19 General Charlie Cole, and said, Ms. Dawson, do you really think
20 that your comments are doing one bit of good? And she said, I
21 don't think so. And he said, well, I don't think so either.
22 And I'm thinking back to that day, because actually things did
23 really turn around, and I remember Charlie Cole became one of the
24 leading advocates for habitat acquisition, and I think the
25 process really has counted over time. And I appreciate a lot

00096

1 of the work that's gone into it by the Staff. I do agree with
2 the comments that are made that it has generally been a good
3 public process.

4 Where we're at now is that this is really it. This is
5 -- we're coming to the end in a lot of ways. The final big
6 decisions are going to be made, and I would like to re-
7 emphasize the need for (1) continuing that good public process,
8 and, secondly, making sure that the monies are spent wisely.
9 And in terms of good public process, I think decisions do need
10 to be made after public hearing, and I don't really see a
11 problem with taking comments even up until the decision is
12 made.

13 They should be made in the open. I'm glad to hear that
14 the actual substantive decisions are not going to be made in
15 executive session. That's really good, so I urge you to keep
16 with that set of goals.

17 And also, in terms of the money being spent wisely, I
18 think we need a good mix between habitat and studies. There
19 needs -- secondly, I think there needs to be a linkage between
20 studies and actually action, because studies can be kind of a
21 black hole that you could put a lot of money down and not see a
22 lot of results, and even though I know I've been in the
23 position of sometimes funding proposals or submitting proposals
24 for funding for other purposes, and it's very hard to gauge how
25 that monies actually going to be sometimes spent efficiently

00097

1 and effectively.

2 I think, thirdly, research needs might be met in other
3 ways. There's a lot of money out there for research I know in
4 the foundation world, if you know how to go about getting it.
5 And the Council may want to put money into some development,
6 such as a development director that can go out and secure
7 monies in a different manner.

8 On the other hand, habitat acquisition funding is very
9 difficult to come by, and especially when you look at our
10 Congressional delegation. I don't think you're going to see
11 the Federal Government coming up saying, oh, let's put more
12 money into restoring these areas through acquisition. So I
13 think this is really it for habitat acquisition as well.
14 That's why I think the concerns expressed here today.

15 In terms of a mix, I'd like to see at least a 50/50.
16 We'd like to see 60/40 in favor of habitat acquisition.

17 Finally, I would urge you to resist Senator Murkowski's
18 attempts to dictate the mission and outcomes of this Council.
19 Senator Murkowski to my knowledge has never held a hearing in
20 Alaska on this, and he will not meet -- he rarely meets with
21 people who don't agree with him. So I would just urge you,
22 because I think you've probably got a broader perspective on
23 this particular issue, to do the best you can to have that good
24 mix and make sure that the money is spent wisely. Thanks.

25 CHAIRMAN TILLERY: Thank you. Are there

00098

1 questions or comments? Commissioner Rue.

2 MR. RUE: Yeah, a quick question. Have you
3 been working on the proposed OCS revenue-sharing bill that is
4 before Congress now? Because that would put quite a bit of
5 money into the Land and Water Conservation Fund, which would be
6 then available for a number of things, including land purchase.

7 MR. HARUN: No, we have not.

8 MR. RUE: Okay. That's a very large pot of
9 money potentially for the kinds of things you're talking about.

10 UNIDENTIFIED VOICE: It's huge.

11 MR. HARUN: Well, the only concern we have
12 about that is we are not wanting to -- you know, we do believe
13 that there needs to be oil development in Alaska, there needs
14 to be good balance,.....

15 MR. RUE: Uh-hum.

16 MR. HARUN:but the concern is that it may
17 encourage some kind of oil development where it might not
18 otherwise occur.

19 MR. RUE: Okay. Thank you.

20 CHAIRMAN TILLERY: Thank you. Other questions
21 or comments?

22 (No audible responses)

23 MS. BROWN: Thanks, Kevin.

24 CHAIRMAN TILLERY: Brad Meiklejohn.

25 MR. MEIKLEJOHN: Good morning, Trustee Council,

00099

1 Chairman Tillery. I'm Brad Meiklejohn with the Conservation
2 Fund. Thank you for the opportunity to comment today. I've
3 tried to purge my remarks of any direct reference to the
4 Restoration Reserve; however, I do want to make some side-long
5 glancing blows on the Restoration Reserve.

6 I want to commend you for the outstanding work you've
7 done so far in balancing the mandates of habitat protection,
8 scientific research and public education. You have managed to
9 find the silver lining in the dark cloud of oil. Now that
10 you're down to divvying up the last portions of the money pie,
11 I hope that you will stick with the balanced approach that has
12 worked so well. Just as there is need for additional research,
13 there are additional opportunities for habitat acquisition in
14 Lake Clark National Park, on the Kenai and Alaska Peninsula, in
15 Prince William Sound, and in the Kodiak Archipelago.

16 I do want to reinforce the point that Kevin just made
17 that currently, except for the EVOS money, Alaska, the State of
18 Alaska has no state funding, and little federal funding for
19 habitat protection. And I do hope that we do see some money
20 from the OCS bills currently in Congress. We don't have that
21 in hand yet.

22 On the other hand, research dollars are abundant as
23 several prior speakers have pointed out, thanks to numerous
24 large funding sources including the Dinkum Sands account, the
25 National Science Foundation, and the near \$100 million Pacific

00100

1 Salmon Conservation Fund that's been proposed by the Clinton
2 Administration. Given Alaska's Congressional clout, it's
3 likely that scientific -- that the scientific research vessel
4 will continue to sit high in the water while the habitat
5 protection lifeboat burns down to the waterline.

6 One area which has been completely overlooked through
7 the EVOS process is the creation of a marine conservation
8 system to match Alaska's land-based network of parks and
9 refuges. Alaska's network of conservation areas is the finest
10 in the world and does an outstanding job of protecting habitat
11 for wide-ranging carnivores and highly migratory critters such
12 as caribou and waterfowl. Our system of protected areas is a
13 major reason Alaska has very few endangered or threatened
14 species on land. In contrast, however, the majority of
15 Alaska's endangered or threatened species are marine mammals,
16 birds and fish, while coincidentally we have very few marine
17 protected areas. I think the success of our land-based
18 conservation system indicates we need a similar marine system
19 to protect the full range of marine species and their habitats.
20 Unfortunately, we have not yet figured out a way to buy the
21 oceans although I am looking into it. However, if money must
22 be spent on research, I would hope that some of it would be
23 specifically directly to designing a marine conservation system
24 to match Alaska's world class system of parks and refuges.
25 That would be a legacy we would all be proud of.

00101

1 Thanks for your good work, and thank you for the
2 opportunity to appear before you.

3 CHAIRMAN TILLERY: Thank you, Brad. Are there
4 questions or comments from Council members? Commissioner Rue.

5 MR. RUE: I shouldn't do it, because I know
6 we've got a tough agenda, but Brad raises a very good point
7 that I think a number of folks have alluded to, that the link
8 between restoration and habitat protection is critical. You've
9 got to know what's important to protect. The only time you'll
10 know what's important to protect is to understand species,
11 their life histories, their key habitats. That then can direct
12 you to spend whatever money you may have to protect habitat to
13 the most essential and be -- habitats, and be efficient about
14 it. And I know the research that John Schoen did, as an
15 example, on deer in Southeast has allowed us to be very
16 efficient in protecting key areas for deer. Without that
17 research, we would not have any idea what to do with habitat.

18 MR. MEIKLEJOHN: Uh-hum.

19 MR. RUE: So it seems you recognize that link
20 between habitat protection and research.

21 MR. MEIKLEJOHN: Yeah. I hope it's directed
22 research.

23 CHAIRMAN TILLERY: Thank you. Other questions
24 or comments?

25 (No audible responses)

00102

1 CHAIRMAN TILLERY: Okay. Thank you very much,
2 Brad.

3 The next person is Patty Brown-Schwalenberg.

4 MS. BROWN-SCHWALENBERG: I'll try to keep this
5 brief. I know you guys have visions of soup and salad and
6 sandwiches in your head at this point in time, and your eyes
7 are starting to glaze over, but I'll still to three minutes.

8 I don't want to talk about the Restoration Reserve
9 specifically, but I do -- I would like to comment on the final
10 report, if I may.

11 I was interested in seeing, and I know there were
12 several comments throughout the past year, year and a half, or
13 whatever it's been, by people both verbally and in writing,
14 saying that they were not interested in any more land
15 acquisition, but that wasn't in the report. I'd be interested
16 in seeing how many people actually did say we don't want any
17 money spent on land acquisition or habitat protection or
18 whatever term you want to use.

19 The other point is on the second page of the comments,
20 that very few people addressed the issue of governance or
21 public advice. And those are two important issues, and even
22 though not many people addressed them, I would be interested in
23 seeing what the people said. We commented on it, and I -- it
24 would be helpful for us to see how other people are thinking in
25 that regard.

00103

1 And then on the -- let's see, the process for your
2 decision making in this Restoration Reserve, I also support
3 continued public comment on your final or preliminary decision,
4 and the reason being is because if -- I understand you're going
5 to be doing this in open session, but if some of the decisions
6 are made on misunderstanding of information that we have
7 provided, there's no opportunity for us to rectify that. For
8 instance, we've heard that some of the Trustees are concerned
9 that the 20 million Tribal Community Fund will be used to fund
10 capital projects. Well, it's never been a part of our plan,
11 but without any opportunity to clarify those types of issues,
12 decisions could be made that are made on misinformation. So we
13 would like to continue to be involved in the process as far as
14 providing our comments and additional information to help in
15 your decision making.

16 Those are the only two basic comments I had. I also
17 wanted to thank the Trustees for continuing to include the
18 communities in projects such as the archaeological repository.
19 I know the Trustees and the Trustee Council Staff worked hard
20 in trying to come up with a decision on how that project was
21 going to get funded, and who was going to manage it, and we're
22 real pleased with the results. So we're looking forward to
23 working on that.

24 Let me see, what else was I going to say?

25 Oh, and then Marilyn had mentioned earlier that the

00104

1 importance of coordinating efforts between the State and
2 Federal agencies. I just wanted to add the tribes to that
3 little list, because they're also out there collecting data and
4 doing population assessments and things like that, and the --
5 at least in the Chugach Region, and down in Ouzinkie they also
6 have a natural resource program, so as far as coordinating
7 efforts and avoiding duplication of efforts, I think the tribes
8 also need to be involved in that.

9 And then as a final note, I'd like to invite you to a
10 native gathering that we're putting on on March 24th from 1:00
11 'till -- 1:00 p.m. until 10:00 p.m. You'll all be getting
12 official invitations in the mail shortly, but it's to
13 commemorate 10 years since the oil spill, and it's -- we're
14 going to have all native speakers, native dancers, and a meal
15 at 6:30 of all the traditional subsistence foods in the oil
16 spill region. So I hope you can at least attend the meal, if
17 not the sessions in the afternoon. Thank you.

18 CHAIRMAN TILLERY: Thank you very much.
19 Commissioner Rue.

20 MR. RUE: I don't know what's -- I don't know
21 what's going on today, but anyway a quick question on process.
22 How much longer, one, and, two, if you could -- I think I heard
23 you say to make sure that we hadn't misinterpreted people's
24 comments. Were those the reason? Were.....

25 MS. BROWN-SCHWALENBERG: Yeah.

00105

1 MR. RUE:there other reasons.....

2 MS. BROWN-SCHWALENBERG: Basically. And I
3 guess for me, and I don't know about other people that may not
4 be here today, but if -- in your discussion process, you know,
5 if something -- one of the Trustees says something that's not
6 right, I mean, in our minds, you know, like say on the Tribal
7 Community Fund, that we'd be allowed to raise our hand and say,
8 excuse me, you know, that's not right. This is the way it
9 really is, or whatever. Something like that. I mean, just
10 some kind of -- but the way it is now, we get our comments in
11 by February 12th, and then the discussion is made without any
12 opportunity to answer any questions or provide additional
13 information, so to me it would just be an open discussion kind
14 of a thing if there -- the need is there. I'm not looking at
15 like another month's comment or something like that.

16 MS. HEIMAN: Just feedback is what you're
17 talking about.

18 MS. BROWN-SCHWALENBERG: Right. Right.

19 MR. RUE: Okay. Less than a month.

20 CHAIRMAN TILLERY: Other.....

21 MS. McCAMMON: You'll be here this afternoon
22 though?

23 MS. BROWN-SCHWALENBERG: Pardon?

24 CHAIRMAN TILLERY: Other questions?

25 MS. McCAMMON: You'll be here this afternoon?

00106

1 MS. BROWN-SCHWALENBERG: Oh, yeah.

2 CHAIRMAN TILLERY: Other questions or comments?

3 (No audible responses)

4 CHAIRMAN TILLERY: Thank you very much, Patty.

5 MS. BROWN SCHWALENBERG: Thank you.

6 CHAIRMAN TILLERY: Sheri Buretta?

7 MS. BURETTA: I don't have any comments at this
8 time. I've already given my comments on the reserve
9 (Indiscernible, away from microphone).

10 CHAIRMAN TILLERY: Thank you very much.

11 Jerome Selby.

12 MR. O'CONNOR: Mr. Chair, if I may, you called
13 my name first, and I have a terrible cold, and had stepped out
14 in a coughing fit.

15 CHAIRMAN TILLERY: Well, I'll come.....

16 MR. O'CONNOR: (Indiscernible -- simultaneous
17 speech).....

18 CHAIRMAN TILLERY:I'm going to -- I
19 was.....

20 MR. O'CONNOR:my hotel room.

21 CHAIRMAN TILLERY: Yeah, I do intend to come
22 back and ask if there's anybody who.....

23 MR. O'CONNOR: Fine.

24 CHAIRMAN TILLERY:we went over, whatever,
25 so -- or -- we'll also do the same thing for people on line.

00107

1 Mr. Selby.

2 MR. SELBY: Thank you, Mr. Chairman. As I
3 think most other folks came prepared to make some comments on
4 the reserve, and I'll try not to do that, because what I really
5 want to talk about was moving beyond that, but first of all I'd
6 like to commend you folks on the process. I think the process
7 has worked very well, and I guess from my perspective you've
8 got four excellent items that have risen to the top if you will
9 in that process, and I'm sure you're going to address all four
10 of those in whatever formula you folks come up with.

11 So I want to talk a little bit about urging you then to
12 move beyond that, and talk about how you would structure and
13 move quickly to put some direction on use within those
14 partitions if you will of the Restoration Reserve.

15 First of all, I'd like to urge you on the community
16 fund piece to leave things pretty wide open for the communities
17 to be able to have a lot of latitude, because I think you folks
18 are as aware as I am that there's a lot of differences amongst
19 the communities in the spill area. And so they need to have
20 the latitude of being able to do a lot of different things. So
21 if you start putting a lot of structure and rigidity into that
22 aspect of it, I think it will not serve them well. It would be
23 much wiser for you to leave it fairly broad, and let them put a
24 lot of definition on what their needs are, so that they can
25 come bring forward with their needs, and you could fund on a

00108

1 basis of need within a broad spectrum.

2 With regard to habitat protection, I think you folks
3 have done an excellent job. Your record there is outstanding,
4 and I think you have an excellent process. I would urge you
5 again though to structure it with the idea of leveraging your
6 available amount of funds to be able to tap into some of the
7 other larger funds, and in particular the OCS fund, in
8 particular structure specifically to make available \$900
9 million nationally. And I've got to tell you that with the
10 process that you folks have in place, you're going to be
11 extremely competitive for that money for the first two or three
12 years until everyone else comes up to your level, because
13 that's what's going to -- you're going to set the pace with the
14 process that you have for land acquisition. Everyone else in
15 the Nation is going to have to come up to that bar, and you've
16 set the bar. So for the first two or three years, I think you
17 have an opportunity to really go in there with some of the
18 candidates you've got and get them funded very quickly. And so
19 please think in terms of structuring to leverage in that way so
20 that we can look for other funding sources to come in and
21 augment what you folks will have available.

22 Similarly with research, I would urge you to structure
23 that also to leverage. And again, you know, we've heard some,
24 and certainly with what the National Science Foundation has,
25 and what NOAA and some of the other agencies are already

00109

1 funding, there is some research money, but there's nowhere near
2 enough. And by comparison, if you look at \$900 for land
3 acquisition in comparison to what we have for research,
4 research is where we're still desperately short-funded. And so
5 you folks will really need to leverage by working with all of
6 the other agencies, and I would -- again would urge you to
7 participate in a comprehensive planning process that puts a
8 structure on the research. We need to change the way that we
9 think about research a little bit is what I would urge you,
10 because instead of simply waiting for scientists to come
11 forward with proposals of what they're really interested in and
12 they'd like to research, I think that we've got to structure it
13 so that we have a comprehensive research plan that will get us
14 answers to our ecosystems, and then the scientists can come and
15 do their individual research, but within that structure. So
16 that when they come back as a group, you will have something
17 that adds up to an understanding of the marine ecosystems
18 around this great state. And until we do that, we're going to
19 continue to spend an awful lot of research money and get real
20 frustrated about the fact that we can't really put together a
21 picture of our ecosystems. And so please work with the other
22 agencies and structure your monies again to leverage it so you
23 get more distance than what you'll have available, but also so
24 that it's a cooperative research effort that you folks can kind
25 of again set the pace. And I think with what you have done

00110

1 with research, you've done that. You've put some good
2 structure on a lot of the research that you've done so that you
3 get back some answers to the specific pictures that folks want
4 answers to. And that's kind of different in the research world
5 from the way we normally do business. But that's -- again, you
6 folks have set -- raised the bar now for the research.

