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1 EXXON VALDEZ OIL SPILL  
2 TRUSTEE COUNCIL  
3 Public Meeting & Teleconference  
4 Thursday, May 3, 2001  
5 10:00 o'clock a.m.  
6 645 G Street  
7 Anchorage, Alaska

8 TRUSTEE COUNCIL MEMBERS PRESENT:

9 U.S. DEPARTMENT OF INTERIOR: MR. DAVE ALLEN  
10 (Chairman) Director, Alaska Region  
11 U.S. Fish and Wildlife Svc.  
12 U.S. Department of Interior  
13 STATE OF ALASKA - DEPARTMENT MS. CLAUDIA SLATER  
14 OF FISH AND GAME: for MR. FRANK RUE  
15 Commissioner

16 COUNCIL MEMBERS PRESENT TELEPHONICALLY

17 U.S. DEPARTMENT OF COMMERCE, MR. JAMES W. BALSIGER  
18 NMFS: Director, AK Region  
19 STATE OF ALASKA - MR. CRAIG TILLERY  
20 DEPARTMENT OF LAW: Trustee Representative  
21 for the Attorney General  
22 U.S. DEPARTMENT OF AGRICULTURE, MS. MARIA LISOWSKI  
23 U.S. FOREST SERVICE for MR. DAVE GIBBONS  
24 STATE OF ALASKA - DEPARTMENT MS. MICHELE BROWN  
25 OF ENVIRONMENTAL CONSERVATION: Commissioner

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1 TRUSTEE COUNCIL STAFF PRESENT:

2 MS. MOLLY McCAMMON	Executive Director
3 MS. SANDRA SCHUBERT	Program Coordinator
4 DR. PHIL MUNDY	Science Coordinator
5 MS. PAULA BANKS	Administrative Assistant
6 MS. SARAH WARD	Community Coordinator
7 MS. DEBBIE HENNIGH	Special Staff Assistant
8 MR. KEN HOLBROOK	U.S. Forest Service
9 MR. STEVE SHUCK	U.S. Fish and Wildlife Svc.
10 MR. BARRY ROTH (Telephonically)	U.S. Department of Interior
11 MS. CAROL FRIES	ADNR
12 MR. BUD RICE	National Park Service
13 MS. CATHERINE BERG	U.S. Fish and Wildlife Svc.
14 MS. GINA BELT	U.S. Department of Justice

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

2 (On record - 10:08 a.m.)

3 CHAIRMAN ALLEN: All right, I guess I'll go  
4 ahead and call the meeting to order. Do you normally do a  
5 quick roll call?

6 MS. McCAMMON: Yes.

7 CHAIRMAN ALLEN: All right. Jim, you said  
8 you were on the line?

9 MR. BALSIGER: Yes, I'm here.

10 CHAIRMAN ALLEN: All right. And, let's  
11 see, for the State we have.....

12 MS. SLATER: Claudia Slater in for Frank.

13 CHAIRMAN ALLEN: .....Claudia Slater. And,  
14 Craig, you're there?

15 MR. TILLERY: Yes, I'm here and Michele  
16 Brown's here for DEC.

17 CHAIRMAN ALLEN: And Michele Brown, okay.  
18 And, let's see, for the Forest Service?

19 MS. LISOWSKI: Maria Lisowski.

20 CHAIRMAN ALLEN: What was that again,  
21 please?

22 MS. LISOWSKI: Maria Lisowski.

23 CHAIRMAN ALLEN: Okay, Maria, thank you.  
24 All right, first order of business, approval of the agenda.  
25 Does anybody have any comments about the agenda, changes?

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1 MR. TILLERY: This is Craig Tillery, I move  
2 that we approve the agenda.

3 CHAIRMAN ALLEN: Is there a second?

4 MS. LISOWSKI: Second.

5 CHAIRMAN ALLEN: Okay. All those in favor?

6 IN UNISON: Aye.

7 CHAIRMAN ALLEN: All right. Meeting notes  
8 from our last meeting, any comments, corrections?

9 MR. TILLERY: Mr. Chairman, this is Craig  
10 Tillery, I move we approve the meeting notes from last  
11 meeting.

12 CHAIRMAN ALLEN: Is there a second?

13 MR. BALSIGER: Second.

14 CHAIRMAN ALLEN: All in favor?

15 IN UNISON: Aye.

16 CHAIRMAN ALLEN: Okay. That takes us to  
17 the next item on the agenda, which is the public comment  
18 period. We have some members from the public in the room,  
19 but, as I understand, nobody has asked to make public  
20 comment here; is that correct?

21 (No audible response)

22 CHAIRMAN ALLEN: Okay. But we do have some  
23 people on the telephone who have indicated they do want to  
24 make public comment. And, let's see, Chuck, you said you  
25 were on the line, right?

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1 MR. MEACHAM: Yes, I am, primarily though  
2 to be available when it comes up to discuss the Public  
3 Advisory Group meeting.

4 CHAIRMAN ALLEN: Okay. And do we have John  
5 French from Seward?

6 MR. FRENCH: Yes.

7 CHAIRMAN ALLEN: Okay. And, let's see, is  
8 it Paula Homan from Seward?

9 MS. HOMAN: Correct.

10 CHAIRMAN ALLEN: You're also there?

11 MS. HOMAN: Yes.

12 CHAIRMAN ALLEN: Okay. Is there anyone  
13 else on the line that wanted to make public comment?

14 (No audible response)

15 CHAIRMAN ALLEN: Okay, if not, start with  
16 John.

17 MR. FRENCH: Okay, thank you. In  
18 expectation, I guess, of having a pretty scattered group  
19 today I did fax in some public testimony, one page, last  
20 night. Hopefully that's been distributed, in which case I  
21 can probably keep my comments pretty short.

22 MS. McCAMMON: It was received and  
23 distributed. I'm not sure those folks out of town if  
24 they've gotten it, but it was faxed to them.

25 MR. FRENCH: Great. Thank you, Molly.

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1                   MR. FRENCH: Anyway, my comments are  
2 basically couched on the amendment to Project 01190, the  
3 Pink Salmon Genome Project and the Seward SeaLife Center  
4 fish pass, which is, of course, related to the problems in  
5 that project. Now, I definitely support Dr. Allendorfer's  
6 [sic] request, but I assume you've kind of reached that  
7 conclusion already with respect to your deliberations.  
8 What I would like to say, really, is that I think that  
9 there's a lot of problems related to this sort of project  
10 and they mostly relate to the fact that the fish pass isn't  
11 a proven fish pass yet. And I would really like to  
12 encourage you, not so much in the current fiscal year, but  
13 in the near future to look at trying to prove out that fish  
14 pass and establish a research run that as was originally  
15 envisioned in the project that paid for its construction  
16 initially, 97197.

17                   And, you know, because I feel that projects  
18 like Dr. Allendorfer's [sic] essentially were facing two  
19 strikes before they ever started in trying to incorporate  
20 the starting of the fish run into their research budget and  
21 not having the parameters of returns on a fish pass like  
22 this, I think created a situation where that, in addition  
23 to budgetary restraints, was just not an adequate margin of  
24 error built in to the contingencies for the definitions of  
25 the research protocols and the size of the cohorts

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1 particularly. So, in my mind, I think it's probably doomed  
2 to failure, but I certainly support your spending another  
3 4,000 or \$4,300 to try to salvage what can be salvaged from  
4 it.

5                   But I think in the long term the real thing  
6 that's going to help develop more salmon projects is having  
7 an effective research run and the fish pass at the SeaLife  
8 Center is an excellent place to do it, there's not a lot of  
9 competing wild runs in the area. And I fully encourage you  
10 to try to look at ways of fulfilling the original  
11 expectations that Jim Seeb adequately spelled out in his  
12 original 97197 project description and go forth in the  
13 future, hopefully the not too far distant future, to try to  
14 provide funds to actually create a consistent semi-  
15 characterized research run at that fish pass, then the  
16 likelihood of projects like Dr. Allendorfer's [sic], which  
17 I think is a great project, it's just very, very optimistic  
18 in terms of what it hoped to accomplish, those projects can  
19 be accomplished in a lot more cost-effective manner.

20                   Thank you.

21                   CHAIRMAN ALLEN: Okay, thank you,  
22 Mr. French. And, Paula, did you also want to make some  
23 comments, Paula Homan?

24                   (No audible response)

25                   CHAIRMAN ALLEN: Hello. Is anybody on

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1 line?

2 MR. BALSIGER: Juneau is still on line with  
3 Jim and Maria.

4 MR. TILLERY: Yeah, we're still here in  
5 D.C.

6 CHAIRMAN ALLEN: Okay. Did we lose Seward  
7 altogether?

8 MR. FRENCH: No, I'm still here, I have no  
9 idea where Paula is, she was on a different phone.

10 CHAIRMAN ALLEN: Okay. Hello, Paula, is  
11 that you?

12 MS. HOMAN: Yes, sorry, I got disconnected.

13 CHAIRMAN ALLEN: Okay. Did you want to  
14 make some public comments? Mr. French is finished.

15 MS. HOMAN: No, I'm just listening in,  
16 thank you.

17 CHAIRMAN ALLEN: Okay. Well, let's see.  
18 Chuck, unless you have some public comments, is there  
19 anybody else on the line that we might have missed?

20 MR. MEACHAM: Yeah, this is Chuck, I don't  
21 have any public comments.

22 CHAIRMAN ALLEN: Okay, thank you. And let  
23 me just double check here in the room. Was there anyone  
24 here that wanted to make public comment?

25 (No audible response)

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1                   CHAIRMAN ALLEN: All right. That concludes  
2 the public comment section, which takes us to item three on  
3 the agenda, which is the Executive Director's Report,  
4 Molly.

5                   MS. McCAMMON: Thank you, Mr. Chairman. I  
6 just wanted to call your attention to a couple of things  
7 that were in your packet. The first was the investment  
8 reports for the month of March. And you can see by the  
9 results there that March was another bad month, following  
10 the bad month of February. We still haven't received the  
11 results for the month of April, although John Jenks with  
12 Treasury is supposed to be getting us just a brief status  
13 report in the next few minutes, so when we get that  
14 information in the middle of this meeting, I'll report back  
15 to you kind of what the indications are for the month of  
16 April.

17                   And do look through the reports and if there's any  
18 questions at any time or any of you would like the  
19 information displayed in a different way, just let me know  
20 on that, too.

21                   Following the Trustee Council's April 3rd meeting,  
22 the Public Advisory Group, as you know, met with the  
23 Trustee Council that afternoon to hear from the NRC and  
24 then they met the following day. There is a summary of  
25 that meeting in the packet also. Primarily that meeting

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1 was used for two purposes, the first was for an orientation  
2 to all of the new Public Advisory Group members about the  
3 Trustee Council history, process, functions, programs, so  
4 we spent quite a bit of time going over all of those items.

5 We also spent the afternoon talking a lot  
6 about what role the Public Advisory Group would like to  
7 take in future development and implementation of GEM. We  
8 talked a lot about their interests in the science advice,  
9 public involvement and administration aspects, data and  
10 information management and then community-based  
11 involvement. The Public Advisory Group is meeting next on  
12 July 18th here in Anchorage and we are planning a work  
13 session, either the day before or the day after, to go into  
14 more detail on some of these issues.

15 And Chuck Meacham, the PAG Chair, is on the  
16 line and if anyone has any questions for him about the  
17 meeting, he's available to answer them.

18 The other item I did want to call your  
19 attention to is the schedule on developing the GEM Plan.  
20 Following our meeting in April we sat down, staff sat down,  
21 and we went through our schedule in great detail, what we  
22 needed to do to get a revised draft. And we realized at  
23 that time that it was -- to have something that we felt  
24 comfortable with and that we also have circulated to a  
25 enough people and gotten enough internal review and agency

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1 review in advance before bringing it to you for your  
2 consideration that we needed a few more months' time. And  
3 for that reason we talked to the NRC about delaying our  
4 delivery of the draft to them until the end of the summer,  
5 basically the first of September. And you all should have  
6 received a revised schedule. We're working on rewriting  
7 sections, the introduction, the scientific background,  
8 conceptual foundation, kind of those section of the  
9 document and actually have a rewrite close to completion.  
10 We're giving them to our editor today to format them and we  
11 should have those available in about two weeks.

12           We'll be spending this month completing the  
13 writing of Section C, which is actually the plan itself,  
14 getting that kind of edited and into shape and all of this  
15 should be available -- we'll put it on the Web and start  
16 circulating it for review around June 26th, June 27th. And  
17 then there will be between that time and when the Council  
18 meets on August 6th to do any revisions, if there are any  
19 issues that still need to be resolved, we'll try to resolve  
20 those at that time.

21           The PAG will meet on July 18th and discuss  
22 this, although they will be encouraged individually to look  
23 at it in advance and get us any comments as soon as  
24 possible. We're hoping that we'll have something in very  
25 good shape for you to consider at your August 6th meeting,

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1 but we still would have a month to do any revisions  
2 necessary after your look at it at that time. And then  
3 I'll, hopefully, send the plan to the NRC the first of  
4 September, in early September.

5 This probably delays getting their final  
6 report by a month to two months, which puts it in kind of  
7 the January/February range, which is about the same time  
8 that we're also putting the invitation for next year's  
9 projects, so we'll have to take that into consideration for  
10 plans for next year. It's always been our intent all along  
11 that kind of implementation was going to be starting at a  
12 very small scale to begin with, with still a lot planning  
13 for various components and building upon those as we go  
14 along. So I don't think this throws us off schedule, at  
15 this point, and we wanted to make sure that we had a good  
16 document for you to look at that had enough review before  
17 you saw it.

18 So if there are any questions on of those items,  
19 I'd be more than happy to answer them.

20 CHAIRMAN ALLEN: Any questions from anyone?  
21 (No audible response)

22 CHAIRMAN ALLEN: Any questions of Chuck  
23 Meacham, the Public Advisory Group Chair?

24 (No audible response)

25 CHAIRMAN ALLEN: Okay. Does that conclude

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1 your report?

2 MS. McCAMMON: That concludes my report,

3 yes.

4 CHAIRMAN ALLEN: Okay. That concludes  
5 Molly's report, which takes us to agenda item four, which  
6 is amendment to Project 01190, the Pink Salmon Genome  
7 Project.