7 Please stay on that track, and make the other agencies
8 come to the table and work with you on that sort of an approach
9 to the research so that we can really maximize what we can get
10 out of our research dollars. And that would be the primary
11 thing that we could accomplish there, because the good news is
12 there are some other funds that are starting to become
13 available for research, albeit by comparison they're still
14 relatively small, but Dinkum Sands funds are great, but it's
15 \$10 million a year. You know, that's not a lot when you look
16 at the need for research around this great State, and the three
17 major marine ecosystems that we really need to get an
18 understanding of, and we know about this much.

19 But, as an example, if the National Science Foundation
20 really does put 30 or \$37 million into the Bering Sea, and then
21 there's some Bering Sea monies in addition to go to that as a
22 result of the Western Alaska salmon problem, but those
23 critters, you know, they don't pay attention to the Aleutian
24 Chain. They swim back and forth between the Gulf of Alaska and
25 the Bering all the time, and so if you're really going to study

00111

1 sea lions, for example, you need to study them both in the Gulf
2 and in the Bering Sea. So maybe the opportunity is for you
3 folks to do something that's in conjunction with a Bering Sea
4 sea lion study where we're getting the same kind of data and
5 information in the Gulf of Alaska, and, you know, somehow get
6 the agencies to cross over these kind of arbitrary imaginary
7 lines that we box ourselves in with, so that we really don't
8 get a comprehensive look, because I'm convinced if you really
9 want to understand sea lions, you've got to look at the whole
10 picture, not just pieces. But that's it, Mr. Chairman.

11 CHAIRMAN TILLERY: Thank you very much.

12 Questions or comments?

13 (No audible responses)

14 CHAIRMAN TILLERY: Thank you very much,
15 Mr. Selby. Okay. And, Ms. Obermeyer.

16 MS. OBERMEYER: Yes, sir. Good afternoon, sir.
17 You poor people are getting so hungry.

18 I want to introduce Representative Therriault. Did you
19 know that he was in the audience from Juneau, who's in the
20 Legislature? And I didn't know whether he was on your list to
21 testify. I just think it's very important to introduce and be
22 respectful to those people who are in public office.

23 And, you see, if you'll forgive me, why do I come,
24 Mr. Tillery? Theresa Obermeyer. You see, I'm trying to
25 respect your work. But all of you are public employees. None

00112

1 of you are in public office.

2 I have just come from the APOC sham. I mean, finally,
3 Mr. Tillery, does the right hand know what the left hand is
4 doing in this small town? And in the small state? When any of
5 us get on an airplane, we look in the room, and I mean, you
6 know about three-fourths of the people. We live in such a
7 small world. And I don't know a great deal of your -- about
8 your work. What I have been trying to do since I am positive
9 there is no level of respect where I live, there is no
10 civility, there is no intellectualist. And I'm talking about
11 the people who should be leading us. And who are those people,
12 Mr Tillery? The judiciary, the courts and the Bar Association.
13 Those are the -- should be the leaders. Instead, I have been
14 knocked out cold, and set up by an attorney named Mitchell
15 Gravo.

16 And do you know, and I did come pretty recently, I was
17 acquitted. On November 10th, after one of your colleagues --
18 again, there are 422 Assistant Attorney Generals so that's why
19 I don't believe the left hand knows what the right hand's
20 doing.

21 And, you know, a couple of your colleagues, of course,
22 were over at this APOC thing. I mean, you know, a man who
23 believed in public office, and now he's supposed to be
24 prosecuted by 422 people who owe their salary increases to
25 Robin Taylor. The man that's bringing the action works for

00113

1 Robin Taylor, the Chairman of the Judiciary Committee. Where
2 is common sense? Where is decency?

3 And so what is my main focus? I always have a joke.
4 I'm Irish. I mean, what can I say? I grew up in a courthouse.
5 And I saw Liz Ruskin over there sitting in the back. You know,
6 she got paid I don't know how much to write all this stuff
7 against me when I had these phony Federal trials. And I went
8 to Liz, she's so attractive, and I consider her a dear young
9 person. I like Liz. And I just looked at her and I said, Liz,
10 I read your by-line on Friday, and I was kidding her, and I
11 said, well, we're getting the law license, Liz, after 15 years,
12 and then I looked at her and said, would you kindly not make a
13 liar out of me? Fifteen years. You know, in my life, of
14 course, I'm always a positive person, but how could this still
15 be going on? How is it possible?

16 And I think of what you're doing, and it's very
17 interesting. I know I've said this several times. When I come
18 -- I would love to be able to do research and have a reasonable
19 life. Where is a reasonable life, Mr. Tillery? And when, sir,
20 are you going to rise up. Is all of life collecting a
21 paycheck? I know it's not the greatness of our country. Of
22 course, it's great to collect a paycheck. I'd love to. But
23 it's more important to be an honest person. And so I commend
24 your work.

25 I do want to mention while I'm up here, of course, we

00114

1 know that Arliss is the mother -- well, let me just -- she is
2 the mother of the husband of Carol Murkowski. We now have a
3 U.S. Senator that has put his daughter in the State
4 Legislature. I don't dislike these people. I don't respect it
5 though. I can simply say -- and so it's all goody two-shoes.
6 I'm tired of it. And, you know, go ahead and jail me. I don't
7 care. I've been jailed four times. Of course, it isn't fun.
8 But I taught at a jail for five and a half years, so when I am
9 jailed, it backfires to the point of ridiculous, because all
10 these people know one another.

11 But I -- oh, what I was going to say about Frank
12 Murkowski is I recently was at the RDC meeting. I don't think
13 you were there, Mr. Tillery. And he said that 13 percent of
14 the private land of this State is owned by this group. So
15 great going. Keep up the good work. I don't know though
16 whether it's all going to dissolve though. Because you
17 literally are all a bunch of public employees. So how this
18 whole thing will go? I have no idea. But thank you for
19 hearing me.

20 CHAIRMAN TILLERY: Thank you very much,
21 Ms. Obermeyer. Are there questions or comments from Council
22 members?

23 (No audible responses)

24 CHAIRMAN TILLERY: Okay. Thank you. And
25 that's the end of the list of people here in Anchorage who have

00115

1 indicated a desire to testify, but we obviously passed over at
2 least one person. I see Chip back there raising his hand up
3 and down, so I assume we'll have some more. Sir, if you could
4 come up and we'll just take people one at a time. Again, we
5 are running a little bit late, so if you could try to confine
6 your comments to three minutes, that will be helpful.

7 MR. O'CONNOR: Good afternoon. And on behalf
8 of Ouzinkie Native Corporation, I would like to thank this
9 Council and Ms. McCammon for the opportunity to address you.
10 I'm Mike O'Connor with Ouzinkie Native Corporation. I believe
11 you have been presented with a proposal dated February 26th.
12 And essentially just to give you the opportunity to improve on
13 that 13 percent land ownership you have here in Alaska. And I
14 don't know if everybody's had a chance to review it a little
15 closer yet, but if you have any questions, I'll try to address
16 them.

17 CHAIRMAN TILLERY: I know it has been provided
18 to us, but it.....

19 MR. O'CONNOR: Yes.

20 CHAIRMAN TILLERY:was just here when
21 we.....

22 MR. O'CONNOR: Yes.

23 CHAIRMAN TILLERY:got here, and I've not
24 had a chance to review it.

25 MR. O'CONNOR: Well, let me give you my phone

00116

1 number in Kodiak, because it is different from Ouzinkie. It's
2 486-3372, and the fax is 338-9436.

3 CHAIRMAN TILLERY: Okay. Okay.

4 MR. O'CONNOR: I don't have anything more
5 unless you have questions.

6 CHAIRMAN TILLERY: Okay. Thank you. Are there
7 -- Commissioner Rue.

8 MR. RUE: I'll tell you what, I haven't had a
9 chance to look at it. I was just going to say the map is
10 fairly complicated. I assume -- well, we'll have to go
11 through. I really can't even ask the question, unfortunately.

12 CHAIRMAN TILLERY: Okay.

13 MR. RUE: But I was thinking about it, and I
14 said, no.

15 CHAIRMAN TILLERY: Ms. Heiman.

16 MS. HEIMAN: Can I just ask, has this or a
17 similar proposal been on the table before for the Trustee
18 Council?

19 MR. O'CONNOR: Not from us.

20 MS. McCAMMON: Not -- no, not specifically. We
21 have looked at all the lands, the private lands in the spill
22 area, but this specific proposal has not been.

23 CHAIRMAN TILLERY: Other questions or comments?

24 (No audible responses)

25 CHAIRMAN TILLERY: Okay. Well, thank you very

00117

1 much, and.....

2 MR. O'CONNOR: Appreciate it. Thank you.

3 CHAIRMAN TILLERY:we will be looking at
4 that, and.....

5 MR. O'CONNOR: Okay.

6 CHAIRMAN TILLERY:if we have questions,
7 we'll get -- I'm actually sure someone will be contacting you
8 to get some more information. Thank you.

9 Is there anyone else here in Anchorage who would like
10 to make a statement or comment? Mr. Dennerlein. I trust you
11 were here when I gave my admonition about three minutes?

12 MR. DENNERLEIN: Oh, yes. Thank you,
13 Mr. Chairman, and members of the Council. Chip Dennerlein. I
14 have served on the Public Advisory Group and also served as
15 Regional Director for National Parks and Conservation
16 Association. I'd like to make a few quick comments about the
17 marine reserve -- the Restoration Reserve.

18 First is that you know the support that National Parks
19 and Conservation has had for habitat acquisition. It was noted
20 once by the Executive Director, the outpouring of national
21 support for the acquisition in Kenai Fjords. I just want to
22 let you know that we follow our own advice about a balanced
23 program, and follow your advice. I'd like to show you our
24 current magazine which -- the article on the restoration
25 program says, research needed in Alaska parks. So I would just

00118

1 hope that we would follow our own advice and try to let you
2 know that we are concerned both about science and about habitat
3 acquisition.

4 Many of the comments that I would make have been made
5 by others. I would associate my remarks with several of them,
6 particularly Brad Meiklejohn's comments. But I would like to
7 point to one example in particular and have five points I'd
8 like you to consider.

9 There are still some large outstanding potential
10 habitat acquisitions. And my -- I would like to use Lake Clark
11 as an example. A national park which is the one national park
12 that has a continuum of habitats from interior lakes to forests
13 to marine coastline. It's high density critical salmon and
14 brown bear habitat. It is -- it has some options. The State
15 of Alaska in their Kenai area plan is proposing a special
16 management area in the waters adjacent to that park. We're
17 beginning to see some linkage in terms of tide lands management
18 with the shoreline marine resources. I think that's very
19 encouraging. That's a way for the future in research and
20 cooperative management.

21 We know that marine coastal use has dramatically
22 increased. Tourism in the last decade is up 60 percent, and
23 the figures that were reported Sunday in the News, 52 percent
24 of that is in cruise ship and cruise ship shore based
25 activities alone. We've seen it from Southeast where we have

00119

1 cruise ships that are unloading 30 kayaks. It's become an
2 issue to work within Glacier Bay in terms of both the marine
3 and the shoreline interface. It's happening in Lake Clark.

4 And I noticed today if you opened your paper, there's a
5 whole -- there's an article on the front page of the Metro
6 section about the west side of Cook Inlet and the effects of
7 increased use, not only the effects of the spill, but the
8 future, and increased use. Last year with the lower salmon
9 runs, guides to figure out how could they keep their clients
10 happy. They took them bear watching, and they found out, boy,
11 people really like to go watch bears. So I hope we have many
12 more salmon come back, but I think we can imagine this is a
13 ratchet. It will not go down. That kind of use will go
14 forward, and it's subject to news articles.

15 It's also been an area where we -- if you know appendix
16 C, or the Native Corporation Land Claims, CIRI and the village
17 have been at odds. That's been the subject of legal claims in
18 the court of claims, it's been the subject of potential
19 Congressional legislature. It's a piece of unfinished business
20 along a large stretch of western Cook Inlet coastline, which is
21 a unique habitat connected to the complete uplands in and
22 around the national park. The State's recognized, as I said,
23 cooperative management along the shore, and the habitats are --
24 could be seriously threatened. I don't have to remind several
25 of you on here the effect or non-effect of State Forest

00120

1 Practices Act. But there are also some hope, the Nature
2 Conservancy and others working with some of the corporations,
3 Cook Inlet Region is still discussing things with the
4 Department of Interior.

5 For that reason, for some very large unfinished
6 business as an example, I would ask you to consider five points
7 as you look at the reserve.

8 First of all, I would ask you don't mingle or confuse
9 the completion of what you maybe able to do with Kodiak in the
10 current acquisitions with the Restoration Reserve allocation.
11 Make those decisions. Make the decision to complete Kodiak,
12 and then look at the balanced program of the long-term on-going
13 reserve between habitat and science. Don't mingle and confuse.

14 Second point, I think you can guide or even require
15 some linkage between the EVOS funds and other studies. The
16 Bering Sea, inventories on parks. We're very happy that at the
17 end of '98 you approved the revisit to areas in -- along the
18 national park shorelines that are affected. I think linkages
19 with the help the agencies carry on their programs whether it's
20 research in the Bearing Sea, shoreline research, and management
21 issues, the link with how do we actually manage it. We have a
22 new model we're going to try to struggle with in Glacier Bay,
23 have a cooperative fisheries conservation harvest management
24 and protection model. These kind of linkages I think are very
25 important for -- that you might consider to get the most out of

00121

1 the reserve.

2 Third, I would not -- please don't foreclose any real
3 possibilities that are out there, Lake Clark is the example.

4 Four, I'd suggest you might even want to consider some
5 creative approaches. It is going to be hard to balance these.
6 Perhaps there is some amounts of money in habitat in which time
7 constraints could be given, that money is available for three
8 to five years. It's not always bad to have some discipline on
9 some of the acquisitions that people say, oh, we could get to.
10 We could get to. And maybe there's a time constraint on a
11 portion of money that moves over if something doesn't happen.

12 It may also be that interest on some of those funds.
13 If you put some more in habitat, that the interest may not to
14 right to that habitat fund, but could be held in escrow.
15 Interest could be shared or given over to help support the
16 continuing research. So there's a way to I think allocate some
17 substantial habitat money with even looking at time constraints
18 if you're concerned, or using the interest to keep supporting
19 some of the other programs.

20 Fifth, I would just say that the success of this
21 program over-all, and it's been remarkable, has been the real
22 strong legacy of the balanced approach. And I -- we would ask
23 you to put enough in research and habitat to be meaningful on
24 its own, so that a substantial deal for conservation easements,
25 for acquisitions as well as a research program. But also to

00122

1 look toward the substantial potential of each to leverage as
2 you make your decision. And in science the leverage can be the
3 Bering Sea, Pacific Salmon Funds, some of the agency studies,
4 some of the new Park Service mandates in the Thomas bill. For
5 habitat, it could be appropriations and it can be Land and
6 Water Conservation Fund.

7 I believe that something will happen on that fund, to
8 answer Mr. Rue's comments. I think the bill is going to move,
9 and I see that even more because in addition to Chairman
10 Young's bill which he has made some adjustments to, Chairman
11 Miller has introduced a bill. And while they are opponents,
12 you know, George and Don have done a whole lot of business over
13 the years, and I think that there's something there that is
14 going to move. LWCF requires match and leverage, and I think
15 that it is not going to be the stand-alone answer, and EVOS
16 like leveraging with science funds will be -- could be a very
17 important factor in Alaska leveraging on the habitat side with
18 a lands legacy or a land and water program.

19 So thank you very much for your time.

20 CHAIRMAN TILLERY: Okay. Are there questions
21 or comments from Council members?

22 (No audible responses)

23 CHAIRMAN TILLERY: Thank you very much, Chip.
24 Is there anyone else here in Anchorage? Representative
25 Therriault.

00123

1 REPRESENTATIVE THERRIAULT: Mrs. Obermeyer blew
2 my cover.

3 (Laughter)

4 CHAIRMAN TILLERY: Yeah. Yeah. She outed you.

5 REPRESENTATIVE THERRIAULT: Thank you. I just
6 want to take a few minutes. My name is Representative Gene
7 Therriault from House District 33 in the State Legislature.

8 I did want to mention today House Joint Resolution 13,
9 which I have introduced in the Legislature, and while I fully
10 have a better understanding now that the public comment period
11 is come and gone, and I personally did make separate comment, I
12 think the Legislature will go ahead and consider the wording of
13 House Joint Resolution 13, and I can see that there is the
14 likelihood that I will suggesting -- making some major changes
15 to the wording that is in the Resolution right now.

16 I think when the general public reads the headlines in
17 the paper that says wildlife still hurt by spill, and the text
18 of the article indicates that although the EVOS mechanism has
19 accepted and expended a huge amount of money, there is still a
20 gap in our scientific understanding of the marine ecosystem, it
21 leaves a lot of the general public confused just what has
22 transpired over the years.

23 To add to their confusion, there is the mix of this
24 Trustee Council, the money that comes in, the Legislature
25 accepting through Legislative Budget and Audit, and expending

00124

1 funds. They're not quite sure who really is responsible, and
2 who has been responsible for the money over the years.

3 I think that the discussion on House Joint Resolution
4 13 will bring some of the considerations that you are having to
5 go through into the Legislature and sort of shape the over-all
6 Legislature's directive to legislate the Budget and Audit
7 Committee on how they may interact with funds that are proposed
8 to be spent by the State in the future.