8 MS. McCAMMON: Mr. Chairman, there's some  
9 backup in your binder on this project. It's construction  
10 of a linkage map for the pink salmon genome. Dr. Allendorf  
11 has requested an additional \$4,000, with additional general  
12 administration, totals \$4,300 in FY01 funds to allow for an  
13 increased effort to collect marked pink salmon from upper  
14 Resurrection Bay. As John French mentioned, and as  
15 described from a memo from the Chief Scientist, it was the  
16 original intent to collect these fish by using the fish  
17 pass at the SeaLife Center. Unfortunately, there have been  
18 some design problems that are not going to be corrected in  
19 time, which requires using a lot more intensive labor and  
20 the use of weirs and it's going to take a lot more work to  
21 get the 200 fish that they need to get the information for  
22 this project.

23 This was an unanticipated cost and the  
24 request now is to include it in this year's budget. I do  
25 have Dr. Mundy here and he has been working with

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1 Dr. Allendorf and with others at the SeaLife Center on this  
2 project and with the issue of the fish pass, if there are  
3 any questions on that.

4 CHAIRMAN ALLEN: Thanks, Molly. Any  
5 questions of Molly or Dr. Mundy?

6 MR. BALSIGER: This is Jim Balsiger.

7 CHAIRMAN ALLEN: Go ahead, Jim.

8 MR. BALSIGER: I might ask Dr. Mundy one  
9 question. I noticed in John French's public statement he  
10 doesn't believe that even with this extra effort we're  
11 likely to capture 20 percent of the marked fish, but I was  
12 wondering what your thought was on that.

13 DR. MUNDY: Yes, Mr. Chair.

14 CHAIRMAN ALLEN: Yes.

15 DR. MUNDY: Yes, Dr. Balsiger, we believe  
16 that the prospects for getting the fish are quite good. We  
17 anticipate returns in the neighborhood of about 2,000,  
18 based on average return rate. These are all at a post  
19 clipped hatchery fish, so we know how many were released.  
20 And we have worked very hard over the last four months to  
21 set up a collecting effort that would involve personnel  
22 from the SeaLife Center, personnel from the University of  
23 Montana and extensive volunteer effort from people in the  
24 community, for example, the science teachers' program on  
25 the Kenai Peninsula.

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1                   So there's going to be an all out effort  
2 plus advertisements are going to be placed in Anchorage  
3 sports fishing tackle shops, at the Alaska Department of  
4 Fish and Game Public Information desk at Raspberry Road  
5 and, of course, in all of the bait and tackle shops in  
6 Seward. So we are optimistic that we will get the minimum  
7 200 pink salmon that are needed to validate, statistically  
8 validate, the results of this study. Also, we are  
9 guardedly optimistic that we might even achieve the optimum  
10 level of 1,000 recoveries. That would be a 50 percent  
11 return rate, but there are going to be weirs set up all on  
12 two of the streams to which the fish are likely to return.  
13 And, of course, the community, as I say, has been mobilized  
14 and aware of the presence of these fish and the importance  
15 of getting them, so I don't believe that the fish will be  
16 using the fish pass this year and that is an ongoing  
17 problem that we're looking at solving.

18                   MR. BALSIGER: Okay, thank you. And,  
19 Mr. Chairman, I'm not certain you're ready for this, but I  
20 believe it's important for us to provide the extra funds to  
21 collect those fish, it would be bad to abandon the project  
22 at this time, and at the appropriate time I'd be prepared  
23 to make such a motion, but you may have more discussion.

24                   CHAIRMAN ALLEN: Well, we could go ahead  
25 with a motion and we can continue discussion on that basis.

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1 If you're ready, Jim, why don't you go ahead and make a  
2 motion?

3 MR. BALSIGER: Okay. I would move that the  
4 Trustee Council provide the additional \$4,000 in 01 funds  
5 to allow for the increased effort to collect the marked  
6 pink salmon returning to the upper Resurrection Bay.

7 MS. McCAMMON: Actually \$4,300.

8 MR. BALSIGER: I'm sorry, I forgot about  
9 the 300. So friendly amended, or however you say that.

10 CHAIRMAN ALLEN: All right. Do I have a  
11 second for that motion?

12 MS. LISOWSKI: I'll second.

13 CHAIRMAN ALLEN: Was that Michele?

14 MS. McCAMMON: Maria.

15 CHAIRMAN ALLEN: Maria, okay. We have a  
16 motion and a second, is there any further discussion on the  
17 motion?

18 (No audible response)

19 CHAIRMAN ALLEN: Okay, if not, all in favor  
20 signify by saying aye.

21 IN UNISON: Aye.

22 CHAIRMAN ALLEN: All opposed?

23 (No opposing responses)

24 CHAIRMAN ALLEN: The ayes carry. All  
25 right, item number five, Old Harbor Hydroelectric Project.

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1 Molly, did you have some comments on that?

2 MS. McCAMMON: Yes. And I did get the  
3 information from John Jenks on our investment report, I  
4 just wanted to let you know that April was actually a good  
5 month with a gain of 3.4 percent, bringing the total assets  
6 in the Trust Fund to 132.4 million. So I wanted to be sure  
7 to report that since it was good news.

8 CHAIRMAN ALLEN: Thank you, Molly.

9 MS. McCAMMON: Let's see, on the Old Harbor  
10 Hydroelectric Project. This issue actually came, first,  
11 before the Council in 1996. At that time there was a  
12 request from the Old Harbor Native Corporation, they were  
13 in the process of applying for a license from FERC to build  
14 a hydroelectric project. It turned out that the lands upon  
15 which they wanted to build this facility, some of those  
16 lands -- all of the lands were lands owned in fee by the  
17 United States within the Kodiak Refuge. Some of the lands  
18 were those that had been purchased as part of the original  
19 Old Harbor Acquisition Project that the Trustee Council had  
20 funded. So they carried with them not only restrictions in  
21 the deed that Fish and Wildlife Service acquired, but also  
22 some covenants that were held by the State of Alaska on  
23 those lands, so the State has interest in them also.

24 At that time we briefed the Trustee Council  
25 that the FERC licensing process was going forward, that

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1 there were various environmental studies that were being  
2 done as part of it and that there had been a request, at  
3 that time, for the Trustee Council to approve waiving the  
4 covenants on those lands and, basically, to allow the  
5 project to go forward. At that time I think it was thought  
6 that studies and everything would take about a year and  
7 that this would come back to the Trustee Council within a  
8 year, that was summer of '96, so you can see everything  
9 takes longer than anyone thinks. It's about four years  
10 later now, but the process is such that now the FERC  
11 license has been granted, there has been an environmental  
12 assessment done on the project, both of those are included  
13 as attachments in your packet, the environmental assessment  
14 that was done by FERC and also the license.

15           There's also a map in your packet showing  
16 where the lands are in relation -- which is a little bit  
17 difficult to read, but in relation to the refuge  
18 boundaries, Sitkalidak Strait, Salt Lagoon, the City of Old  
19 Harbor on the very bottom of the map.

20           At this time there is also a draft  
21 resolution in your packet that been prepared by the  
22 attorneys and today we are asking for the Trustee Council's  
23 approval of this. In order for this to go forward, it's  
24 basically up to the governments to allow this to go  
25 forward, but because the Trustee Council approved the

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1 acquisition both of the governments have asked for the  
2 Trustee Council to look at it and to give an indication,  
3 one way or another, whether they approve of this going  
4 forward. The State would still have to do a best-interest  
5 finding, which includes a public comment period, but they  
6 wanted this approval before they went forward with that.