9 In addition, there is separate legislation that may
10 change the mechanism that Legislative Budget and Audit operates
11 under as far as accepting and expending EVOS money on the
12 State's behalf.

13 So to honor your request that we not get into the
14 discussion of how the reserve funds are to be used, I did just
15 want to mention H.R. 13 and how I think that the language and
16 the discussion on it will be broadened so the Legislature sort
17 of considers some of the -- again some of the information that
18 you've gathered on what the balance should be between purchase
19 and scientific study.

20 Finally, on the process, I think the Trustees, this
21 board is impanelled to make decisions and while I fully
22 understand and support the public process to solicit
23 information from individual Alaskans, the public process while
24 it might be fair, the process alone cannot make decisions. You
25 have to make the decisions, and it sounds like you are very

00125

1 close to the point where you are making -- you need to make
2 those decisions, and I would support that.

3 And with that, I'd answer any questions if you have
4 any.

5 CHAIRMAN TILLERY: Thank you very much. Are
6 there questions or comments from Council members. Commissioner
7 Rue.

8 MR. RUE: I'm not sure if I have a question for
9 Representative Therriault or for Ms. McCammon. Do we have a
10 copy of H.R. 13?

11 MS. McCAMMON: We do, and I can get you a copy.

12 MR. RUE: Okay. Great.

13 REPRESENTATIVE THERRIAULT: And, Mr. Rue, it is
14 fairly narrowly drafted with response to scientific endowment
15 at the University of Alaska. And I spoke to Ms. McCammon since
16 it was first introduced, I understand the concern about the
17 competitive process, and more -- taking a much wider view, and
18 I will be suggesting changes to that language.

19 MR. RUE: Okay.

20 CHAIRMAN TILLERY: Thank you. Are there other
21 questions or comments?

22 (No audible responses)

23 CHAIRMAN TILLERY: Thank you very much. We
24 appreciate your coming.

25 Okay. Is there anyone else here in Anchorage who has

00126

1 not already commented who would like to make a comment?

2 (No audible responses)

3 CHAIRMAN TILLERY: Okay. Is there anyone else

4 -- I think I'm just going to kind of throw it open, in the

5 teleconference who would like to make a comment who has not

6 already commented?

7 (No audible responses)

8 CHAIRMAN TILLERY: Okay. Hearing none, then I

9 would close the public comment session at this time. Thank you

10 very much for working with us on this one. And.....

11 MR. PENNOYER: Mr. Chairman, do you want a

12 motion to go to an executive session after lunch, or is this

13 during lunch?

14 MS. McCAMMON: During lunch.

15 CHAIRMAN TILLERY: I believe it's going to be

16 during lunch.

17 MR. PENNOYER: Okay.

18 MS. McCAMMON: Upstairs.

19 CHAIRMAN TILLERY: Is there a sense of time?

20 MS. McCAMMON: I don't -- half an hour, 45

21 minutes.

22 MR. PENNOYER: Got to eat, too.

23 CHAIRMAN TILLERY: Yeah, it could take.....

24 MS. McCAMMON: Forty-five minutes?

25 CHAIRMAN TILLERY:a little longer than

00127

1 that to.....

2 MS. McCAMMON: Okay. An hour.

3 MR. RUE: Be back at 1:30.

4 MR. PENNOYER: Let's make it 1:30. I've got
5 phone calls.

6 MS. McCAMMON: 1:30 okay.

7 MS. HEIMAN: Yeah, it will be nice to have a
8 little time to -- I don't know what the.....

9 MR. RUE: Deal with the rest of your life?

10 MS. HEIMAN: Yeah. It's been a little crazy
11 lately, but -- okay.

12 CHAIRMAN TILLERY: Okay. Is there a motion?

13 MR. PENNOYER: Mr. Chairman, I move we go to
14 executive session to discuss matters of habitat acquisition,
15 habitat protection, make it very specific to that so everybody
16 understands why we're doing that.

17 MR. RUE: Second.

18 CHAIRMAN TILLERY: It has been moved and
19 seconded for executive session. All in favor say aye.

20 IN UNISON: Aye.

21 CHAIRMAN TILLERY: Opposed?

22 (No opposing votes.)

23 CHAIRMAN TILLERY: Okay. The motion carries.

24 We are -- go into executive session and we'll plan to be back
25 here no earlier than 1:30. Thank you very much.

00128

1 (Off record - 12:32 p.m.)

2 (Executive session)

3 (On record - 2:26 p.m.)

4 CHAIRMAN TILLERY: If we could come back
5 together here? We're back on line. This is the -- hello,
6 attention?

7 UNIDENTIFIED VOICE: Yes?

8 CHAIRMAN TILLERY: I'm sorry, I'm not talking
9 to you, I'm talking to the people in the room here. If we
10 could have some quiet, please? The March 1st meeting of the
11 Exxon Valdez Trustee Council is reconvened. We have just come
12 out of an executive session at which the only topic of
13 discussion was habitat protection items.

14 Ms. McCammon, the next item on the agenda is the update
15 on injured human services. Who was going to present that?

16 MS. McCAMMON: I will. Thank you, Mr.
17 Chairman. At your last meeting we presented to you a draft
18 update on human services. In that draft update we have
19 proposed that the services of commercial fishing, passive use,
20 recreation and tourism, and subsistence be designated as
21 recovering. That has been out for public comment. We have
22 received one public comment as of February 26th from Patty
23 Brown-Schwalenberg, Executive Director of Chugach Regional
24 Resources Commission. She had a few proposed changes on the
25 subsistence update. We also had a few changes from the Chief

00129

1 Scientist and from peer reviewers.

2 You have a document that should be in front of you that
3 says proposed changes to February 1999 drafted, it is dated
4 2/26/99. I can -- so it's not the one that was in your packet.
5 It was one on your table when you came in. 2/26, yeah.

6 So I'll just go through the proposed changes. In
7 commercial fishing, these were some changes suggested by our
8 peer reviewers to clarify some language there. Basically the
9 first paragraph on page three, these projects include
10 enhancement work such as fertilizing Coghill Lake to produce
11 sockeye salmon and building structures in streams to increase
12 habitat for coho salmon in Prince William Sound, increasing
13 salmon production by reconstructing the fish ladder to pass
14 pink and coho salmon at Little Waterfall Creek in the Kodiak
15 area, and excavating Port Dick Creek on the Kenai Peninsula to
16 reclaim spawning habitat for pink and chum salmon. Projects
17 have also been funded to develop tools that have immediate
18 benefit for fisheries management. Catch accounting tools such
19 as otolith mass marking of pink salmon and improved herring
20 biomass estimates aid management in Prince William Sound, as do
21 in-season genetic stock identification and marine sonar surveys
22 for sockeye salmon in Cook Inlet. This is merely clarifying
23 language to indicate -- to describe better the kinds of work
24 that the Council has been funding for commercial fishing.

25 Under the section Passive Use, one change is to add a

00130

1 header at the beginning of the section saying Injury and
2 Recovery to be consistent with the other sections. Also to
3 correct the paragraph at the top of page four: As of December
4 1998, the Council has protected over 640,000 acres of habitat,
5 including more than 1,400 miles of coastline and over 300
6 streams valuable for salmon spawning and rearing.

7 Under Recreation and Tourism, to clarify the fourth
8 paragraph on page five: Key informants with experience along
9 the outer Kenai Coast also reported diminished sightings of
10 seabirds, seals, and sea lions. To make sure that the -- it
11 was understood that the informants had experience along the
12 outer Kenai coast.

13 Also, to correct the second paragraph on page six,
14 again clarifying that we have over 300 salmon streams open to
15 public use.

16 Subsistence, to clarify the third paragraph on page
17 six, concerns about resource availability and greater harvest
18 effort remain. So the concerns from the community is not only
19 the availability of resources, but also the fact that they have
20 to work harder to obtain subsistence resources.

21 Clarify the third paragraph on page seven, this is
22 regarding the Trustee Council's clam project. We had made a
23 statement that the project is designed to restore clam
24 populations, still in the trial phase, and has not yet produced
25 any clams for harvest. The project sponsors wanted to clarify

00131

1 that claims have been planted on select beaches, but are not
2 yet available for harvest. So it's not that they haven't
3 produced any clams, they're just not big enough for harvest.

4 Clarify the fourth paragraph on page seven, following
5 the oil spill, there was concern that the spill disrupted
6 opportunities for young people, and here this language is
7 clarified, to learn cultural subsistence practices and
8 techniques, rather than to learn subsistence culture.

9 And then lastly, to clarify the fifth paragraph on page
10 seven, emphasizing that traditional ecological knowledge and
11 the documentaries and the Elders Youth Conferences are also to
12 transmit local knowledge of subsistence to the scientific
13 community, and to resource managers, as well as to decision
14 makers.

15 These are all basically just some wordsmithing.
16 There's nothing substantive that we received in the range of --
17 in the way of any additional comments.

18 CHAIRMAN TILLERY: Okay. Thank you. Are
19 there questions that Council members have from Ms. McCammon?

20 (No audible responses)

21 CHAIRMAN TILLERY: This as I understand it
22 would -- is a tentative action item, and we would need to move
23 to amend.....

24 MS. McCAMMON: Yes.

25 CHAIRMAN TILLERY:the -- is there a

00132

1 motion?

2 MR. PENNOYER: Move to amend as suggested by
3 the Executive Director.

4 MR. RUE: Second.

5 CHAIRMAN TILLERY: Okay. It's been moved and
6 seconded. Is there any discussion? All in favor of the
7 motion, signify by saying aye.

8 IN UNISON: Aye.

9 CHAIRMAN TILLERY: Opposed?

10 (No opposing votes.)

11 CHAIRMAN TILLERY: The motion passes.

12 And that brings us to the last item on our agenda which
13 is future uses of the Restoration Reserve. Ms. McCammon, did
14 you have a proposal as to how to attack this item?

15 MS. MCCAMMON: Yes. I would like to do three
16 things first this afternoon. First of all, I would like to
17 describe -- before I take a recorder here -- I would like to
18 describe the public process that has been used over the last
19 year, actually the last seven years, in getting to this point
20 of being able to make a decision on the future uses of the
21 Reserve. Secondly, I would like to go over the summary of
22 public comment that is received -- that has been received so
23 far. And then thirdly, based on my on my analysis of the
24 public comment, the individual discussions I've had with
25 individual Trustees, I also have a proposal to put forth for

00133

1 your consideration and discussion today.

2 First of all, I'd like to talk about the public
3 process, because there has been a lot of comment by the public
4 during the public testimony today about this process.

5 As many of you know, the Council went through an
6 extensive public process from '91 through '93 and into 1994 in
7 developing the Restoration Plan. This was also subject to a
8 full programmatic environmental impact statement that had its
9 own separate round of public meetings and public testimony.
10 That document was developed in 1994.

11 It included in response to the public as part of it a
12 category called the Restoration Reserve, which was a set aside
13 for restoration activities after the last payment came in from
14 Exxon in 2001. It was the intent of the Council at that time
15 that it would pay for restoration activities after that period.

16 Based on advice from the Forest Service who did that
17 original document, when we started talking about what kind of
18 public process to have for the Restoration Reserve and deciding
19 how exactly it would be spent in the future, because the kinds
20 of things we were looking at were consistent with the
21 Restoration Plan, I was advised that the Council actually could
22 take action without additional public comment. But the Council
23 chose to embark on a very extensive public process. This
24 formally began last spring with the publication of a document
25 that went out to everyone in the spill area and everyone on our

00134

1 public -- on our mailing list. We held meetings in almost
2 every community in the spill area. We were not able to go to a
3 few communities, because of bad weather, but we arranged to get
4 comment from those communities.

5 We had a deadline at that time, I believe it was in
6 April was our first deadline. April 30th, 1998. However, we
7 kept getting comment after that time, and we included that into
8 our summaries of public comment. There was some concern
9 expressed by one of the Trustees in September about the fact
10 that we had a firm deadline, and yet we were still accepting
11 public comment, and for that reason, we extended the deadline
12 into the fall, and once again to February 12th. During that
13 time, the Council met at least 10 times and had a public
14 comment period. In all of those public comment on the
15 Restoration Reserve was received. In addition, the Public
16 Advisory Group held two work sessions, and also took public
17 comment at that time. The Council also took -- had a couple of
18 work sessions, and took additional public comment. In January,
19 the Council held a formal -- and the Public Advisory Group held
20 a formal public hearing, specifically for taking testimony on
21 the Restoration Reserve.

22 As a result of all of this outreach to the public, we
23 have received well over 2,000 individual public comments. And
24 you have received those over the last year in groups. And we
25 thought about putting it all together in one package for each

00135

1 of you and decided not to. But I do have all of the public
2 comments right here in three volumes. So.....

3 MR. RUE: Could you summarize that, please?

4 (Laughter)

5 MS. McCAMMON: I will. I will. The whole
6 issue of public process is something that's near and dear to my
7 heart, because I believe very strongly in it. And in fact,
8 this was one of the issues that the Government Accounting
9 Office was directed to look at regarding our process this past
10 year. And the GAO auditors told me that if anything, we had
11 too much public process. I said, please, put that as a
12 recommendation. I want to see that in writing, which, of
13 course, they didn't.

14 But we have had an extensive process getting public
15 input from the spill area, from Alaska, from interested people
16 across the country who are very interested in knowing how the
17 restoration dollars are spent.

18 So that's the first part of my presentation is
19 summarizing what the public process has been thus far. Are
20 there any questions?

21 CHAIRMAN TILLERY: Any comments or questions?

22 MR. RUE: Except it was very thorough.

23 MR. PENNOYER: Yeah. I don't think we want to
24 ask.

25 MS. McCAMMON: The second part is summarizing

00136

1 that public comment, and one of the reasons for having a
2 deadline is that when you have this many public comments, if
3 you're trying to pull it all together and make sense of it, and
4 kind of figure out what it all means and what it says, you need
5 a deadline so you can have a cut-off point so you can actually
6 have that time to analyze it.

7 And in your packet, and I know at the front table there
8 are copies of this, and this is the public comment on the
9 Restoration Reserve fund, the final report dated February 22nd.
10 It describes -- it starts out by describing the number of
11 meetings that were held, how many people attended, and our
12 outreach program. As of February 22nd, the Restoration Office
13 had received comments from 2,432 people. These were related
14 through e-mail messages, letters, form letters, questionnaires,
15 petitions, telephone messages, testimony. Any way somebody
16 said this is what I think, that comment was recorded and put
17 into our data base. If the same person said something 10
18 times, we only counted them once, unless they changed their
19 mind. Then they got counted twice, but for the most part it
20 was counted once. So these are individual people who have
21 commented.

22 The origin of the response was 44 percent from Alaska
23 within the spill area, 28 percent from Alaska outside the spill
24 area, 23 percent outside Alaska, and four percent location
25 unknown.

00137

1 We started out by asking advice on four issues related
2 to the reserve: use, governance, public advice, and term.
3 Everyone had comments about use of the fund, and two-thirds of
4 those had some thoughts about the term of the reserve.

5 Very few people addressed the issues of governance or
6 public advice. And I know Patty Brown-Schwalenberg had asked
7 for a summary of those comments. Those were almost all
8 received early on in the process through out public meetings,
9 and the early petition, and we do have a summary of those
10 comments. I think it's in the first version of this report
11 that you received. Since that time, we've received very
12 little, if any, comments on those categories.

13 People who submitted comments expressed the following
14 ideas: More than half the people who submitted comments
15 advocated use of all or at least 75 percent of the reserve for
16 habitat protection. One-fifth of the people who submitted
17 comments urged the Council to support community-based projects
18 through a \$20 million endowment. Nearly one-fifth of the
19 people who submitted comments encouraged the Council to use the
20 reserve for research. And, finally, about 200 people submitted
21 other ideas for use of the reserve, such as continuing the
22 existing program or funding spill prevention programs.

23 In this report, we went through basically each of these
24 preferences that were expressed, and described the results of
25 the outreach efforts and some of the new issues and ideas that

00138

1 were presented in the public comments.

2 Under habitat protection, more than half the people who
3 submitted comments advocated use of all, or at least 75 percent
4 of the reserve for habitat protection. Almost all responses
5 from outside the State of Alaska expressed this view as did a
6 third of the responses from the spill area and half the
7 responses from elsewhere in Alaska.

8 Half of them also asked the Council to invest the funds
9 flexibly so the principal could be used if necessary to
10 purchase land.

11 There were six major outreach efforts that generated
12 most of this support, and these six accounted for half of all
13 the total comments received.

14 And we do have in this report a description of the
15 outreach efforts, and the number of people that they were
16 received from. These were postcards, there was an e-mail, a
17 couple of postcard campaigns, an e-mail campaign, several e-
18 mail campaigns. And I won't go into detail on that, but these
19 are summarized in your packet, basically the substance of each
20 of those.

21 In addition to those campaigns, about 100 people sent
22 letters, e-mail messages, and completed questionnaires urging
23 the Council to allocate all or part of the reserve to habitat
24 protection. Some of these asked the Council to acquire
25 specific parcels, and those were most notably the Karluk and

00139

1 Sturgeon Rivers and Termination Point outside of Kodiak.

2 For the community fund, one-fifth of the people who
3 submitted comments urged the Council to support community-based
4 projects through a \$20 million endowment. Nearly all of the
5 support for this came from petitions signed by residents within
6 the spill area, and they referred to this endowment as the
7 community fund. Most of those messages that supported the
8 community fund did not advise the Council on use of the
9 remainder of the reserve.