7           We do have some people representing Old  
8 Harbor who are in the audience to answer questions, if you  
9 would like some additional details. But I can go through  
10 the resolution, which kind of reiterates the history of the  
11 Old Harbor acquisition. The acquisition was approved by  
12 resolution on November 2nd, 1994 and March 31st, 1995.  
13 That fee simple title was conveyed to certain lands to the  
14 United States acting through Fish and Wildlife Service and  
15 conservation easements on the same lands to the State.

16           The Alaska Village Electric Coop has  
17 proposed to construct a hydro project which would provide  
18 power to the residents of the village and would be located  
19 on those lands. It would take water upstream from a stream  
20 that crosses the land that is subject to the conservation  
21 easement. It has been subjected to extensive governmental  
22 agency and environmental review, as required by the  
23 National Environmental Policy Act, and all of those  
24 comments and issues are included in the attached  
25 environmental assessment.

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1                   The environmental assessment concludes that  
2 because of the small area affected and the abundance of  
3 undisturbed similar habitat within the surrounding refuge,  
4 that vegetation and habitat impacts are considered to be  
5 minor. Impacts on salmon and wildlife are also considered  
6 to be minimal.

7                   The project was also subject to review as  
8 required by the FERC licensing process and the license  
9 concludes that the project will not interfere with or be  
10 inconsistent with the purposes for which the Kodiak Refuge  
11 was created. It also require that AVEC prepare and  
12 implement a number of plans, erosion and sediment control,  
13 channel geomorphology and habitat monitoring plan. A plan  
14 to monitor water temperature, adult and juvenile fisheries,  
15 hazardous spill prevention, a minimization plan and a bear  
16 safety plan. It restricts the dates for instream  
17 construction, requires that the project operate as run-of-  
18 river with a maximum diversion of 13.2 cubic feet per  
19 second, and comply with restrictions on scheduled  
20 maintenance.

21                   As mentioned earlier, the project has been  
22 reviewed by Fish and Wildlife Service, Fish and Game and  
23 National Marine Fisheries Service. Although not required  
24 by the FERC license, they have agreed to fund a trust with  
25 \$25,000 for future environmental mitigation for the

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1 project. And the trust will be administered jointly by  
2 AVEC, the Service, Fish and Game and NMFS. And there was a  
3 copy of the trust agreement that this refers to and it was  
4 circulated to you this morning, so you do have a copy of  
5 that available to you also.

6           The project has the benefit of reducing the  
7 dependence upon and consumption of fuel by the village of  
8 Old Harbor for production of electricity, which reduces air  
9 pollution and the likelihood of fuel spills.

10           There are some mitigation things, the  
11 project may cause water temperature changes that would  
12 require that a pond be constructed at some future date to  
13 allow the water discharge temperatures to equalize. The  
14 pond would be constructed outside of the footprint of the  
15 project shown on the attached map. The amendment to the  
16 State's conservation easement would require that the size  
17 the location of the pond be approved by Fish and Game. And  
18 this is acceptable to AVEC and Old Harbor Native  
19 Corporation.

20           And the conclusion for the resolution is:  
21 Therefore be it resolved that we support an amendment to  
22 the conservation easement conveyed by OHNC to the State of  
23 Alaska solely to permit the construction, operation and  
24 maintenance of the project as licensed by FERC, so long as  
25 the project is constructed in accordance with the terms and

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1 conditions of the FERC license at the location on the  
2 attached map (Attachment C), except that if a pond is  
3 necessary to equalize water temperatures, the location and  
4 size of the pond must be approved by the Alaska Department  
5 of Fish and Game.

6           And even though the resolution speaks  
7 solely to the conservation easement conveyed to the State  
8 of Alaska, the Federal side, Fish and Wildlife Service and  
9 the Department of Interior is also looking for some verbal  
10 approval as part of their approval process also.

11           CHAIRMAN ALLEN: Okay. That concludes your  
12 remarks?

13           MS. McCAMMON: Yes.

14           CHAIRMAN ALLEN: Any questions regarding  
15 the proposed resolution, or comments?

16           MR. TILLERY: Mr. Chairman.

17           CHAIRMAN ALLEN: Yes.

18           MR. TILLERY: This is Craig Tillery.

19           CHAIRMAN ALLEN: Yeah, Craig.

20           MR. TILLERY: I just wanted to note a  
21 couple of things. One I think that the procedure that's  
22 being used here is something we've discussed quite a while  
23 ago. And I think it's entirely appropriate that while the  
24 governments, in theory, could do this on their own, that it  
25 is appropriate that they come to the Trustee Council and

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1 ask the Trustee Council's views on something like this.  
2 Also that it appears to me that substantively the benefits  
3 of avoiding both air pollution and the potential problems  
4 that would be caused by a spill from a fuel barge, either  
5 on land or on the water, more than offsets the potential  
6 environmental effects. I think that the agencies have done  
7 a good job of documenting those effects, or the lack of  
8 them, and at least for that reason, based on what I've seen  
9 so far, my inclination is to support the resolution.

10 CHAIRMAN ALLEN: Thank you, Craig. Any  
11 other comments, questions?

12 (No audible response)

13 CHAIRMAN ALLEN: I would just like to,  
14 basically, second and endorse Craig's comments relative to  
15 this project. This has been a well thought out project,  
16 we've worked very closely with Old Harbor to make this a  
17 good project, consistent with our concerns relative to  
18 resource issues on the Kodiak Refuge and I believe that it  
19 would be in our interest for the Council to support this  
20 resolution.

21 Okay, any other comments?

22 (No audible response)

23 CHAIRMAN ALLEN: Point of order, I guess,  
24 not having dealt with a resolution before, Molly.....

25 MS. McCAMMON: You have a motion to.....

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1 CHAIRMAN ALLEN: .....do we just ask just  
2 motion to go ahead and.....

3 MS. McCAMMON: .....move the resolution.

4 CHAIRMAN ALLEN: Okay, do I have a motion  
5 to approve the resolution?

6 MR. TILLERY: Mr. Chairman, this is Craig  
7 Tillery, I would move the resolution as it is in the  
8 packet.

9 CHAIRMAN ALLEN: Okay. Do I have a second?

10 MR. BALSIGER: I'll second.

11 CHAIRMAN ALLEN: Is that you, Jim?

12 MR. BALSIGER: Yeah, Jim Balsiger.

13 CHAIRMAN ALLEN: Okay, thank you. All  
14 right, any further comments or questions on the resolution?

15 (No audible response)

16 CHAIRMAN ALLEN: Hearing none, all those in  
17 favor signify by saying aye.

18 IN UNISON: Aye.

19 CHAIRMAN ALLEN: All those opposed?

20 (No opposing responses)

21 CHAIRMAN ALLEN: The ayes carry. All  
22 right. Item number six, small parcels.

23 MS. McCAMMON: Mr. Chairman, there are two  
24 small parcels that are before the Trustee Council for  
25 action today. The first is parcel KAP 2069, this is a

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1 10-plus acre Larsen Bay parcel, similar to ones that you  
2 have taken action on before. It is owned by James Johnson  
3 and is appraised for a total of \$12,000. There is a new  
4 map for this parcel, the original map that you had --  
5 there's a little triangle of land that abuts waterfront and  
6 that is also included in this parcel acquisition. So it's  
7 the square of land, KAP 2069, and then kind of up in what  
8 would be the northeast corner, that little triangle, is  
9 also included in it. So I wanted to clarify that for you.