10 This concept was developed by the Chugach Regional
11 Resources Commission and described in a position paper that was
12 adopted by their board of directors last April, and it
13 describes the vision that they had for the community fund.
14 Petitions were signed by 437 people supporting this. In
15 addition, 54 people signed form letters stating their support
16 for this community fund. There were also resolutions received
17 from Tatitlek IRA Council, Ouzinkie Tribal Council, the Chignik
18 Lake Village Council, and the Ivanof Bay Village Council
19 supporting this. And those are described in your -- in the
20 summary.

21 Nearly one-fifth of the people who submitted comments
22 encouraged the Council to use the reserve for research. Some
23 people recommended that the reserve be dedicated solely to
24 research, most argued that research should be one of several
25 restoration activities.

00140

1 A large proportion of those who supported use of the
2 reserve for research encouraged the Council to establish
3 research chairs and research centers at the University of
4 Alaska. Nearly all the support for endowed research chairs
5 came from Alaska outside the spill area.

6 Grant Baker, an assistant professor at the University,
7 organized an outreach effort to support use of the reserve to
8 establish an endowed research program, and 78 e-mail messages
9 were received on this basis. In addition, there was a petition
10 signed by 127 members of University Students supporting use of
11 the reserve for an endowment for the University. This concept
12 was also endorsed by the Anchorage Municipal Assembly, the
13 Greater Fairbanks Chamber of Commerce, among others.

14 About 100 people urged the Council to fund research
15 programs, but didn't focus their comments on establishing
16 research endowments at the University. Half the people who
17 expressed this argued for an inflation-proofed endowment that
18 would fund a long-term ecosystem research program. And some of
19 the comments received from folks like Dr. Ted Cooney from the
20 University of Alaska, from the Alaska Marine Conservation
21 Council, the Alaska Groundfish Databank, Cook Inlet Regional
22 Citizens' Advisory Council, all expressed these kinds of
23 concepts.

24 Finally, about 100 people submitted other ideas for use
25 of the reserve. Many suggested a combination of restoration

00141

1 activities, and didn't have a dominant use or a specific
2 allocation. That -- an example was Audubon Society who
3 advocated going for both research and habitat protection.
4 Other ideas: supporting environmental education, establishing a
5 scholarship fund for undergraduate students, buying limited
6 entry commercial fishing permits, buying the hatcheries and
7 shutting them down, and doing some kind of spill response
8 prevention type work.

9 And in conclusion the pub- -- the Council's Public
10 Advisory Group, which is a 17-member group representing a whole
11 variety of interests also met several times and considered the
12 reserve at its meeting. And you have been provided a copy of
13 their summary of areas of agreement about the Restoration
14 Reserve. And in that document, they identified a variety of
15 uses for the reserve funds, emphasizing the twin goals of
16 stewardship and restoration, including science and research,
17 education information, community projects, and land
18 acquisition. They did not have a consensus view on the various
19 funding levels for these elements; however, the large majority
20 of PAG members recommend devoting less than a third of the
21 reserve for additional land acquisitions. They also -- the
22 summary noted that a criterion for reaching this view was the
23 effort to identify a level of spending for land purchases that
24 does not jeopardize the three objectives listed above:
25 science, information, community projects.

00142

1 So that in short or long is the summary of the public
2 comments received.

3 You also should have on your table in front of you
4 additional comment that has been received since the February
5 12th deadline. I'd be happy to take any questions on that.

6 CHAIRMAN TILLERY: Thank you. Are there
7 questions or comments from Council members?

8 (No audible responses)

9 CHAIRMAN TILLERY: No? Okay.

10 MS. McCAMMON: Okay. In there interest.....

11 MS. HEIMAN: Actually I would like to make a
12 comment which is that I think that it has been a very thorough
13 public process and I want to thank the staff of the EVOS
14 Trustee Council for doing such good work on this comments and
15 the whole public process.

16 MS. McCAMMON: Thank you.

17 MR. RUE: I don't think anyone would disagree
18 with that.

19 CHAIRMAN TILLERY: Believe you, this.....

20 MS. McCAMMON: You're trying to keep them all
21 from quitting.

22 MS. HEIMAN: Yeah.

23 CHAIRMAN TILLERY: You could get -- you could
24 get six votes on that one.

25 MR. PENNOYER: Okay. Do we have.....

00143

1 MR. RUE: Unanimous consent.

2 MR. PENNOYER:a resolution? We'll just

3 -- that's it?

4 (Laughter)

5 MR. RUE: I think there's unanimous consent.

6 MS. McCAMMON: Okay. In the interest of moving

7 along and trying to get -- move this process forward, I, the

8 Executive Director, am sticking my neck out and putting a draft

9 proposal on the table for your consideration and discussion

10 today. Now, let's see here.

11 MR. RUE: Is that why you wore a turtleneck

12 today?

13 MS. McCAMMON: Yeah, really. And these are for

14 members of the public here.

15 And what I'd like to do is to walk you through this and

16 answer any questions you might have. This has been developed

17 on the basis of public comment received, on the basis of my

18 discussions with individual trustees, on the basis of

19 participating in all of the workshops and work sessions that

20 we've had over the past year. And in the interest of trying to

21 develop a plan for the future so that the Council can act

22 accordingly.

23 There are a couple of elements to this. It begins with

24 a resolution that's dated working draft, 3/1/99, and I think it

25 has a number -- two pages of whereases, and I can just go

00144

1 through each of these, and then a couple of resolved at the
2 back. It has a draft outline of action under existing
3 authority which kind of summarizes what's being said in the
4 resolution. And then what everyone likes to see are kind of
5 numbers, and that is on the final page.

6 So it begins, Whereas, in November 1994, following an
7 extensive public process, the Exxon Valdez Oil spill Trustee
8 Council adopted the Restoration Plan to guide a comprehensive
9 and balanced program to restore resources and services injured
10 by the oil spill;

11 Whereas, since that time the Council has used the
12 Restoration Plan to guide development of the annual work plans
13 as well as the acquisition and protection of large and small
14 habitat parcels important to the long-term recovery of injured
15 resources and services;

16 Whereas, the Restoration Plan identified a series of
17 large parcel purchases and the Council has been successful in
18 obtaining habitat protection agreements with willing-seller
19 landowners to provide permanent protection for approximately
20 635,000 acres;

21 Whereas, the Restoration Plan identified -- oh, I said
22 that. Whereas the Restoration Plan recognized that complete
23 recovery from the oil spill would not occur for decades and
24 that through long-term observation and, as needed, restoration
25 actions, injured resources and services could be fully

00145

1 restored;

2 Whereas, the Restoration Plan specifically recognized
3 establishment of the Restoration Reserve to provide a secure
4 source of funding for restoration into the future beyond the
5 last annual payment from the Exxon Corporation;

6 Whereas, the Trustee Council has sponsored an extensive
7 public involvement process to provide opportunity for comment
8 on possible future uses of the Reserve including public
9 meetings in communities throughout the spill impact region and
10 also in Anchorage, Fairbanks and Juneau;

11 Whereas, a large volume of public comment regarding the
12 Reserve has been solicited and received urging a wide range of
13 uses for remaining settlement funds including a strong showing
14 of support for additional habitat protection efforts as well as
15 other restoration efforts;

16 Whereas, numerous Native tribal members and other
17 community residents from the spill area have indicated a strong
18 interest in continued support for community-based efforts
19 consistent with those that have been previously funded by the
20 Council such as subsistence restoration, Traditional Ecological
21 Knowledge, Youth Area Watch, cooperative management, and local
22 stewardship efforts;

23 Whereas, the Public Advisory Group has reviewed and
24 discussed long-term restoration needs and use of the Reserve at
25 considerable length and the views of the PAG members have been

00146

1 communicated to the Council;

2 Whereas, upon consideration of the restoration mission
3 provided by the settlement and the Restoration Plan, past
4 restoration program efforts and accomplishments, public
5 comments received by the Council, the views of the Public
6 Advisory Group, and the most current information regarding the
7 status of recovery, the Council has identified substantial and
8 continual -- continuing long-term restoration needs;

9 Whereas, full recovery of many injured resources and
10 services is not yet complete and long-term restoration,
11 conservation and prudent management of these resources and
12 services will require a substantial on-going investment to
13 improve our understanding of the biology and marine and coastal
14 ecosystems that support the resources as well as the people of
15 the spill region;

16 This is terrible. As I read this aloud, it sounds
17 really bureaucratic.

18 MR. RUE: We're enjoying it. This is good.

19 UNIDENTIFIED VOICE: Well done.

20 MR. RUE: Keep going.

21 MS. McCAMMON: Whereas, in order to prudently
22 use the natural resources of the spill area requires increased
23 knowledge of critical ecological information about the northern
24 Gulf of Alaska that can only be provided through a long-term
25 research and monitoring program;

00147

1 Whereas, together with scientific research and
2 monitoring, a continuing commitment to habitat protection and
3 general restoration actions, where appropriate, will help
4 ensure the full recovery of injured resources and services;

5 Whereas, consistent with the Restoration Plan,
6 restoration needs identified by the Council require a long-term
7 comprehensive and balanced approach that includes a
8 complementary commitment to scientific research and monitoring;
9 applied science to inform and improve the management of injured
10 resources and services; continued general restoration
11 activities where appropriate; support for community-based
12 efforts to restore and enhance injured resources and services;
13 and protection for additional key habitats;

14 Whereas, by October 2002, as a result of the past and
15 anticipated future deposits into the Reserve, it is estimated
16 that the principal and interest in the reserve, together with
17 remaining unobligated settlement funds, will be approximately
18 \$170 million unless, prior to that time, on-going negotiations
19 concerning the Karluk and Sturgeon rivers and adjacent lands
20 result in a habitat acquisition agreement that obligates some
21 of these funds;

22 Whereas, absent a purchase agreement on the Karluk and
23 Sturgeon Rivers, \$170 million is the total of the funds
24 estimated to be available to support long-term restoration
25 based on projected investment returns allowable through the

00148

1 Court Registry under its existing authority and thus reasonably
2 anticipated as available for restoration purposes by the
3 Council starting with FY 2003, which is October 1, 2002; and

4 Whereas, the limits of the existing investment
5 authority of the Trustee Council have resulted in the loss of
6 millions of dollars in potential earnings and to effectively
7 address restoration needs in the future and support a
8 comprehensive program that maintains its value over time, the
9 Trustee Council's investment authority must be amended by
10 Congress.

11 Therefore be it resolved, that the Council has
12 determined that recovery from the Exxon Valdez oil spill
13 remains incomplete and there is need for a continuing long-
14 term, comprehensive and balanced restoration program consistent
15 with the Restoration Plan;

16 Be it further resolved, that funds in the Restoration
17 Reserve and other remaining unobligated settlement funds
18 available on October 1, 2002 be allocated in the following
19 manner consistent with the draft Outline of Action Under
20 Existing Authority dated 3/1/99 and attached to this
21 resolution:

22 \$55 million of the estimated funds remaining on October
23 1, 2002 and the associated earnings thereafter will be managed
24 as a long-term funding source for habitat protection with the
25 intent that half of the funds used to support small parcels and

00149

1 the remainder, if opportunities arise and with the agreement of
2 the six trustees, for large parcel habitat protection in the
3 spill area with the recognition that any funding that may be
4 authorized for purchase of lands along or adjacent to the
5 Karluk or Sturgeon Rivers would be made from within this
6 allocation; and

7 The remaining balance of funds on October 1, 2002 will
8 be managed so that the annual earnings, estimated at
9 approximately five percent per year, will be used to fund
10 annual work plans that include a combination of research,
11 monitoring, and general restoration including those kinds of
12 community-based restoration efforts consistent with efforts
13 previously funded by the Council, such as subsistence
14 restoration, TEK, Youth Area Watch, cooperative management, and
15 local stewardship efforts, as well as local community
16 participation in on-going research efforts;

17 Be it further resolved, that the Restoration Office and
18 the Chief Scientist, under the direction of the Executive
19 Director shall begin to develop a long-term research and
20 monitoring program for the spill region that will inform and
21 promote the full recovery and restoration, conservation and
22 prudent management of spill-area resources; and

23 Be it further resolved, that it is the intent of the
24 Council that this long-term reserve for research and monitoring
25 be designed to ensure the conservation and protection of marine

00150

1 and coastal resources, ecosystems, and habitats in order to aid
2 in the overall recovery of those resources injured by the Exxon
3 Valdez oil spill and the long-term health and viability of the
4 spill area marine environment;

5 Be it further resolved, that in developing a long-term
6 restoration research and monitoring program for the spill
7 region, the Executive Director shall solicit the views of the
8 Public Advisory Group, community facilitators, resource
9 management agencies, researchers and other public interests as
10 well as coordinate restoration program efforts with other
11 marine research initiatives including the North Pacific
12 Research Board;

13 Be it further resolved, that the Executive Director
14 shall work with the Alaska Congressional delegation to obtain
15 the necessary investment authority to increase the earnings on
16 remaining settlement funds consistent with trust
17 responsibilities, so that the Trustee Council will be able to
18 conduct an effective restoration program that maintains its
19 value over time; and

20 Be it further resolved that in developing long-term
21 implementation options for consideration by the Trustee
22 Council, the Executive Director shall:

23 Investigate possible establishment of new or modified
24 governance structures to implement long-term restoration
25 efforts,

00151

1 Explore alternative methods to ensure meaningful public
2 participation in restoration decisions, and

3 Report back to the Trustee Council by September 1, 1999
4 regarding these efforts.

5 The attached draft outline of action under existing
6 authority is basically a summary of what's in the resolution,
7 with the exception of after -- at the end of the habitat
8 protection section, and the research monitoring section. There
9 are issues that require further consideration. And these
10 primarily deal with the issue of term, governance, public
11 advice.

12 For habitat protection, issues that require further
13 consideration: the priority, criteria and decision-making
14 processes for specific parcel selection, possible role of a
15 nongovernmental organization to implement the program after
16 October 2002, and the extent of public involvement in any
17 future program.

18 For the research, monitoring and general restoration
19 part of the program, those issues that require further
20 consideration are whether changes in the annual work plan
21 process should occur, because it is a much smaller program, the
22 means and extent of scientific peer review. Should we --
23 should it continue? Should it be voluntary or paid for? The
24 means and extent of public involvement in the process. Should
25 the PAG continue to exist? The same size or smaller? And

00152

1 then, lastly, whether a new organization or governance
2 structure is needed.

3 Lastly, on the final page we put together a summary of
4 past and estimated future uses of the settlement, and this is a
5 little bit different than what you've seen before, but a lot of
6 it is similar to what you've seen before. What we looked at
7 is, as most of you know, this is a \$900 million settlement, but
8 the Trustee Council has not had control over spending \$900
9 million for restoration. This is because one of the conditions
10 of the settlement is that the governments would be reimbursed
11 for all of their costs getting up to the settlement. For their
12 litigation costs, clean-up costs, damage assessment studies,
13 and all of those. In addition, Exxon was paid an additional
14 year's worth of clean-up, which was almost \$40 million. So
15 those costs getting to the settlement were \$213 million. So we
16 have taken those off the top, because this Trustee Council has
17 not had any control over how to spend those funds.

18 In addition we -- the second category is restoration
19 management, and these are the costs of the scientific peer
20 review, the public involvement and reach part of the process,
21 and administration. From fiscal years '92 through '99, we have
22 spent \$24.7 million in this category. We anticipate over the
23 next three years spending an additional 5.1 million. It is
24 difficult to project how the program will be run in the future
25 and at what costs, and we couldn't pull out a figure for those.

00153

1 Since these are costs that apply to the entire program, we also
2 separated those out, just to make things easier to compare
3 apples to apples.

4 The last part is the restoration implementation, and
5 here we divided it into kind of the two major categories:
6 research, monitoring, general restoration, and habitat
7 protection. In this section, for research and monitoring for
8 the last seven to eight years since FY '92 through '99, we have
9 spent or have committed to spend \$145 million for this area.
10 We anticipate with our annual work plans in the next three
11 years spending \$25.4 million. For habitat protection, to date
12 we have committed \$372,100,000. We anticipate in the next
13 three years spending 4.5 million, and that 4.5 million consists
14 of offers that are on the table to places like Termination
15 Point, the Valdez Duck Flats, Jack Bay parcels, and I have a
16 break down of those. But these are on-going offers that have
17 not been accepted, but they are still valid offers.

18 Of the remaining funds, we estimate, and this is all
19 based on assumptions that we're going to spend this amount in
20 the next three years, that inflation is going to stay at about
21 3 percent, that we're only going to be able to make 5 percent
22 interest in the next three years, we anticipate having
23 approximately \$170 million remaining in funds at the end of the
24 payment period from Exxon. This fund, that 170 million,
25 includes the 16 and a half million committed to Koniag for a

00154

1 potential Koniag deal. That was part of the original Koniag
2 acquisition that the Council would set aside this amount for
3 phase -- a potential phase II, so that amount totals it.

4 The proposal that I have before you would add an
5 additional 55 million to habitat protection, and an additional
6 115 million, not thousand, millions, to research and
7 monitoring. The totals are on your right. This would bring
8 research and monitoring total up to 285.4 million, nearly 40
9 percent of all of the funds that the Trustee Council has had
10 control over. And then for habitat protection, it would bring
11 it to 431.6 million, which is 60.2 percent of all of the funds
12 that the Council has had authority and control over.