10           And there is a resolution in here, in your  
11 packet. There is also a benefits report. This property is  
12 on the western shore of Browns Lagoon, it's similar to  
13 other properties there that the Trustee Council has  
14 approved acquisition. Browns Lagoon, I think, as many of  
15 you know, has important habitat for a number of wildlife  
16 species that were injured by the spill. A bald eagle nest  
17 is located within this parcel. The lagoon has important  
18 foraging habitat for eagles, there's high densities of  
19 pigeon guillemots that used the lagoon and also nest  
20 alongside the lagoon. Large numbers of black  
21 oystercatchers use the shoreline, a variety of seaducks,  
22 including goldeneye, harlequins and surf scoters also  
23 commonly use it. There's a cabin near this parcel as well  
24 as numerous other cabins and developments on lands  
25 throughout Uyak Bay. And these site have significant

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1 potential for expanding and having a lot more extensive  
2 development. And one of the benefits of an acquisition  
3 like this is for the refuge managers to be able to control  
4 some of the development within the refuge.

5 And so this one is before you for your  
6 approval today.

7 CHAIRMAN ALLEN: Okay, thank you, Molly. I  
8 might add that we have Steve Shuck with us from our realty  
9 office, so if there are any specific questions about this  
10 parcel I know that Steve would be prepared to do that. So  
11 before we move on this, do we have any comments or  
12 questions relative to this parcel.

13 MR. BALSIGER: Mr. Chairman, Jim Balsiger.

14 CHAIRMAN ALLEN: Yes, Jim.

15 MR. BALSIGER: With the addition of that  
16 triangle, is it still best described as 10 acres or is it  
17 something more than that?

18 CHAIRMAN ALLEN: Steve, why don't you come  
19 on up to the table?

20 MS. McCAMMON: Ten-plus.

21 CHAIRMAN ALLEN: Steve Shuck.

22 MR. SHUCK: The answer to that is it's  
23 10-plus acres. We have surveyors on the property as we  
24 speak who are monumenting the corners of the property and  
25 will be coming up with an exact acreage. I don't have the

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1 exact acreage now, it's just listed as 10-plus acres.

2 MR. BALSIGER: Okay, thank you.

3 MR. TILLERY: Mr. Chairman.

4 CHAIRMAN ALLEN: Yes.

5 MR. TILLERY: This is Craig Tillery. To  
6 make sure, I guess, looking at the map, the kind of olive  
7 green thing is the parcel we're talking about, right?

8 CHAIRMAN ALLEN: Yes, plus the little  
9 triangle right on the lagoon.

10 MR. TILLERY: What is the status of the  
11 parcels on either side of the triangle?

12 MR. SHUCK: The parcel directly south of  
13 the triangle has been acquired at this time. We are  
14 currently in negotiations for the parcel directly north.  
15 Also in the Browns Lagoon area, besides the one parcel that  
16 I mentioned we have acquired, we have acquired five  
17 additional parcels in the Browns Lagoon area, some coastal,  
18 some backlands.

19 MR. TILLERY: Okay. Well, actually this  
20 map would be a little bit more helpful if the ones that  
21 we've already acquired were marked.

22 MR. SHUCK: I realized that this morning,  
23 that those were not included and I brought with me maps, I  
24 didn't realize there were going to be so many people on  
25 teleconference rather than in person. I will leave those

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1 maps with the Restoration Office.

2 MR. TILLERY: Okay. But if you could just  
3 start at that lagoon, at the mouth, and kind of work your  
4 way around those parcels, I'd be curious as to how many of  
5 those we -- in other words, if we're just buying this  
6 little triangle in the lagoon, and that's the only thing we  
7 have, it doesn't sound so good, but now that you've said  
8 we've already got the one to the south, that sounds a whole  
9 lot better. I was wondering how many others we had around  
10 there.

11 MR. SHUCK: Okay, I will start at the west  
12 entrance to the lagoon, there is a single parcel there that  
13 we have acquired. Next is a parcel that still owned by  
14 Koniag. The next parcel is a 10-acre parcel that we have  
15 not acquired, we are still negotiating on. The next parcel  
16 we are negotiating on, this is the one directly west of the  
17 triangular coastal parcel, and negotiations are proceeding  
18 well on that. Nothing definite, but it looks good at this  
19 point. Directly south of the triangle we have acquired.  
20 There is one parcel that is at the mouth of the lagoon,  
21 there is a small part on the east side -- excuse me, the  
22 head of the lagoon, not the mouth. At the head of the  
23 lagoon, one on the east side and a small sliver of land on  
24 the west side, we have not acquired that, negotiations have  
25 stalled. The two parcels directly south of those

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1 properties that we have not acquired have been acquired.  
2 The far southeastern 10-acre parcel has not been acquired  
3 at this time. The backlands parcel directly north of the  
4 one I just mentioned has been acquired. The parcel  
5 directly north of the one at the head of the lagoon has  
6 been acquired. There is a small, looks like about a  
7 three-acre piece of land still owned by Larsen Bay Tribal  
8 Council that we have not been in negotiations with. There  
9 are two remaining 10-acre parcels further north and we have  
10 not yet acquired those parcels.

11 MR. TILLERY: Okay. Now, are we still  
12 negotiating for those last two? Or are you negotiating for  
13 those last two?

14 MR. SHUCK: We are negotiating, we have not  
15 had a lot of success, but we haven't been turned down  
16 either, so we're still hopeful.

17 MR. TILLERY: Okay. All right. So it  
18 looks like actually there's a pretty substantial chunk  
19 around here and this would definitely add to the  
20 protection.

21 MR. SHUCK: Yes.

22 MR. TILLERY: Okay, Mr. Chairman, thank  
23 you.

24 CHAIRMAN ALLEN: Okay. Any other questions  
25 of Steve or Molly?

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1 MR. BALSIGER: What about the little part  
2 at the very north end that has a number 5 on it?

3 MR. SHUCK: That parcel has not yet been  
4 acquired, that's the one that has a small geodesic cabin on  
5 it which has not been used. The owner of that parcel has  
6 alternately, depending on the success of the current  
7 fishing season, been more and less willing to consider  
8 sales. And he is still uncommitted at this point.

9 MR. BALSIGER: Thank you.

10 CHAIRMAN ALLEN: Okay. Do I have any other  
11 comments or questions?

12 (No audible response)

13 CHAIRMAN ALLEN: And the action here today  
14 is the question of going ahead with acquisition for this  
15 parcel; is that correct, Molly?

16 MS. McCAMMON: Well, the resolution as it  
17 reads would be to -- by unanimous consent and upon  
18 execution of the purchase agreement between the seller and  
19 the United States and written notice from the Executive  
20 Director that the terms and conditions set forth herein and  
21 in the purchase agreement has been satisfied. We request  
22 the Alaska Department of Law and the Assistant Attorney  
23 General of the Environmental and Natural Resources Division  
24 of the U.S. Department of Justice to take such steps as may  
25 be necessary for withdrawal of the purchase price of the

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1 above-referenced parcel from the appropriate account  
2 designated by the Executive Director. So, in essence, to  
3 go forward with the acquisition.

4 CHAIRMAN ALLEN: Okay. Do I have a motion?  
5 Is it appropriate for the Chair in this case to make this  
6 motion?

7 MS. McCAMMON: Absolutely.

8 CHAIRMAN ALLEN: The Chair wishes to make a  
9 motion that we go ahead with the acquisition of this  
10 parcel.

11 MR. TILLERY: Second.

12 CHAIRMAN ALLEN: And who was that?

13 MR. TILLERY: Craig Tillery.

14 CHAIRMAN ALLEN: Craig, thank you. All  
15 right, all those in favor signify by aye.

16 IN UNISON: Aye.

17 CHAIRMAN ALLEN: All those opposed?

18 (No opposing responses)

19 CHAIRMAN ALLEN: The ayes carry. Thank  
20 you. Next item.

21 MS. McCAMMON: Yeah, the next parcel is  
22 Kenai 294, the Elliot parcel. This is 19.84 acres, it's on  
23 the Anchor River located approximately three miles south of  
24 Anchor Point, at Mile 160 of the Sterling Highway. It  
25 appraised at \$78,000. Kind of in the meantime, as the

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1 State, Department of Fish and Game, has been working on  
2 this parcel, since there was interest from another buyer  
3 The Conservation Fund has purchased this property. And so  
4 any acquisition that the Trustee Council would do would be  
5 directly from The Conservation Fund.

6 But the parcel is mostly level with the  
7 Anchor River, bisecting it in a generally east/west  
8 direction. It contains riparian and upland habitats that  
9 support such vegetation as willow, alders and spruce. The  
10 terrestrial habitats on this parcel provide structure to  
11 the riverbank and cover for the river, protecting  
12 streambeds substrates and hydrological properties most  
13 important to high quality fish habitat. The Anchor River  
14 is very important for Pacific salmon, steelhead trout and  
15 Dolly Varden. This section of the river, in particular, is  
16 important for rearing juvenile fish throughout the year and  
17 overwintering adult steelhead trout and Dolly Varden, as  
18 well as spawning chinook salmon. It's also a major  
19 migratory corridor for thousands of adults of all species  
20 going to their upstream spawning grounds. This property  
21 and protection of the Anchor River are one of the highest  
22 priorities of the Department of Fish and Game.

23 And there is a map included in here and a  
24 benefits report, too.

25 CHAIRMAN ALLEN: Okay. Do I have any

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1 questions or comments of Molly with regard to this parcel?

2 MR. BALSIGER: This is Jim Balsiger.

3 CHAIRMAN ALLEN: Okay, Jim.

4 MR. BALSIGER: I don't recall having talked  
5 about this one before when I've been around, and maybe we  
6 have, my memory is short, but if The Conservation Fund has  
7 it, isn't that almost as good as the Trustees having it or  
8 have we made some sort of commitment to The Conservation  
9 Fund that if they got it that we would purchase it and  
10 reimburse them or something like that?

11 MS. McCAMMON: There is no commitment to  
12 The Conservation Fund, but The Conservation Fund does not  
13 hold land itself, it purchases lands and then usually  
14 transfers them to some government entity, is their process.  
15 They were willing to take the risk of purchasing the land  
16 and holding it temporarily, assuming that since the Trustee  
17 Council was originally interested in it that whether we  
18 bought it from them or from the original owner wouldn't  
19 really matter. So they did purchase it under that  
20 assumption, but we were very clear in telling them that  
21 there was no commitment to that, that the Trustee Council  
22 had not looked at this parcel, had taken no action on it  
23 and so their purchase of it was at their risk, and they're  
24 aware of that.

25 MR. BALSIGER: Okay, thank you. And then

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1 I'm not trying to make them take a hit or anything, but can  
2 you tell me a little bit about, as in the last discussion,  
3 what the adjacent property ownership is?

4 MS. McCAMMON: Let me look at this. There  
5 are other private parcels adjacent to this piece of  
6 property. Is it the Yeagers, the other one?

7 MS. SCHUBERT: The Yeagers, the yellow one  
8 in the middle.

9 MS. McCAMMON: No, that's the purple one,  
10 that's this one.

11 CHAIRMAN ALLEN: The yellow one -- the  
12 Yeager property is in the middle.

13 MS. McCAMMON: And there is an attempt to  
14 acquire some of the additional private parcels there.

15 MR. BALSIGER: Okay, thank you.

16 MS. McCAMMON: But it is surrounded by  
17 other private lands.

18 MR. BALSIGER: Thanks.

19 MR. TILLERY: Mr. Chairman.

20 CHAIRMAN ALLEN: Yes.

21 MR. TILLERY: Craig Tillery. I'm having a  
22 little trouble translating the map here. What is 294,  
23 which parcels is it?

24 MS. McCAMMON: The color map is the one  
25 you're having a hard time with?

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1 MR. TILLERY: No, I was looking at a black  
2 and white map, should I be look.....  
3 MS. McCAMMON: Black and white one that  
4 says vicinity map?  
5 MR. TILLERY: That says Anchor Valley  
6 Estates, it's Attachment A to the benefit report. Should I  
7 be looking at a different one?  
8 CHAIRMAN ALLEN: Well, Craig, do you have a  
9 color map?  
10 MS. McCAMMON: It's 18, 20 and 21.....  
11 MR. TILLERY: A color map?  
12 MS. McCAMMON: .....on that map.  
13 MR. TILLERY: No, I don't have a color map.  
14 CHAIRMAN ALLEN: Okay. Well, still with  
15 the one you're on. Go ahead, Molly.  
16 MS. McCAMMON: Okay. It would be 8 and 18,  
17 9 -- starting from.....  
18 MS. SCHUBERT: No.  
19 MS. McCAMMON: Not 9, 19.  
20 MS. SCHUBERT: No.  
21 MS. McCAMMON: No, not 9 or 19 at all. 10  
22 and 20.  
23 MS. SCHUBERT: Yeah.  
24 MS. McCAMMON: And 11 and 21.  
25 MS. SCHUBERT: Yes.

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1 MR. TILLERY: Okay.

2 MR. BALSIGER: I'm sorry I didn't get those  
3 because of the not, so 10 and 20 and 21 and more than that?

4 MS. McCAMMON: Starting from the bottom  
5 it's 8 and 18.....

6 MR. BALSIGER: Okay.

7 MS. McCAMMON: .....you skip 9 and 19, go  
8 to 10 and 20, 11 and 21. So there is a piece of private  
9 land in the middle there that was not part of the  
10 acquisition.

11 MR. TILLERY: Okay, but clearly it's a  
12 pretty good chunk. It looks like from this map we were  
13 talking about -- I couldn't figure it out, it looked like  
14 we were talking about 18 and 21, so it makes a lot more  
15 sense the way you described it.

16 MS. McCAMMON: Right.

17 CHAIRMAN ALLEN: Molly, I've got a  
18 question. The parcel in the middle there, the 9 and 19,  
19 are we -- or is The Conservation Fund or someone pursuing  
20 that for acquisition, what's the status?

21 MS. McCAMMON: That is one that is being  
22 pursued right now.

23 CHAIRMAN ALLEN: Okay.

24 MS. McCAMMON: The goal was to acquire the  
25 entire block of land.

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1 MR. TILLERY: Mr. Chairman, this is Craig  
2 Tillery, I have a question and a comment also.

3 CHAIRMAN ALLEN: Okay, Craig.

4 MR. TILLERY: The question is, Molly, the  
5 money for this is not part of the money that we would  
6 potentially be setting aside for the small parcel  
7 endowment; is that correct?