13 So that is my proposal, but I don't vote.

14 CHAIRMAN TILLERY: Okay. Mr. Pennoyer.

15 MR. PENNOYER: I'd ask for a couple of
16 clarifications, Molly. First of all, thank you very much for
17 putting this together. It's a pretty arduous task and you
18 covered a lot of bases here. Under one of your further
19 resolves, on -- the pages aren't numbered, but under the first
20 be it further resolved, you have the remaining balance of funds
21 will be managed so the annual earnings, estimated at
22 approximately 5 percent per year, to be used to fund annual work
23 plans. Now, what exactly did you mean by that relative to this
24 whole CRIS investment versus going outside. What does that
25 statement actually mean?

00155

1 MS. McCAMMON: What that statement means is
2 that it would be the intent of the Council to have a research
3 -- to have the funds set aside as a research fund, and just the
4 interest earnings alone would be used for the annual work
5 plans. The -- if we're only getting 5 percent interest, the
6 down side is that you effectively cannot inflationproof a fund
7 that small of a size, because you wouldn't have enough money
8 left to do any real meaningful program.

9 MR. PENNOYER: Sure. And so you're.....

10 MS. McCAMMON: So if you had \$100 million fund,
11 and you earn 5 percent interest, that would be \$5 million a
12 year annually. If you had a larger fund, it would be a larger
13 amount proportionately.

14 MR. PENNOYER: Okay.

15 MR. RUE: Without drawing down the principal?

16 MS. McCAMMON: Without drawing down the
17 principal, yes.

18 MR. PENNOYER: But drawing down.....

19 MS. McCAMMON: But you would still.....

20 MR. PENNOYER:the effective.....

21 MS. McCAMMON:in essence drawing
22 down.....

23 MR. PENNOYER:spending power.....

24 MS. McCAMMON:the effective.....

25 MR. PENNOYER:of the.....

00156

1 MS. McCAMMON:spending power.

2 MR. PENNOYER:money.

3 MS. McCAMMON: Correct.

4 MR. PENNOYER: So much per year. Okay. Thank
5 you.

6 MS. McCAMMON: Correct.

7 CHAIRMAN TILLERY: Mr. Rue.

8 MR. RUE: I guess I'd like to thank Molly also.
9 I mean, not only did you stick your neck out, you did a great
10 job of doing it.

11 (Laughter)

12 MR. RUE: Really. This is a very good.....

13 MR. PENNOYER: That was a compliment, right?

14 MR. RUE: I know. It was. I think this is a
15 very -- basically you put a lot of the pieces together here.
16 You've done a good job of it.

17 I guess I was -- I was going to speak to the issues. I
18 know we have to decide whether we want to act at all today, but
19 I guess I think it's a good balance that you've provided here,
20 and I'll tell you why I think that. And this is coming from
21 the perspective of having been the habitat director of Fish &
22 Game for seven years, and battled hard to protect habitat, and
23 worked hard to push for habitat purchases and acquisitions,
24 because I truly believe that protecting habitat is fundamental
25 to maintaining healthy resources over time.

00157

1 But -- and I'm reminded, and I know Representative
2 Therriault's heard my speech before of the four stool -- four
3 legs of the stool or table that I always talk about. At Fish &
4 Game, to have a successful management program, you need to do
5 four things: You have to protect habitat through the factory
6 that produces the resources. You have to have good science.
7 You have to know what you're doing to understand your actions,
8 and also to know what habitat is important to protect. You
9 have to have good process, public process. You know, we've got
10 that with the community projects. And then you have to have
11 good management so that you make good decisions in season. So
12 you've really from any system that's going to protect,
13 maintain, or be the steward for resources, which is basically
14 our job, looking at the restoration of these resources, you've
15 got the pieces here, and we've got the potential to, you know,
16 influence how those pieces are carried out in the future.

17 So I have been a very strong advocate of habitat
18 protection, but I also believe at this point that the balance
19 you've struck here with research will be critical to our
20 understanding of the resources that were damaged by the spill,
21 and our management and protection of those resources.

22 First, to management, we can act in ignorance in my
23 field, fisheries, or wildlife management, and have very serious
24 impacts on the health of those resources, so the more knowledge
25 we have about those resources, the better job we'll do.

00158

1 And then second, understanding the habitat needs,
2 research that lets us understand the, quote, life history,
3 which includes habitat needs of species, is critical to
4 protecting injured resources as well as being wise in how we
5 might invest any purchasing that we do. So, for example,
6 knowing that the six feet adjacent to the Kenai River are all
7 the habitat that king salmon have to rear in, is an essential
8 piece of information that guides what land we ought to buy on
9 the Kenai River. That entire resource is dependent on that
10 little narrow band of six feet.

11 To me, a research program, a healthy research program
12 will be critical to our ability to have an effective habitat
13 acquisition program also, so for that reason I like the balance
14 that you've struck here with the larger amount of money in the
15 research pot. I think that's good.

16 I guess I also think that the small parcel program is a
17 critical piece of sort of the future endowment we may leave, or
18 legacy we may leave of finding those critical pieces of land
19 that are so productive and so important to the restoration of
20 species. I think there are a lot of those opportunities out
21 there, and they won't come up right away. It will be things
22 that over the next 10, 20, 30 years folks will realize, you
23 know, this is a very important key piece of land, and it ought
24 to be protected through an easement or a purchase or whatever.
25 So I'm glad we are looking at that as an on-going long-term

00159

1 program.

2 So that's my general feeling of why I think you struck
3 the right balance. Not only will the research help us in
4 better management to control our actions, to monitor our
5 actions, understand what we're doing to the ecosystems, but
6 also it will direct how we protect habitat. So I think you've
7 done a good job.

8 CHAIRMAN TILLERY: Mr. Pennoyer.

9 MR. PENNOYER: Yeah, I'm not going to repeat
10 everything Commissioner Rue said, because I think he said it
11 very well.

12 I think that certainly looking at the numbers prepared
13 here, particularly when you take the reimbursement part out, we
14 have made a very substantial commitment to habitat protection.
15 I think it's a wise commitment. I think it is something that
16 lives on after the spill. It's a legacy toward restoration.
17 It's one of the major areas we found that had very direct
18 restoration applicability for some of the resources we're
19 dealing with.

20 On the research side of it, you do need the research to
21 decide what you're best going to do in terms of even habitat
22 acquisition strategies, but I think one of the lessons we
23 learned in Exxon Valdez that I'm anxious to see carried on
24 further is that this isn't a doctoral welfare program or
25 something like that that I've heard people express. This is an

00160

1 applied research program. It is a governed research program.
2 It's something that we presume are -- is going to be directly
3 applicable to long-term management of the ecosystems that we're
4 dealing with, that the health of a lot of the resources that we
5 dealt with, all the resources are totally dependent on. And I
6 know dealing first hand with some of those that are very
7 anxious things to coastal communities, like why are sea lions
8 endangered, and how were they affected by the spill, and why
9 are -- well, I probably shouldn't mention killer whales, by why
10 were -- why are harbor seals still declining, and what effect
11 does that have? What is the actual regulatory effect going to
12 be on people's lives to do those things, would probably have as
13 much to do with general regime shifts and changes in the
14 ecosystem, as they do with man-induced aspects. So we regulate
15 the things we can regulate, which are things like habitat
16 acquisition, whether it's marine or upland, things like
17 development, things like fishing, and it's effect on both the
18 prey species and on the habitat itself. If we do those in the
19 absence of good ecosystems information, we hurt a lot of
20 things, and we don't necessarily help the recovery of the
21 injured resources we're dealing with.

22 So -- and I say I support that aspect and I support it
23 in a magnitude that will allow us to in the long term do
24 something significant. I mean, part of this is how much would
25 that be? And frankly, when you're dealing with ecosystem

00161

1 changes, you're not dealing with something that happened that a
2 million dollars here or there is going to cure. What we've got
3 here probably won't do it, even for the gulf. But we have out
4 there other opportunities. We have opportunities with,
5 mentioned this morning, on Dinkum Sands. You mentioned some
6 land acquisition opportunities. We have opportunities within
7 our own budgets. I think things like sea lions, for example,
8 are going to get a pretty good nod in the federal budget over
9 the next few years because of the impact on people. It's going
10 to be ecosystem research, it won't be just counting sea lions,
11 because we're trying to figure out what you ought to do to
12 prevent the further decline of a species.

13 And I think the Exxon example of peer reviewed,
14 continuously bringing P.I.s together to work together, it's not
15 just everybody off in separate rooms writing their own reports,
16 hoping somewhere somebody can bring it together and come up
17 with an answer. It's a good example. I'd like to see it
18 carried on in a method and a size that we can leverage some
19 other people to join in that type of activity, whether it would
20 be Dinkum Sands people, or agency money, or whatever it is. We
21 won't get there if it's too small an investment. You're just
22 not going to do it. One, you won't get the question, you won't
23 bring people to the table to try and subscribe to that type of
24 way of doing business as we I think have done over the last
25 seven or eight years. So I think we need that, and I think we

00162

1 need that longer-term approach.

2 I'm not convinced that sitting right here we all can
3 come up with what the right answer is in terms of an
4 exactitude. I think we have to. I'm not saying we shouldn't
5 make a decision, but I'm saying anybody who says that, well, if
6 you wait a month, you're going to know better, or you wait four
7 months. I think 10 years from now people are going to still be
8 wrestling with some of these questions of what type of
9 research, how much did it really take to model that current
10 pattern, and on and on and on, let alone other land acquisition
11 opportunities. So I think we're dealing here with kind of
12 having the general statement or a concept of the type of
13 balance we think ought to come out of this by itself, knowing
14 full well that we don't think it ought to be used just by
15 itself.

16 And I'm also generally happy with this range of
17 discussion that the Executive Director has produced. I'm not
18 saying that I couldn't be convinced that a little way one way
19 or the other isn't appropriate, and I probably 10 years from
20 now -- well, it won't be me, but ten years from now somebody
21 probably could also come up with that idea. But for now I
22 think we've got to go ahead, and I think this balance, the
23 general balance that you're proposing, the general balance is
24 an appropriate way to go.

25 Thank you.

00163

1 CHAIRMAN TILLERY: Ms. Heiman.

2 MS. HEIMAN: I have a couple comments. Being a
3 new person sitting here at the table, I feel a little bit at a
4 disadvantage, but I wanted to agree with a lot of things that
5 were said already. Definitely what Frank was saying about the
6 information that we have, and the money that we have right now,
7 this -- well, the way this is divided up, I have some comfort
8 and some discomfort.

9 I think that it's important to have money for research.
10 I definitely think that we should use a large portion of the
11 money, I think a lot of people in their vision when they
12 started out with the Trustee Council, thought that money would
13 go to research. But I have two beliefs that go along with that
14 research.

15 One I've already mentioned, which is that we have to
16 coordinate it, it has to be well thought out. It can't -- I
17 mean, we have to all be committed to making sure that it just
18 doesn't, you know, get put into research for research sake, and
19 that we commit to working together to make sure that we're
20 actually helping the managers make decisions about fisheries
21 and other critical resources.

22 And that, secondly, that we're using that information
23 to determine how we are going to over -- if we are going to
24 protect areas that are critical, whether they be areas that are
25 watersheds of -- or, you know, of salmon streams that need to

00164

1 be protected, or otherwise.

2 So my -- the reason for the introduction is to say that
3 I agree also with leveraging that you brought up, Steve. But
4 the part that I feel a little bit uncomfortable with -- oh,
5 actually I had one other thing.

6 And I agree with that amount of money going towards
7 science if we really do make a commitment to community-based
8 restoration, and that it does include the projects that we've
9 talked about on subsistence restoration and traditional
10 knowledge, and cooperative management of resources. And I
11 think everyone's committed to that, but I think it's very a
12 important part of that science.

13 But the part that I have the heartburn with is with
14 what is in the 55 million, and the language for the 55 million,
15 and that is that if in fact we are going to designate that it
16 be large and small parcels, or actually I think the way it's
17 put, that half the funds will be used to support small parcels,
18 and the remainder if opportunities arise, and with the
19 agreement of the six Trustees, for large parcel.

20 Basically I think that that language should be a little
21 bit more flexible, because if in fact you are doing science to
22 determine what -- you know, how we should manage the resources,
23 we should be able to say, whoa, we have a large parcel, it's
24 very important habitat that needs to be protected, and we
25 should be able to say the science has showed us that that is

00165

1 what we should use the money for. And by limiting or sort of
2 narrowing the use of those funds, I think that that's not
3 giving the people in the future the flexibility to make the
4 decisions from the science that we can. And so that is one
5 concern I have.

6 I also have some other language changes. I, of course,
7 just saw this today myself, and feel as a new Trustee and just
8 reading it today, that there's some people that I should check
9 in with, that I don't feel comfortable just signing off on this
10 today. I'm not saying that we need to go through a full-blown
11 review of it, but I do think that it will be useful to have
12 some time, maybe a week to two weeks to just work out some
13 language changes if we have any, and just -- you know, just
14 check in with appropriate people, I would feel comfortable with
15 that.

16 Unfortunately, I don't have a history and I don't feel
17 the comfort level having heard all the testimony over all this
18 time, to be able to just say, yeah, that's exactly the split,
19 that's exactly the language and I feel comfortable with it. So
20 I hope that that doesn't cause a great deal of discomfort to
21 just take a little bit of time with this document, to do a
22 little more of a review of it.

23 CHAIRMAN TILLERY: Mr. Pennoyer.

24 MR. PENNOYER: Mr. Chairman, clarification on
25 -- I think that was a proposal at the end. Is that mostly then

00166

1 to edit language, or are you concerned about the splits that
2 are envisioned? Those are kind of two different simultaneous
3 questions. It seems to me you could say we agree to this in
4 concept or principal, and then come back and edit language. Or
5 you could say -- and I fully understand that you haven't been
6 through these discussions for a while, and I think they're
7 difficult enough even have been through them for a while. It's
8 not an easy thing to do. But are you trying to -- are you also
9 saying that as far as the actual split itself goes, we should
10 just re-open this in two weeks and come back from scratch and
11 do it, or are you proposing that we simply agree to the
12 concept, which includes the numbers I think in here, or some
13 variation of them, but -- and certainly some of the whereases
14 and some of the way resolves are worded, I think a lot of folks
15 wouldn't be uncomfortable with taking a little time to work
16 that back out and come back, but that's a little bit different
17 question.

18 MS. HEIMAN: We could do it two ways. We could
19 leave it open, or we -- I could make specific proposals for,
20 you know, the content or substantive changes, and then we can
21 leave it, you know, then the next week to two weeks, take some
22 time to do some review of language. I mean,.....

23 MR. PENNOYER: We could put.....

24 MS. HEIMAN: I have a couple of.....

25 MR. PENNOYER:a motion on the table.

00167

1 MS. HEIMAN:amendments as it's.....

2 MR. RUE: I was going.....

3 MS. HEIMAN:written though.

4 MR. RUE:to say.....

5 MR. PENNOYER: We could put the motion on the
6 table, and then move to amend pieces of it, if you want to
7 formally do.....

8 MS. HEIMAN: We could do it that way.

9 MR. PENNOYER:it the way we do it in
10 other bodies.

11 MR. RUE: Right.

12 MR. PENNOYER: That's a potential.

13 MR. RUE: I was thinking process-wise we might
14 want to make the motion.

15 MR. PENNOYER: Mr. Chairman, I move that we
16 adopt the motion to start us in the discussion.

17 MR. GIBBONS: I'll second.

18 CHAIRMAN TILLERY: It's been moved and
19 seconded. Is there discussion? Now we're back.

20 MR. RUE: Now we can get on the record.

21 MS. HEIMAN: Okay. I have a couple -- should I
22 just start going through them? Is that.....

23 MR. RUE: Do you want to.....

24 CHAIRMAN TILLERY: Well, do you want to --
25 you're talking about going through your edits?

00168

1 MS. HEIMAN: Uh-hum. (Affirmative)

2 CHAIRMAN TILLERY: Do you want.....

3 MS. HEIMAN: I could either go through edits
4 now, and then we can maybe come to a conceptual agreement, or
5 we could just take the time to -- over the next two weeks to
6 review this and come back.

7 CHAIRMAN TILLERY: Are you still going to want
8 two weeks even if we go through the edits.....

9 MS. HEIMAN: Uh-hum. (Affirmative)

10 CHAIRMAN TILLERY:now?

11 MS. HEIMAN: Uh-hum. (Affirmative)

12 CHAIRMAN TILLERY: Then I guess I'm not sure of
13 the benefit of going through language changes at this point,
14 but -- Commissioner Rue.

15 MR. RUE: Right. I think I would agree. Why
16 -- we might not -- unless we decide we'd get through this real
17 quick, and we have time to do some editing, if -- I think we
18 ought to discuss the concepts and then see if we can -- if it's
19 legal to vote in concept knowing we're going to go and edit and
20 come back and either say those are fine edits or not. I think
21 we can make a decision to do that or not do that rather than
22 spending a lot of time on edits, unless they're substantive.

23 I mean, I feel quite comfortable. This basically
24 reflects where I've been for some time, and I know I've argued
25 with your predecessor about, you know, as we were beginning to

00169

1 think about this, what's a reasonable split, so I know a lot of
2 us have been thinking about what's a reasonable split for some
3 time.

4 I personally feel comfortable with the small parcels
5 split. I've actually thought it would be a great idea if we
6 could figure out a way sometime to put that into a whole
7 separate entity, and just have a trust sitting there with a
8 certain amount of money in perpetuity that would be available
9 separate from any council or body here. I think that would be
10 great, to have a long-term small parcel endowment. But we're
11 not ready to go there yet either.

12 But I think there are lots of future decisions that
13 councils could make, so I'd like to talk concept first, and
14 then make a decision whether we want to bless it in concept or
15 not, and if so, decide if we want to come back with edits in a
16 certain amount of time.

17 CHAIRMAN TILLERY: Mr. Pennoyer.

18 MR. PENNOYER: Mr. Chairman, talking concepts
19 may require that you have a specific proposal and,.....

20 MR. RUE: Sure.

21 MR. PENNOYER:quote, edits in front of
22 you, and.....

23 MR. RUE: Right.

24 MR. PENNOYER:I guess.....

25 MR. RUE: Right.

00170

1 MR. PENNOYER: I would have assumed that
2 what you weren't going to propose was we edit language here,
3 words like prudent versus improved and.....

4 MS. HEIMAN: No.

5 MR. PENNOYER: things like that, but
6 rather that you had some substantive -- in your view.....

7 MS. HEIMAN: Uh-hum.

8 MR. PENNOYER: substantive changes you
9 thought.....

10 MS. HEIMAN: Like the split.....

11 MR. PENNOYER: needed discussion.

12 MS. HEIMAN: of the habitat and.....

13 MR. PENNOYER: And that's -- that is my
14 assumption. Perhaps if you were allowed to start through that
15 list, we could see, and somebody could say, oh, we think that's
16 just an edit, let's talk about it later or something, but we
17 could then see what things caused us, various people around the
18 table question.

19 CHAIRMAN TILLERY: Okay. Would it be
20 appropriate to first sort of get more comment from the Council
21 members, that haven't spoken yet, before.....

22 MS. HEIMAN: Yeah, that would be fine.

23 CHAIRMAN TILLERY: we get back to the.....

24 MS. HEIMAN: That would be fine.

25 MR. PENNOYER: Yeah. Right. Everybody needs

00171

1 to.....

2 CHAIRMAN TILLERY: Mr. Gibbons.

3 MR. GIBBONS: Yeah. I am, too, somewhat
4 comfortable with this proposal, and I'm really glad to see the
5 small parcel emphasis. If you look in future developments and
6 threats of developments to injured resources, small parcels I
7 believe are some of the greatest. Along the Kenai River, for
8 example, some of the parcels that were purchased there. The
9 Blondeau parcel in Valdez. Some of these are very important,
10 so I was glad to see that small parcels are a key component of
11 this draft resolution.

12 And another part that I was really glad to see is
13 general restoration part of the research monitoring. We
14 haven't done a whole lot of it in the past, but the stuff that
15 we have done in the past has been very critical. You look at
16 the archaeological stewardship and archeological repositories,
17 you look at the fish ladders, you look at TEK, you look at
18 Youth Area Watches, some of those things are very critical, and
19 I was glad to see that built into this resolution that if good
20 projects, and I know good projects will come up in the future,
21 are included in this activity, so -- that's all.

22 CHAIRMAN TILLERY: Commissioner Brown.

23 MS. BROWN: Okay. I think a lot of what I was
24 going to say in organizing my thoughts have been said, so I'll
25 be fairly brief. But I can certainly appreciate where

00172

1 Marilyn's coming from, having dithered myself of this for a
2 good many months. I can appreciate, and, you know, one of your
3 first days on the job being thrown this.

4 And, you know, I think also that Molly has done an
5 extraordinary job and, you know, from talking to us and
6 listening to our dithering, to try to construct a balanced
7 result.

8 I don't know -- I agree with Steve, I don't know that
9 we'll ever have an exact -- there's certainly no science to
10 come up with a number. It's a judgment call, sort of a best
11 professional judgment. I think this Council has done an
12 extraordinary job in habitat protection by purchasing lands or
13 easements.

14 But as I thought through this, I thought we've perhaps
15 defined habitat protection a little too narrowly, because if
16 we've learned anything, it's that individual parcels, however
17 valuable, do not protect an entire system, and particularly a
18 system that's as acutely sensitive as this one, and that we
19 really need to have a better working knowledge about what's
20 happening in the system in order to help us protect and manage
21 the resources, the system, the people who rely on these
22 resources, and in particular, this will enable us to protect
23 the lifeblood of the areas that we've actually purchased or
24 have the easements on. In doing that, we need to have
25 sufficient funds to generate enough income to actually have a

00173

1 working system, which means there has to be at least certain
2 minimum of a science reserve that we have to have.

3 But I also was thinking through and trying to chronicle
4 my thoughts on what that kind of research process needs to be.
5 It has to have four very firm commitments. I think the first
6 one is that we need to leverage and coordinate this research
7 with the other bodies and sources of funding that are out
8 there. Alaska is at this moment uniquely situated to do that.
9 We've heard from, you know, the Bering Sea Commission. We've
10 heard from the Arctic Research Commission. We are uniquely
11 situated to look at our entire coastline when you put all this
12 together in a way that may give us some knowledge that no place
13 else in the world actually has yet.

14 Second, we need to make sure this research and
15 monitoring is very focused, very concentrated, rather than just
16 request for proposals, that we really are picking out what we
17 need to know so that we can do our jobs better.

18 Third, we need to link this research and monitoring to
19 real actions that will result in habitat protection, be that
20 protection by either further acquisition or developing better
21 management tools. This means that the research that's done has
22 got to be completed in a manner that's accessible, integrated
23 and actually usable, not just on a shelf somewhere.

24 And, finally, I think the research and monitoring needs
25 to be integrated with the traditional knowledge and the

00174

1 community restoration projects so that we really have a
2 complete package here.

3 And so, you know, I'm content with this. Again, you
4 know, like Steve, you could draw the line a couple of different
5 places, but this really does reflect a careful, thoughtful
6 balance, so I'm content with it.

7 CHAIRMAN TILLERY: Commissioner Rue.

8 MR. RUE: Yeah, I'd like to build a little bit
9 on what Michele just said, and others have said in the past
10 year, and we might want to beef those parts of it up. The
11 first be it further resolved that talks about the Restoration
12 Office and the Chief Scientist, developing a long-term research
13 monitoring program or plan, I think that is absolutely
14 critical. If we have our own thoughts together about
15 priorities, where the key issues are, we'll be very
16 influential. We meaning whoever is putting together that plan.
17 It just is the nature of the beast. If you've thought about
18 it, and you've got your own act together, you can leverage
19 other folks to come and join in with you if you've done your
20 thinking well.

21 MS. BROWN: Uh-hum.

22 MR. RUE: So I think it's a tremendous
23 opportunity to think through these issues, what are the key
24 questions out there? What is the thoughtful plan that gets at
25 the big questions. Then I think others will join -- the

00175

1 university, the NSF, all those other pots of money, agencies,
2 if the Bering Sea fund happens. I mean, we will be a key
3 player. So I think that is sort of -- you rush by it on that
4 be it further resolved, but I think that's critical,.....

5 MS. BROWN: Uh-hum.

6 MR. RUE:and that's I think what you were
7 saying.

8 The other idea that I think is also critical and maybe,
9 I don't even know that we need to say it in this resolution,
10 but will be kind of a plan for habitat. I think you can truly
11 leverage things like the Land/Water Conservation Fund if, for
12 instance, part of your small parcel process, or this other
13 planned acquisition process is to identify key pieces. You may
14 not buy them, or you may only be part of buying them, but if
15 you have got the ability to plan, look at all the -- look at
16 what's out there, what is critical for certain activities or
17 species, I think you can have an influence way larger than the
18 number that's on the page here.

19 MS. BROWN: Uh-hum.

20 MR. RUE: So I look for that as being perhaps
21 one of the more important things we do in both any acquisition
22 program and research program. That doesn't really change my
23 thinking, just I think it's an added benefit of this.

24 CHAIRMAN TILLERY: I would like to thank Molly
25 for I think putting together a very well thought-out plan.

00176

1 There's everything that I would sort of think of that we need
2 in here, I find in here.

3 I would like to concur in Commissioner Rue's remarks
4 and Mr. Pennoyer's remarks about the importance of long-term
5 research and monitoring, as well as the importance of a long-
6 term source of funding for habitat acquisition parcels,
7 particularly small parcels.

8 In this process, I spend a lot of time focusing on some
9 of the more practical aspects of it, and I do have some
10 concerns about the proposal in that I don't think that under
11 its assumptions we necessarily accomplish what we're seeking to
12 accomplish, and I'm primarily looking at research and
13 monitoring. In my view, research and monitoring really needs
14 to have sort of two things that work together. First, there
15 has to be enough money for a credible scientific program, and,
16 secondly, that program has to be potentially indefinite. And
17 to my way of thinking, that means that that credible program
18 essentially needs to be inflation-proofed. It can't be a
19 declining value fund as we have talked about.

20 Using the assumptions in this proposal, we don't get
21 both of those. We can take the money that's in here for
22 science, and we can expend it, losing value over time, and we
23 can have a credible program. Or we can have a -- we can expend
24 less, inflation-proof it, and we will not, based upon the stuff
25 that I've heard before when we've talked about this, we would

00177

1 not have sort of a critical mass large enough to do a good
2 scientific program.

3 That does not mean that I am against this proposal,
4 because as usual Molly has pretty much covered. What she notes
5 in here is that the -- as whereas the existing investment
6 authority of the Trustee Council has resulted in the loss of
7 millions of dollars in potential earnings. Over the last two
8 years this pot has lost some \$17 million as a result of the
9 inability of Congress to pass legislation that would allow us
10 to invest this money in a program. Under this proposal, that
11 is \$17 million that is not available for the research and
12 monitoring program. As a result, -- but it can still work,
13 because it can work from here on out, I believe, with the money
14 we have available, with the money that's in this proposal. But
15 I believe that one of the absolute critical and probably the
16 key way to make this proposal work is that part of the
17 resolution that says the Executive Director shall work with the
18 Alaska Congressional Delegation to obtain the necessary
19 investment authority to increase earnings on remaining
20 settlement funds.

21 So I have concern that under this assumption of a 5
22 percent return, we may not accomplish what we want to
23 accomplish with research, but I also believe based on what I
24 know, and what I know of the people that are going to be
25 working on this, that we can get that changed. And whereas the

00178

1 assumption may not work right now, I believe it is a valid
2 assumption. I believe it will work for the future, and I
3 believe we can get it done. And for that reason, I do support
4 this proposal.

5 Are there any other comments or questions?

6 Commissioner Rue.

7 MR. RUE: I guess I would add one comment, and
8 it's starting to get into the details on future action. I
9 think the public process we've had has been critical. I also
10 think the Public Advisory Group has been very useful. But I'm
11 wondering if we decide to go this -- bifurcate the fund here a
12 little bit, if we want the same advisory group for both. And
13 one thing I was thinking about is under the research component,
14 you may want some different players advising whatever
15 governance body there is. For instance, if the University
16 doesn't sit on the governance body, they should definitely be
17 in a very close advisory capacity I would think. You want that
18 interaction, that coordination, cooperation. So I think we
19 ought to look at, if you wouldn't structure some of the kind of
20 close advisory, whatever we set up, to make sure that we've got
21 it -- we've got the right people helping advise.

22 CHAIRMAN TILLERY: And I believe that that is
23 -- the Executive Director in the attachment specifically listed
24 the extent of public involvement, the kind of public
25 involvement,.....

00179

1 MR. RUE: Right.

2 CHAIRMAN TILLERY:as an item to be
3 considered.....

4 MR. RUE: Exactly.

5 CHAIRMAN TILLERY:down the line, and I
6 would certainly concur.....

7 MR. RUE: Right.

8 CHAIRMAN TILLERY:with that.

9 Mr. Pennoyer.

10 MR. PENNOYER: Mr. Chairman, we haven't gotten
11 back to the specific edit questions yet, but that certainly
12 brings it back to one of them, and that is the small -- if we
13 agree that to sort of make sure that there's a significant body
14 of research, there is the funding to guarantee in the long
15 term, whether it's -- we have to spend something down to
16 maintain a certain level, which is undesirable, or by
17 inflation-proofing if it's there, but it's a significant enough
18 amount of money to do the type of work we want done. That's
19 the first division.

20 The second part, though does come down a great deal to
21 governance, and when you get into dividing up either the
22 research pot and how it should go, toward what percentage here,
23 what percentage there, who gets this, what goes in this
24 facility, what goes in that facility, where the land pot, in
25 terms of predetermining what the proportion should be, I'm

00180

1 wondering what the rationale is for doing that either on lands
2 or on the research funding. I'm getting to the small parcel
3 proportion question. I don't know it's not right, but I'm just
4 saying until we have a group that governs that, is that a big
5 issue, and if so, why at this stage? Once you've made the
6 first split between land and research, and guarantee the fund,
7 then what is the rationale for having to have either of those
8 subdivided at this stage? And maybe I'm doing one of your
9 edits for you first, I don't know.

10 MS. HEIMAN: Yeah, I appreciate it. Thank you.

11 CHAIRMAN TILLERY: Commissioner Rue.

12 MR. RUE: Well, my thoughts on the small parcel
13 is to me that's something that if you don't guarantee that
14 there's some amount of money available over the long term, it
15 will wither and die.

16 MR. PENNOYER: Let me ask you what a small
17 parcel is?

18 MR. RUE: Well,.....

19 MR. PENNOYER: 1,000 acres, a.....

20 MR. RUE: Could be.

21 MR. PENNOYER:million dollars? Two
22 million dollars,.....

23 MR. RUE: Fifty acres, 200 acres.

24 MR. PENNOYER:\$4 million? 200 acres?

25 Five acres? How do we make those judgments at this stage and

00181

1 set out the proportions of the formula and draw the line?

2 Well, why do we have to is more I guess the question.

3 MR. RUE: I think that -- well, my thinking is
4 that if we don't do that, there will be a tremendous urge to
5 just go and find the most sort of pressing large parcels for
6 lack.....

7 MR. PENNOYER: (Indiscernible -- simultaneous
8 speech)

9 MR. RUE: Perhaps. I think in the long term
10 some of those small parcels along key -- in key areas will end
11 up having more restoration protection value than some much
12 larger parcels, just because when you buy a large parcel, you
13 tend to have to buy the whole thing, and parts of it aren't
14 that -- may not be that important for restoration. Whereas
15 there are some key parcels, critical parcels like along the
16 Kenai River. As I said, that six-foot strip is it. And if you
17 don't protect those grassy banks, it's gone forever. And so
18 you -- I think you need a fund that's dedicated over the long
19 term, because I don't think all these opportunities will be
20 here or even available for ten, 15, 20 years, it will
21 disappear. It won't be there. That's why I think you need to
22 split it off.

23 CHAIRMAN TILLERY: I think it also should be
24 noted that as frequently happens, I think the Executive
25 Director has somewhat cleverly thought about this. And if

00182

1 you'll note in the description, it talks about a split with a
2 certain amount of money for habitat protection, but it then
3 goes on to say that with the intent that half of the funds. So
4 as I understand this resolution as drafted, it's a resolution
5 to have that land/science split, and then it's simply a current
6 intent of the Council to talk about how that habitat would then
7 be further subdivided, which perhaps maybe accomplishes you --
8 or deals with your concern.

9 MR. RUE: Which means you can negotiate how the
10 split goes. But I would argue with you whether you can take it
11 all.

12 MR. PENNOYER: Well, I assume whoever sits in
13 these places for us on this body will do the same argument at
14 some point, and.....

15 MR. RUE: Right.

16 MR. PENNOYER:maybe with more information
17 than we've got right now.

18 CHAIRMAN TILLERY: Which is the other answer is
19 that six people.....

20 MR. RUE: Right.

21 CHAIRMAN TILLERY:can deal with it
22 anyway.

23 MR. RUE: Right. I think that is a key piece.

24 MR. PENNOYER: I don't know, did we do your
25 edit or not? Excuse me, Mr. Chairman.

00183

1 MS. HEIMAN: Well,.....

2 MR. RUE: The intent is important. I think
3 that's.....

4 CHAIRMAN TILLERY: Ms. Heiman, I.....

5 MR. RUE:a phrase I can use.

6 MS. HEIMAN: I think.....

7 CHAIRMAN TILLERY:think we're back to
8 you.

9 MS. HEIMAN: I mean, I would agree with what
10 you said, which is that if we're not going to get into the
11 discussion of how we do the science right now, and what kind of
12 endowment, or if it will be, you know, university chairs, or --
13 you know, what are we going to do, then why do we need to make
14 determinations on the specifics of the habitat protection? And
15 I just -- I mean, we had a public comment period that showed
16 2400 people, over half the people thought that 75 percent or
17 more should be used for habitat acquisition. Now, I'm not
18 proposing that here, because I think that this has been a long
19 discussion, and people have been involved, and there have
20 certainly been agreements that there will be sci -- you know,
21 the money will be used for science, and I agree with that. I
22 mean, I really would like to see that happen.

23 But I just don't see if we're going to have -- make
24 determinations on habitat and what purchases we will make, that
25 we really have to keep that open to determine -- that really to

00184

1 base it on the science. I mean, I just think that that's
2 critical, that we allow that to stay open.

3 And I think what will happen is we will have a lot of
4 small parcels that come in and they -- you know, along the
5 Kenai River or other rivers that -- salmon rivers, and I think
6 we will have that. But I also think that it will be nice, more
7 than nice, I think it's essential that we have some flexibility
8 in this pot. It's not a lot of money. If half of it is used
9 for -- let's say for Koniag, that really leaves only a small
10 parcel plan left, and there really won't be any latitude for
11 anything else.