8 MS. McCAMMON: That's correct.

9 MR. TILLERY: Okay. My comment is that I  
10 am sort of both troubled and heartened by what The  
11 Conservation Fund has done. It slightly bothers me in the  
12 sense that I think it does put some kind of an obligation  
13 or it doesn't put any legal obligation, but it put us in a  
14 position where, I think, we need to act to purchase this  
15 land, even if we aren't legally obligated. But on the  
16 other hand, I think the reason that it would be important  
17 for us to follow through, based upon our own independent  
18 assessment, if we really do want this at this time. But  
19 assuming we do, I don't think we should let the fact that  
20 The Conservation Fund had it and therefore it's protected  
21 stand in the way because the behavior that they did by  
22 purchasing this, it's exactly -- I mean, it's just -- it's  
23 great, it's the kind of behavior we want to encourage  
24 because, as I understand it, what they have done was to  
25 look in, see that there could be another purchase of this

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1 piece of property, they evaluated the fact that the Council  
2 felt that -- at least was very interested in this piece of  
3 property and decided to take the risk that we might  
4 ultimately decide not to.

5 I don't think that we should necessarily  
6 agree to buy this property just to get them off the hook,  
7 but if we independently believe that, absent their  
8 purchase, we would have gone through with this acquisition,  
9 I don't think the fact that it's in their hands should  
10 dissuade us because I do believe that what they did is  
11 something that we should encourage. They do need to know,  
12 though, that when they make this kind of a purchase that  
13 they are, indeed, taking a risk that the Council might  
14 decide that, you know, we just didn't -- we don't really  
15 think this is a piece of property that under any  
16 circumstance we would probably purchase.

17 Anyway, that's my view on it.

18 MS. McCAMMON: Mr. Chairman, if I could  
19 just add a couple of items there. First of all, this was a  
20 parcel that the Trustee Council looked at last summer, it  
21 was brought to them by the State and the Trustee Council  
22 did approve it going forward for appraisal, so it has come  
23 before the Council before. And, granted, at that time the  
24 Council did not approve acquisition, it approved appraisal.  
25 There was an estimate of the appraisal, this is actually

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1 less than what the original cost was estimated to be. So  
2 it does follow in line in that sense.

3 In addition, The Conservation Fund has done  
4 similar things with other properties on behalf of the State  
5 and the Federal government where there have been properties  
6 noted by the Trustee Council that various agencies or  
7 public members were interested in and they have gone  
8 forward and pursued them and acquired them, knowing full  
9 well of the risk that the Trustee Council still had not  
10 taken action on them. And so this is very similar to other  
11 things they have done for the Trustee Council.

12 But we have talked to them, they're very  
13 aware of the risk involved and that it's totally up to the  
14 Council to look at it strictly from the benefits of the  
15 acquisition. I should also note that in order that in  
16 order for the Council to actually -- for this to go forward  
17 completely, the actual purchase, it's going to be at least  
18 a year before that happens because this authority to expend  
19 is going to have to go through the Legislature, which means  
20 next year's capital budget, so the earliest it could happen  
21 anyway is July 1st of next year.

22 CHAIRMAN ALLEN: Okay, thank you, Molly.

23 MS. LISOWSKI: Mr. Chairman.

24 CHAIRMAN ALLEN: Yes.

25 MS. LISOWSKI: Could you just have Molly

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1 explain the last comment she made about why the funding  
2 couldn't go until next year? Or why this parcel couldn't  
3 actually be acquired until next year? We didn't quite  
4 follow that.

5 MS. McCAMMON: Because the Legislature  
6 adjourns on Monday and in order for the State to expend  
7 funds of this nature it has to be included in the State  
8 budget and the State budget is days away from being  
9 finalized and this will not be part of the budget. So the  
10 earliest it could be put into the budget is next year and  
11 it wouldn't be signed and take effect until July 1 of 2002.  
12 And The Conservation Fund is aware of it, that they will  
13 have to hold the parcel for the next year.

14 MR. BALSIGER: Molly, I'm really dumb here,  
15 but this is Trustee money, so why are the State funds  
16 involved again? You've probably said that and I just  
17 missed it, I'm sorry, Molly.

18 MS. McCAMMON: Because all Trustee funds go  
19 through either a State or Federal agency. The Federal  
20 agencies have an existing appropriation that covers all  
21 funds, no matter -- EVOS funds no matter which year. On  
22 the State side, we have to go through the State legislative  
23 process for them to approve the receipt and expenditure of  
24 those funds. The Legislature doesn't decide how those  
25 funds are spent, but they can choose not to accept those

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1 funds to spend them.

2 MR. BALSIGER: I understand.

3 MS. McCAMMON: So this purchase goes  
4 through the State.

5 MR. BALSIGER: I got it. Thank you very  
6 much.

7 CHAIRMAN ALLEN: Okay. Any other comments  
8 or questions?

9 (No audible response)

10 CHAIRMAN ALLEN: I have one question,  
11 Molly. Other than on this black and white map, the  
12 identification of parcels one and two and, of course, the  
13 subject of this discussion is three units, I guess, of  
14 those two parcels. Again, being relatively new to Council  
15 business here, are there other plans that have been  
16 identified by the Council beyond parcels one and two on the  
17 Anchor River or are there other activities that we are  
18 trying to partner with, either with the State or other  
19 conservation organizations relative to protecting the  
20 Anchor River? And I don't know who's best to answer that  
21 question. I don't know, Claudia, do you have any  
22 information or Molly?

23 MS. McCAMMON: Well, I could say that  
24 protection of the Anchor River or the Kasilof or the Kenai  
25 River are high priorities of the Department of Fish and

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1 Game and Department of Natural Resources. Actual  
2 identification of specific parcels is often very  
3 opportunistic, it depends on, you know, kind of what  
4 becomes available on the market. And so both of those  
5 agencies always have their eyes out and their ears opened  
6 for anything that might become available because they are  
7 really important habitat for a number of the fisheries,  
8 sport fishing and commercial fisheries of Cook Inlet and  
9 are on your high priority list. There's nothing -- I think  
10 this middle parcel and the parcel 12 and 13 are also kind  
11 of being looked at for possible acquisition because there's  
12 the State land on the other side of both of these sections  
13 that then you could have some adjoining management there.

14 MS. SLATER: And it's my understanding that  
15 on the Yeager parcels, the ones on your color map, I  
16 believe, that are the purple.

17 MS. McCAMMON: Which would be 12 and 13.

18 MS. SLATER: Yeah. Those don't look like  
19 they will be going forward in terms of a potential Council  
20 purchase. We were trying for those as well, but I don't  
21 think that's going to pan out.

22 MS. McCAMMON: But there's additional  
23 funding from the Nature Conservancy, The Conservation Fund  
24 is looking at other funds also and so there's a big effort  
25 now to protect a number of these rivers on the Kenai

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1 Peninsula, just kind of as our growth continues and their  
2 use becomes even heavier.

3 CHAIRMAN ALLEN: Okay, thank you, Molly.

4 Do I have any other questions or comments?

5 (No audible response)

6 CHAIRMAN ALLEN: All right, if not, are we  
7 ready for a motion?

8 MS. SLATER: Well, I would like to  
9 move.....

10 CHAIRMAN ALLEN: Okay, Claudia, go ahead.

11 MS. SLATER: .....that the Council go  
12 forward with the purchase of the Elliot parcels as  
13 presented and described in the materials in the Trustee  
14 Council packet and just discussed a moment ago. Is that  
15 adequate?