12 And I want to say for the record, for the last four
13 years, I have worked for the Knowles Administration, as many of
14 you know, working like crazy with Craig Tillery and Frank Rue
15 on a habitat protection plan for the Kenai River, and we have
16 bought a lot of land, and we have protected a lot of the River,
17 and I hope we continue to do that. But I guess I just want to
18 say that I want to use some of that energy to explain I really
19 think we have to be fair about how we use this other habitat
20 monies.

21 That's all.

22 CHAIRMAN TILLERY: Ms. McCammon.....

23 MS. HEIMAN: So, you know, if we could delete
24 that language, and then we can discuss it. It takes six votes
25 no matter what we do.

00185

1 CHAIRMAN TILLERY: Yeah, that's a good point.

2 I mean, either way you go, it still takes six votes.

3 MS. HEIMAN: It takes six votes.

4 CHAIRMAN TILLERY: That's.....

5 MS. HEIMAN: You guys can oppose every single
6 proposal if you want.

7 CHAIRMAN TILLERY: Ms. McCammon.

8 MS. MCCAMMON: Mr. Chairman, let me just
9 describe a little bit -- I mean, with this kind of direction,
10 this would be my -- let me just describe how we would run a
11 program like this. If I was given direction like this, right
12 now we have a moratorium on small parcels, so we have not gone
13 out and solicited any activity in that realm. We've had a few
14 that have come in because they've either come to the attention
15 of the general public like the Homer Spit parcels, or it's been
16 some really exciting or really compelling need of a particular
17 agency, and they've brought that parcel to our attention. But
18 we have not done anything active on small parcels for at least
19 three years now. We've had what we call the "soft moratorium."
20 If we had -- let's just say we have this pot of money, what I
21 would envision doing is actually going out and soliciting, and
22 saying we have this pot of money. We're going to spend the
23 interest earnings this year, and we're going to get \$2 million
24 or whatever, and we're going to spend \$2 million this year on
25 small parcels. Go out, let's get the best -- go out and give

00186

1 us your ideas on what's out there, and look at it, and say,
2 okay, for that \$2 million, what is the best habitat that we can
3 protect with that \$2 million? So you would have some
4 suggestions, and some ideas there on what some kind of ranking,
5 evaluation set up. And you would say these are the most
6 critical pieces there.

7 In the meantime, while you're doing this -- and then
8 you may decide to spend that two million this year, or you may
9 decide there's really nothing exciting this year, and you're
10 going to throw all the money back in the pot and let the pot
11 get bigger or whatever.

12 And in the meantime, if there's some really outstanding
13 large parcel that's out there that has -- really meets critical
14 habitat needs, has wide spread public support and really fits
15 in, then that can come to the Council, and the Council can base
16 its decision.

17 But if you don't make a decision like this, it really
18 gives us no method for going out and actually trying to see
19 what small parcel habitat might be available for protection and
20 might be needed here, without some kind of an actual program.
21 Otherwise it's just kind of this ad hoc hit and miss, depending
22 on if, you know, there's an agency problem or an agency concern
23 or something comes to the attention of the public. And I think
24 we miss a lot of opportunities that way.

25 CHAIRMAN TILLERY: Mr. Pennoyer.

00187

1 MR. PENNOYER: Mr. Tillery, thank you. Molly,
2 I like what you said, and I think it does come back to the
3 question Mr. Tillery brought up of the word intent. And it has
4 like a little bit to where this go in the long term. This says
5 the intent, that half of the funds used to support small
6 parcels on the remainder, if opportunities arise and with the
7 agreement of the six Trustees. I don't even know who those
8 are. So I'm still not sure what this statement says. I mean,
9 if it's the intent that some priority be given to maintaining a
10 small parcel program, I guess I understand that. That means
11 the intent of this group that sometime in the future, 10 years
12 from now, five years from now, some group of people will pay
13 attention to small parcel concerns. But I'm not sure who these
14 six Trustees are that will have to give permission to spend
15 more money on large parcels, and I'm not sure how this thing
16 will work in the long term. I think you're right, the
17 statement is intentional enough without being specific, that
18 probably you could make it work that say, but I'm not still
19 clear what exactly this says. If it just said something
20 like.....

21 MR. RUE: I think you're probably.....

22 MR. PENNOYER:the Trustee Council agrees
23 that a priority -- that in their experience, acquisition of
24 small parcels is a very significant way of protecting essential
25 habitat for the recovery of injured species. Any future body

00188

1 should take that into account rather than forego their
2 opportunities by spending all the money or something, then I
3 can understand that. But I'm not sure how this comes together?

4 MS. McCAMMON: This assumes the Council stays
5 in existence.

6 MR. PENNOYER: Right. I understand that.

7 MS. McCAMMON: Existing authority, so this does
8 not foresee any new group or whatever. If there was any kind
9 of a new group, then how you decided, it would all have to be
10 figured out as part of it.

11 MR. PENNOYER: Right. I guess that's point.

12 MS. McCAMMON: Yeah.

13 MR. PENNOYER: That's true, and so therefore
14 we're committing.....

15 MS. McCAMMON: No, it is.

16 MR. PENNOYER:a group that doesn't exist
17 to apportion that may or may not be reasonable. About all you
18 can do at this stage is say it's your intent based on your
19 experience that small parcel acquisition is a very significant
20 part of the restoration program. We think the acquisition of
21 parcels should take that into account -- fund should take that
22 into account. Decisions should be based partially on that, but
23 I -- other than that, you're right, if it's vague enough that
24 the word intent doesn't commit us, then why do we have to have
25 half. Is that -- I don't know. Anyway, it seems to me it's an

00189

1 argument without -- that it shouldn't stop this whole
2 discussion from going forward.

3 CHAIRMAN TILLERY: Commissioner Rue.

4 MR. RUE: I guess if I could perhaps, I'm not
5 sure the parenthetical statement is needed there. I mean, it's
6 kind of stating the obvious, if opportunities arise, and with
7 the agreement of six Trustees. I mean, that's just the way it
8 works, isn't it?

9 CHAIRMAN TILLERY: That's correct.

10 MR. RUE: So I'm not sure we need it there to
11 start with. That's stating the obvious. So you could just
12 pull that out.

13 I think the value is really what Molly said. By
14 stating our intent, it isn't an absolute. It doesn't mean it
15 can't be changed, but it does give us some direction to say go
16 out and seek opportunities, and see if there aren't
17 opportunities in this arena. It doesn't mean that at some
18 point you won't find this wonderful large parcel and decide,
19 hey, that's the highest priority, go do it. We'll forego any
20 future opportunities for small parcels.

21 But I like the idea of saying we have an intention to
22 go do something, and we want to actually get active about it.
23 But I think removing that parenthetical statement, if
24 opportunities arise and agreement, et cetera.

25 MS. HEIMAN: Is it possible that we could spend

00190

1 a little time and work out some different language instead of
2 sitting here all day and debating this back and forth? Because
3 I think we definitely have some different agree -- different
4 opinions.

5 MR. RUE: You mean take a break? Mr. Chair.

6 MS. HEIMAN: No, I don't mean take a break. I
7 mean.....

8 CHAIRMAN TILLERY: A very long break?

9 MR. PENNOYER: A two-week break.

10 MR. RUE: We have a resolution on the table.
11 Do we have to act on it? Can we table it?

12 CHAIRMAN TILLERY: Well, we're still in
13 discussion, and I.....

14 MR. RUE: Yeah.

15 CHAIRMAN TILLERY:think Commissioner
16 Brown had a.....

17 MS. BROWN: Well, I was just going to see if
18 there were other key issues that need to put on the table,
19 aside from wordsmithing, so that we really have a sense before
20 we make a decision of whether we want to try to get something
21 resolved today or wait two weeks.....

22 MS. HEIMAN: Okay.

23 MS. BROWN:that we see what's there.

24 CHAIRMAN TILLERY: Marilyn, I think it's to
25 you.

00191

1 MS. HEIMAN: Okay. It is a little awkward, I
2 will say, being the person that is the odd person out, when I
3 am new at the table, so I apologize for that. But I also feel
4 like there's some very important values that need to be
5 considered.

6 The first place will be on the second page. It is the
7 third whereas from the bottom, and the second to last -- or it
8 is the last sentence. It's the long one, so the second to last
9 line, so it would say on-going negotiations concerning the
10 Karluk and Sturgeon rivers and adjacent lands, or other
11 potential transactions result in habitat acquisition. So it
12 would just leave that a little more open and flexible. So
13 that's one.

14 I can just walk through them, and then you all can jot
15 them down.

16 MR. RUE: Hold on, don't go so fast.

17 MS. HEIMAN: Okay.

18 MR. RUE: This is a proposal you would make?

19 MS. HEIMAN: Uh-hum. (Affirmative)

20 MR. RUE: Or other.....

21 MS. HEIMAN: Potential transactions. So it
22 just -- it would not just be limited to the Karluk and Sturgeon
23 rivers.

24 MR. PENNOYER: Makes sense to me.

25 MR. RUE: Right.

00192

1 CHAIRMAN TILLERY: Okay.

2 MS. HEIMAN: And then on the next page, in the
3 large be it further resolved, actually where -- the first be it
4 further resolved, at the -- it would maybe adding a new bullet.
5 I haven't really had time to think about the exact language,
6 but the concept is that if there are funds remaining on October
7 1st, 2002 in excess of what we estimate to be approximately
8 \$120 million, for that second bullet, right now with the
9 interest rates, et cetera, if there is money remaining in
10 addition to that, that that amount would be adjusted
11 proportionately between the habitat and the science. So it
12 would block out 120 million, a lot of money in some people's
13 eyes, for science, and then -- and these community-based
14 restoration projects, the 120 million. If there's above 120
15 million, because we got legislation changed, and there's a
16 chance to have better interest, that it would be adjusted
17 proportionally. And.....

18 MS. BROWN: The excess?

19 MS. HEIMAN: Yes, the excess above 120 million.

20 MS. BROWN: Would be adjusted, on the same.....

21 MR. RUE: Ratio?

22 MS. BROWN: ratio that's.....

23 MS. HEIMAN: Yeah, and I would even go for that
24 anything above 120 million would go to small parcels.

25 MR. RUE: Now you're not saying equitably,

00193

1 you're saying proportionately?

2 MS. HEIMAN: Proportionally.

3 MR. RUE: So if 20 percent is in habitat, 20
4 percent of the excess goes into habitat?

5 MS. HEIMAN: Right. It's.....

6 MS. BROWN: It's more than that, but
7 that's.....

8 MS. HEIMAN: More like 30.....

9 MS. BROWN: Thirty percent.

10 MR. RUE: Whatever the number is.

11 MS. HEIMAN: But, yeah.

12 MR. RUE: At least -- I just wanted to
13 understand that that's what you meant.

14 MS. HEIMAN: Uh-hum. Yeah. So that is another
15 change.

16 My attorney tells me this next one which I'm not -- I'm
17 not sure I can explain it, but it has to do with the Trust
18 responsibilities, and in the last be it further resolved, it
19 would read that the Executive Director shall work with the
20 Alaska Congressional Delegation, and the appropriate State and
21 Federal agencies to obtain necessary investment authority to
22 increase the earnings on remaining settlement funds, consistent
23 -- or just say so that the Trustee Council will be able to
24 conduct an effective restoration program.

25 MR. RUE: I'm sorry, you've lost me.

00194

1 MS. HEIMAN: I would just delete the words.....

2 MR. RUE: Obtain?

3 MS. HEIMAN:with Trust responsibilities.

4 MS. BROWN: And add appropriate Federal and
5 State agencies?

6 MS. HEIMAN: Well, actually you'd put
7 appropriate State and Federal agencies earlier, or.....

8 MR. RUE: To obtain.

9 MS. HEIMAN:you could put it there.

10 MS. BROWN: After delegation, yeah.

11 MS. HEIMAN: Yeah. Uh-hum.

12 MR. RUE: To obtain the necessary, et cetera,
13 et cetera, and then drop with Trust responsibilities.

14 MS. HEIMAN: Right. Right.

15 MS. BROWN: Okay.

16 MS. HEIMAN: And then the -- there's other
17 wording, small wording changes, but I think those are
18 substantive.

19 MR. RUE: Issues.

20 MS. McCAMMON: Mr. Chairman, could I ask a
21 question of clarification.....

22 CHAIRMAN TILLERY: Ms. McCammon.

23 MS. McCAMMON:on one? When you say on
24 page two to put or other potential transactions in addition to
25 the Karluk and Sturgeon rivers,.....

00195

1 MS. HEIMAN: Uh-hum.

2 MS. McCAMMON:that I'm assuming that and
3 the be it further resolved on the 55 million where it says.....

4 MS. HEIMAN: Yes.

5 MS. McCAMMON:with the recognition that
6 any funding that may be authorized for purchase of lands along
7 or adjacent to the Karluk or Sturgeon rivers, or other
8 potential transactions.....

9 MS. HEIMAN: Yes, and by absent such
10 additional.....

11 MS. McCAMMON:would be made from within
12 this.....

13 MS. HEIMAN:acquisition agreements. You
14 know, some general terminology, instead of just on the Karluk,
15 yeah. Thank you.

16 And then finally, of course, the topic which we've been
17 debating this entire time, eliminating the language that says
18 half of the funds used for small parcels.

19 MS. McCAMMON: Mr. Chairman.

20 CHAIRMAN TILLERY: Ms. McCammon.

21 MS. McCAMMON: Could I suggest some alternate
22 language there for consideration?

23 CHAIRMAN TILLERY: Please, Ms. McCammon.

24 MS. McCAMMON: One possibility would be to give
25 direction that the fund would be used for an annual small

00196

1 parcel program absent action or support or whatever for a large
2 parcel acquisition, or until a large parcel acquisition is
3 approved, or something of that nature. So that would at least
4 give direction to go forth and do some solicitation in small
5 parcels, and then if a really exciting large parcel would be
6 competing head to head with the small parcel on the basis of
7 its merits.

8 MS. HEIMAN: Well, I guess -- I mean, I like
9 where you're going with it, but I'd like to see the language
10 specifically so that I can.....

11 MS. McCAMMON: I think I just said it.

12 MS. HEIMAN: Well, maybe you can say it again,
13 so I can.....

14 CHAIRMAN TILLERY: Okay. Does anybody have a
15 sense of.....

16 MR. RUE: Well, it looks like.....

17 CHAIRMAN TILLERY:where we're headed
18 right now?

19 MR. RUE: Well, Mr. Chair, I think.....

20 CHAIRMAN TILLERY: Mr. Rue.

21 MR. RUE:these are fundamental enough
22 issues we're not going to get a vote on the concept. I think,
23 you know, we're far enough apart on these issues, we're not
24 going to agree to a concept here. Am I right? I think these
25 are pretty fundamental issues.

00197

1 MR. PENNOYER: Well, Mr. Chairman, you're not
2 right for me, but that's okay. You know, it takes six to vote.
3 I'm not totally sure that we're passed -- I -- well, I haven't
4 heard comments on those. Well, you just commented no it.
5 Okay. I have heard comments on it.

6 MR. RUE: Well, we have two.....

7 MR. PENNOYER: Which ones specifically are the
8 ones that are stopping you, because I still think it's
9 basically important to set the record straight. I guess I'm
10 kind of unwilling to walk away for two or three weeks with the
11 whole question of land and research up in the air, because
12 we're opening ourselves up in an awful lot of things that I
13 think are not as deliberative as we might even be here.

14 CHAIRMAN TILLERY: Members of the Council, I've
15 been accused in the past, and most recently at the executive
16 session today of not asking if we need to take a break, because
17 people need to.....

18 MR. RUE: I was just going to say.

19 MR. PENNOYER: Good idea.

20 CHAIRMAN TILLERY: If -- permission of the
21 Council, we'll take a 10 or 15-minute break. What time is it?

22 MR. PENNOYER: Where's the.....

23 CHAIRMAN TILLERY: It's 3:00 (sic) o'clock,
24 come back at -- plan to be back here at 4:15.

25 MR. RUE: And would our intent be when we come

00198

1 back to go through and see if we can negotiate.....

2 CHAIRMAN TILLERY: 4:00 o'clock.

3 MR. RUE:some language and then vote on a
4 concept?

5 CHAIRMAN TILLERY: Well, I think our intent
6 would be to come back and.....

7 MR. PENNOYER: Figure where we go from there.

8 CHAIRMAN TILLERY:decide what we're going
9 to do.

10 MR. RUE: Okay. That's fine with me, too.

11 (Off record - 3:57 p.m.)

12 (On record - 4:19 p.m.)

13 CHAIRMAN TILLERY: Let me find my button here.
14 Okay. For those of you on line, we're -- the Trustee Council
15 is back in session. We were in the middle of discussion as I
16 recall. Do we -- does anyone have a -- have discussion?
17 Commissioner Rue.

18 MR. RUE: Yeah. I guess while -- I think
19 Marilyn's thinking of some language that might work for her on
20 that one issue. I don't have a problem with some of the
21 suggestions Marilyn had on, for instance, page two, other
22 potential -- let me -- other potential transactions. I think
23 that -- I think it's fine. If other Council members don't
24 agree, raise their hands. I wanted you to say tens of
25 millions.

00199

1 MS. McCAMMON: Is that a formal amendment?

2 (Laughter)

3 MR. PENNOYER: (Indiscernible)

4 MR. RUE: Well, no, I think she suggested some
5 language. I didn't have a problem. I was going to try and get
6 us past while she's thinking of the more.....

7 MS. McCAMMON: Yeah.

8 MR. RUE:important ones. I didn't have a
9 problem with that one. I wanted to say tens of millions of
10 dollars of potential earnings, but.....

11 MS. McCAMMON: Okay.

12 MR. PENNOYER: That was just a joke, right?

13 MR. RUE: That was a joke. Yeah.

14 MS. McCAMMON: Well, edited it.

15 CHAIRMAN TILLERY: Me, too. Okay.

16 UNIDENTIFIED VOICE: (Indiscernible) Fish &
17 Game (indiscernible).

18 MR. RUE: Yeah. And then I guess I'd be
19 willing to look at some language that had a different split on
20 the small parcel intent there, versus large parcel. So if
21 someone had some -- I think Marilyn was working on some.....

22 MS. HEIMAN: Getting close.

23 MR. RUE:language there.

24 CHAIRMAN TILLERY: Yeah. That close.

25 MR. RUE: Other than that.....

00200

1 CHAIRMAN TILLERY: I think there was one more,
2 the last be it further resolved on page.....

3 MR. RUE: Oh, the Trust responsibilities?

4 MS. HEIMAN: Yeah, that's.....

5 CHAIRMAN TILLERY: Right.

6 MR. RUE: I didn't have a problem with that.
7 Did anyone?

8 CHAIRMAN TILLERY: No, I don't think anybody
9 had a problem with that.

10 MR. RUE: So those are fairly easy. And then
11 adding or other acquisition isn't a problem in that first
12 bullet. So we really get down to whether we can come up with
13 some language about splitting the small parcel.

14 CHAIRMAN TILLERY: Yeah. The other suggestion
15 on the be it further resolved about the -- what would happen
16 with monies.....

17 MR. RUE: Overage.

18 CHAIRMAN TILLERY:overage, would create I
19 think a significant problem, I think would actually hurt us in
20 our efforts to try to get investment authority and more money,
21 and actually probably hurt both programs.

22 MR. RUE: I would agree.

23 MS. BROWN: Uh-hum. I'd agree.

24 CHAIRMAN TILLERY: Marilyn, do you have a
25 thought on that intent language now?

00201

1 MS. HEIMAN: Yeah. Actually it's not in the
2 intent, it's what will be in the resolution and that we'd have
3 to.....

4 CHAIRMAN TILLERY: Right.

5 MS. HEIMAN:amend the language in the
6 intent to match that. I can read it, because it's my writing,
7 and you might not be able to.

8 Fifty-five million -- so we're talking about the be it
9 further resolved, the first bullet. And I'm not sure what
10 portion of the bottom part, but I'll just read what I have.

11 Fifty-five million of the estimated funds remaining on
12 October 1st, 2002, and the associated earnings thereafter will
13 be managed as a long-term funding source with a significant
14 proportion of the funds to be used for small parcels, period.

15 And I think you'd still want to keep this part on
16 Karluk and Sturgeon rivers at the bottom. I just didn't tie it
17 to this sentence.

18 MR. RUE: So that would be the end of it?

19 Okay.

20 MS. HEIMAN: And that we'd take out half the
21 funds used to support.....

22 MR. RUE: Right.

23 MS. HEIMAN:small parcels.

24 MR. RUE: Right.

25 CHAIRMAN TILLERY: So it would.....

00202

1 MR. PENNOYER: Should say something that it's
2 recognized that any funding that may be authorized for purchase
3 of lands along or adjacent to the Karluk or Sturgeon rivers
4 would be made from within this allocation?

5 MS. HEIMAN: Yeah.

6 MS. BROWN: Uh-hum.

7 MS. HEIMAN: That sounds good.

8 MR. RUE: So a period after habitat protection,
9 drop everything with the intent down to.....

10 CHAIRMAN TILLERY: Spill area?

11 MR. RUE: Spill area.

12 MS. HEIMAN: Yeah. Uh-hum. (Affirmative)

13 Yeah, and that it is.....

14 MR. RUE: And start with.....

15 MS. HEIMAN:recog -- you'll just start
16 it.....

17 MR. RUE:with the recog.....

18 MS. HEIMAN:is recog -- just do a new
19 sentence, it is recognized. Oh, can you do that in that.....

20 MS. McCAMMON: Uh-hum. (Affirmative)

21 MS. HEIMAN:bullet? Okay.

22 MS. BROWN: Of any funding that may be
23 authorized.

24 MS. HEIMAN: Uh-hum. (Affirmative)

25 MR. RUE: It is recognized.....

00203

1 MS. HEIMAN: Uh-hum.

2 MR. RUE:that any funding that may be
3 authorized, et cetera.

4 MS. HEIMAN: Uh-hum.

5 MR. RUE: Okay.

6 CHAIRMAN TILLERY: Ms. McCammon, could you read
7 that back as you understand that?

8 MS. McCAMMON: As I understand it, 55 million
9 of the estimated funds remaining on October 1, 2002 and the
10 associated earnings thereafter will be managed as a long-term
11 funding source with a significant proportion of the funds to be
12 used for small portions, and that it is recognized that any
13 funding that may be authorized for purchase of lands on or
14 adjacent to the Karluk or Sturgeon rivers or other habitat
15 transactions would be made from within this allocation.

16 CHAIRMAN TILLERY: Wouldn't the words.....

17 MS. HEIMAN: For habitat.

18 MR. RUE: After. I think it has to be after.

19 MR. GIBBONS: Habitat protection would be

20 CHAIRMAN TILLERY: Yeah, after habitat
21 protection.

22 MS. HEIMAN: Yes, after habitat protection.

23 CHAIRMAN TILLERY: That would still be in
24 there. For habitat protection.

25 MS. McCAMMON: After.

00204

1 MR. RUE: With significant portion comes after
2 habitat protection.

3 MS. HEIMAN: Right. After.....

4 MS. McCAMMON: For. Right. Okay.

5 MS. HEIMAN:habitat protection. Right.

6 MR. RUE: I think.

7 MS. HEIMAN: Uh-hum.

8 MR. PENNOYER: Yes, habitat protection and so
9 forth.

10 CHAIRMAN TILLERY: Okay.

11 MR. PENNOYER: Right, Marilyn?

12 MS. HEIMAN: Yes.

13 CHAIRMAN TILLERY: And could.....

14 MS. HEIMAN: That is right.

15 MS. McCAMMON: Yes. Got it.

16 CHAIRMAN TILLERY: Can you -- your
17 understanding of the change to the whereas on page two?

18 MS. McCAMMON: That -- on page two, my
19 understanding is it would be -- will be approximately 170
20 million unless prior to that time on-going negotiations
21 concerning the Karluk and Sturgeon rivers and adjacent lands,
22 or other potential habitat transactions result in a habitat
23 acquisition agreement or agreements that obligates some of
24 these funds. And that would also then be reflected in that
25 first -- in that first bullet, or other potential habitat

00205

1 transactions.

2 MR. RUE: Right after Sturgeon rivers.

3 MS. McCAMMON: Right.

4 MS. HEIMAN: Right.

5 MR. RUE: That's right.

6 MS. HEIMAN: Uh-hum.

7 CHAIRMAN TILLERY: Okay.

8 MR. PENNOYER: So we have one issue left
9 basically?

10 CHAIRMAN TILLERY: And then the.....

11 MS. HEIMAN: The trust.....

12 MS. McCAMMON: And these would also be.....

13 MS. HEIMAN:responsibilities.

14 MS. BROWN: The trust one has to be clear.

15 MS. McCAMMON: Yeah, the trust. Yeah.

16 MR. RUE: That's fine.

17 CHAIRMAN TILLERY: And we're going to
18 ignore.....

19 MS. McCAMMON: These would also be reflected in
20 the outline then.

21 CHAIRMAN TILLERY: And we will ignore Frank's
22 tens of millions of dollars.

23 MR. RUE: We will?

24 MS. McCAMMON: Oh, we will?

25 CHAIRMAN TILLERY: You indicated it was a joke.

00206

1 MR. PENNOYER: That was a Fish and Game joke.

2 MS. McCAMMON: Okay.

3 CHAIRMAN TILLERY: You had it in there for a
4 while. Okay. The -- and the last one was the be it further
5 resolved at the bottom of the page?

6 MS. McCAMMON: Delete the consistent with trust
7 responsibilities.

8 CHAIRMAN TILLERY: And I believe it was.....

9 MR. RUE: I'm sorry?

10 CHAIRMAN TILLERY:to add in after
11 Congressional Delegation, and appropriate State and Federal
12 agencies?

13 MR. PENNOYER: Right.

14 MS. McCAMMON: Oh, where's that?

15 MR. RUE: Yeah, that was part of the with trust
16 responsibilities discussion.

17 CHAIRMAN TILLERY: Right.

18 MS. McCAMMON: Shall work with the Alaska
19 Congressional Delegation.....

20 CHAIRMAN TILLERY: And appropriate State and
21 Federal agencies.

22 MR. RUE: How could you not work with them?

23 MS. McCAMMON: I couldn't not work with them,
24 but that's fine.

25 CHAIRMAN TILLERY: Okay.

00207

1 MR. PENNOYER: It's necessary around here.

2 MR. RUE: So I guess that leaves the final
3 point. How important is it to you -- it's a real problem I
4 think for the -- to put in the overage. Does this take care of
5 your concerns with that? Do you feel comfortable with this
6 packet without that other issue in there?

7 MS. HEIMAN: I can understand the concerns
8 about having to keep the pots separately so you can manage the
9 funds for the science and although I would like to have more
10 money for habitat, I can go along with that if we can take out
11 the language that we just talked about.

12 MR. RUE: Okay.

13 CHAIRMAN TILLERY: What is the pleasure of the
14 Council then? Is there further discussion on this?

15 MR. PENNOYER: Mr. Chairman, I would support
16 the motion and request that we vote on the concept of the
17 motion, and agree that the Executive Director and anybody that
18 feels it necessary will submit editorial comments that consist
19 of editorial word change contents, and we will then by
20 teleconference perhaps come back together and make sure that
21 we've got that all done correctly in a week or so, or whatever
22 is appropriate, but that we agree that the basic concepts we've
23 agreed to here are the guts of the motion and will go forward
24 as proposed.

25 CHAIRMAN TILLERY: And this would be the motion

00208

1 as amended by these.....

2 MR. PENNOYER: That's correct, the motion.....

3 CHAIRMAN TILLERY:changes.

4 MR. PENNOYER:as amended. I mean the
5 motion as amended.

6 CHAIRMAN TILLERY: Is there a.....

7 MR. GIBBONS: I'll second that.

8 CHAIRMAN TILLERY:second? Okay. Is
9 there further discussion on the motion as amended?

10 Commissioner Brown.

11 MS. BROWN: So just as clarification, so anyone
12 with other minor editorial.....

13 MS. McCAMMON: Yeah.

14 MS. BROWN:should get them to you, and
15 then you'll send a version out with which notes anybody
16 suggested changes?

17 MS. McCAMMON: Right.

18 CHAIRMAN TILLERY: Further discussion?

19 Commissioner Rue.

20 MR. RUE: I guess I appreciate the amendments,
21 I appreciate the discussion that went on around this, and I
22 appreciate the efforts of Molly and her staff to put this
23 together, and I think it's a good package, and I think it will
24 give us some good direction for the next few years. I really
25 appreciate it.

00209

1 CHAIRMAN TILLERY: Ms. Heiman.

2 MS. HEIMAN: And I appreciate everyone's
3 patience in this discussion and willingness to accommodate my
4 concerns and the Department's concerns, and I do think this is
5 a very good package, and I think that we should be very proud
6 of some of the things that we have been able to do with the
7 money to date. We've purchased beautiful, incredible,
8 important, critical habitat that will be protected for
9 generations, and we've also been able to provide ourselves with
10 an ability to do some research that will help us to learn what
11 we need to do in the future to protect the resources that are
12 so important to us. So I think it's a very good job, and a lot
13 of hard, hard work.

14 I know many of my friends have been involved with this
15 for a long time, and I've only been on the periphery, but I
16 know a lot of hard work has gone into this, and I certainly do
17 appreciate all of it.

18 CHAIRMAN TILLERY: Other Council members?

19 Mr. Gibbons.

20 MR. GIBBONS: Yeah, I, too, feel comfortable
21 with this package now, and I look forward to your
22 recommendations on the new governance structure in September.

23 (Laughter)

24 MS. McCAMMON: The new governance is that each
25 Trustee has to be Executive Director for a month.

00210

1 CHAIRMAN TILLERY: Okay.

2 MR. RUE: So do we need to take a formal vote?

3 CHAIRMAN TILLERY: I believe we do at this
4 time. All in favor of the motion as amended, signify by saying
5 aye.

6 IN UNISON: Aye.

7 CHAIRMAN TILLERY: Opposed?

8 (No opposing votes.)

9 CHAIRMAN TILLERY: The motion passes. Thank
10 you. Well done. Okay. That brings us to adjournment.

11 MS. McCAMMON: No, one more item.

12 CHAIRMAN TILLERY: Oh, it does?

13 MS. McCAMMON: Yes.

14 CHAIRMAN TILLERY: Where?

15 MS. McCAMMON: Sorry, it's not in the agenda.

16 I forgot to do it under the Executive Director's report.

17 UNIDENTIFIED VOICE: It's not on the agenda.

18 MR. PENNOYER: We voted on the agenda.

19 MS. McCAMMON: As you know, Jim Wolfe, who was
20 a very active member of the restoration team and the Trustee
21 Council for I think -- since the oil spill he's been actually
22 involved, retired in December. And I do have a certificate
23 expressing the Council's appreciation to Jim for all of his
24 contributions to the Restoration Program, and I have it here
25 for you to sign. I also have a poster that I'd like you to

00211

1 sign, and if you leave 10 bucks with me, that will ensure that
2 it gets framed, and we will have it delivered to Mr. Wolfe in
3 Juneau in appreciation for all of his work.

4 MR. RUE: Ten bucks?

5 MR. PENNOYER: Mr. Chairman.

6 CHAIRMAN TILLERY: Mr. Pennoyer.

7 MR. PENNOYER: Are we -- I think -- has Jim
8 been invited to a meeting some- -- I think that he needs a
9 formal recognition. I second the fact that all that he said
10 all through this process and particularly the habitat
11 acquisition discussions we've been -- some of them that we have
12 been talking about here as being important, he was a usually
13 calm voice in the midst of a storm in a couple of those that --
14 actually Jim had a good humor and came back all the time I
15 think and worked to get these things done. I know when he
16 retired, at his retirement party in Juneau, he said his last
17 best deal was the Eyak thing was finally coming to a close. So
18 even though he was in the Forest Service Group, and wasn't
19 directly associated with a lot of that, some of us understood
20 that comment, and I think that it exemplifies what he has done
21 here, so I hope he does get a chance to be publicly recognized.

22 CHAIRMAN TILLERY: All right. Mr. Gibbons.

23 MR. GIBBONS: Yeah, I plan to creatively bring
24 him up for the tenth anniversary, so he will be up here for
25 that.

00212

1 MS. McCAMMON: Good. Good. We can do it then.

2 MR. GIBBONS: And this will be interesting,
3 because he was my boss for about three years, and I signed an
4 appreciation, so he may find that kind of interesting.

5 MR. RUE: That's life.

6 MR. PENNOYER: That's the way it works.

7 MR. GIBBONS: Yeah.

8 MR. RUE: You've got to be careful.

9 MR. PENNOYER: Pass you on up coming down.

10 CHAIRMAN TILLERY: Okay. Is there anything
11 further?

12 MS. McCAMMON: That's it.

13 CHAIRMAN TILLERY: Yes, Ms. Heiman.

14 MS. HEIMAN: I just have one other
15 announcement, which is that on Wednesday, this Wednesday, the
16 3rd of March, the Department of Interior will be celebrating
17 our 150th anniversary, so I wanted to invite anyone who is in
18 town, and anyone who is here to join us at 11:00 o'clock at the
19 Campbell Creek Science Center. The Lieutenant Governor will be
20 here as well as former Governor Bill Sheffield and several
21 other -- oh, Ester Winneke (ph), I can't forget, and several
22 other excellent speakers, so please join us at the Campbell
23 Creek Science Center at 11 if you'd like to.

24 MR. PENNOYER: Thank you.

25 CHAIRMAN TILLERY: Thank you. I will entertain

00213

1 a motion to adjourn.

2 MR. PENNOYER: So move.

3 MR. RUE: Second.

4 CHAIRMAN TILLERY: All in favor.

5 IN UNISON: Aye.

6 CHAIRMAN TILLERY: Opposed?

7 (No opposing votes.)

8 MR. PENNOYER: We're out of here.

9 (Off record - 4:33 p.m.)

10 (END OF PROCEEDINGS)

00214

C E R T I F I C A T E

1
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 4 through 213 contain
8 a full, true and correct transcript of the Exxon Valdez Oil
9 Spill Trustee Council's Public Meeting recorded electronically
10 by Meredith Downing on the 1st day of March 1999, commencing at
11 the hour of 9:42 a.m. and thereafter transcribed by Ms. Downing
12 to the best of her 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 8th day of March 1999.

18 SIGNED AND CERTIFIED TO BY:

19 _____
20 Joseph P. Kolasinski

21 Notary Public in and for Alaska

22 My Commission Expires: 04/17/00