16 MS. McCAMMON: Uh-huh. (Affirmative)

17 CHAIRMAN ALLEN: All right, do I have a  
18 second for the motion?

19 MR. TILLERY: Mr. Chairman, this is Craig  
20 Tillery, I would second that. I understand that she's  
21 moving the draft resolution as it is described in the  
22 packet; is that correct?

23 MS. McCAMMON: Correct.

24 MR. TILLERY: Okay. I would second that.

25 CHAIRMAN ALLEN: Okay. We have a second.

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1 Any discussion?

2 (No audible response)

3 CHAIRMAN ALLEN: I would just make one  
4 comment and that is that the efforts continue to acquire,  
5 what is it, blocks 9 and 19, as has been indicated are  
6 currently underway. It's the small parcels that sort of  
7 splits those that are part of this resolution.

8 Okay, any other further comments?

9 (No audible response)

10 CHAIRMAN ALLEN: Okay. If not, all those  
11 in favor, signify by saying aye.

12 IN UNISON: Aye.

13 CHAIRMAN ALLEN: Those opposed?

14 (No opposing responses)

15 CHAIRMAN ALLEN: Okay, the ayes carry. All  
16 right, let's see, that brings us to item number seven on  
17 the agenda, Project 99514, Lower Cook Inlet Waste  
18 Management.

19 MS. McCAMMON: Mr. Chairman, in FY99 the  
20 Council funded the Alaska Department of Environmental  
21 Conservation to prepare a plan for reducing marine  
22 pollution from land-based activities near the Lower Cook  
23 Inlet communities of Port Graham, Nanwalek and Seldovia.  
24 This is similar to two other projects that the Council has  
25 funded in the past, one for Prince William Sound

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1 communities and one for Kodiak communities. For a number  
2 of reasons the plan has taken substantially longer to be  
3 completed. We do have a new schedule for its completion,  
4 it should be receiving -- we should have the draft by  
5 Monday and have technical review of it. And, in  
6 conjunction with that, a proposal to actually implement the  
7 plan.

8                   A sum of \$800,000 has been earmarked and  
9 included in the Council's spending projections for  
10 implementing this plan since the plan itself was funded.  
11 In order to begin implementation in FY02, which would be to  
12 actually continue with planning over the fall and winter  
13 and to actually be prepared to do construction in the  
14 summer, legislative authorization to receive the funds for  
15 this capital appropriation is necessary.

16                   An amendment to the State's FY02 capital  
17 budget was prepared. Due to a number of concerns -- not so  
18 much concerns, but questions about the funding source and  
19 also about the status of Chugach Regional Resources  
20 Commission, the grant recipient, it did not make it in on  
21 the Senate side of the capital budget. Senator Torgerson's  
22 office who represents these communities is working with the  
23 House side to get it entered on the House side. It's still  
24 unclear whether it will actually make it into the budget  
25 because the Legislature adjourns on May 8th, on Monday.

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1 But should the amendment be approved by the Legislature, I  
2 wanted to bring this back to you to approve designating the  
3 Chugach Regional Resources Commission, which is the entity  
4 we've been working with most closely and which has been  
5 working with the contractor on the plan, to be the named  
6 recipient of a future grant of implementing the Waste  
7 Management Plan for the Lower Cook Inlet.

8 Even though the name recipient of the grant  
9 would be approved in this motion, actual expenditure of  
10 funds and how those funds would be expended would still  
11 have to come back to the Trustee Council for further  
12 action. So all this would be doing is just approving and  
13 authorizing that if a grant does go forward that it would  
14 be a grant to Chugach Regional Resources Commission.

15 Typically what we like to do is have the  
16 Council take action on the entire project and have it  
17 completely ready to go before taking it to the Legislature,  
18 but because of the timing of the legislative funding cycle,  
19 the Trustee Council cycle, waiting until next year would  
20 delay the project for at least another year. The  
21 communities are very interested in moving forward on this  
22 project.

23 CHAIRMAN ALLEN: Okay, thank you, Molly.  
24 Do I have any questions with regard to this proposal?

25 MR. TILLERY: Mr. Chairman, this is Craig

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1 Tillery.

2 CHAIRMAN ALLEN: Go ahead, Craig.

3 MR. TILLERY: Sorry about this, but I just  
4 -- I'm trying to remember back to our State procurement  
5 laws, but in the event that there is some issue with a  
6 named recipient grant and this simply becomes approved by  
7 the Legislature, I believe it becomes important that we  
8 have a statement on the record of why we are selecting  
9 Chugach Regional Resources Commission to carry out this  
10 grant. And I was wondering if Ms. McCammon could speak to  
11 that in some more detail as to why it's important that it  
12 goes to them and not to someone else.

13 MS. McCAMMON: Chugach Regional Resource  
14 Commission is a 501(c)(3) private non-profit organization  
15 that represents the communities of Prince William Sound and  
16 Lower Cook Inlet on a number of natural resource issues.  
17 They are the entity that has been working most closely with  
18 the village governments in those three communities on  
19 natural resource and waste management issues. They have a  
20 program that has natural resource managers hired in those  
21 communities, they have been involved, closely involved, in  
22 scheduling public hearings, in obtaining public comment on  
23 working with the village councils for resolutions for  
24 identifying priorities, for working with the communities to  
25 identify operation and maintenance commitments and things

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1 of that nature. They're really the only regional entity  
2 that is possible to do this kind of a project.

3 MR. TILLERY: Okay. Mr. Chairman, so I  
4 gather from that that it would be both more efficient in  
5 terms of the expenditure of our funds, as well as more  
6 effective in their use. And, actually, it sounds like from  
7 what Molly said, it may be the only effective solution for  
8 the expenditure of these funds is through Chugach Regional  
9 Resources Commission?

10 MS. McCAMMON: That's correct.

11 CHAIRMAN ALLEN: That is correct.

12 MR. TILLERY: Okay, thank you.

13 CHAIRMAN ALLEN: Okay. Any other comments,  
14 questions?

15 (No audible response)

16 CHAIRMAN ALLEN: Okay. Again, Molly, as I  
17 understand, basically this is just for the purpose of  
18 designating the Commission to be the recipient of the  
19 grant, that the actual allocation of the resources will  
20 come before the Board at a later date, should the  
21 Legislature take action.

22 MS. McCAMMON: Yes.

23 CHAIRMAN ALLEN: Okay. Do I have a motion?

24 MR. BALSIGER: Mr. Chairman, Jim Balsiger,  
25 I would move that the Trustees approve the Chugach Regional

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1 Resources Commission to be the named recipient of a future  
2 grant implementing a Waste Management Plan for Lower Cook  
3 Inlet, recognizing that a detailed proposal of how the  
4 funds will be spent will be presented to the Council at a  
5 later date.

6 CHAIRMAN ALLEN: Okay, thank you, Jim. Do  
7 I have a second?

8 MS. LISOWSKI: Second.

9 CHAIRMAN ALLEN: All right. Any further  
10 discussion?

11 (No audible response)

12 CHAIRMAN ALLEN: Okay, hearing none, all  
13 those in favor indicate by saying aye.

14 IN UNISON: Aye.

15 CHAIRMAN ALLEN: All those opposed same  
16 sign.

17 (No opposing responses)

18 CHAIRMAN ALLEN: Okay, the ayes carry. And  
19 that concludes our agenda. Molly, was there any.....

20 MS. McCAMMON: Nope, there are no  
21 additional items. The next meeting is scheduled for  
22 August 6th and it will include the FY02 Work Plan and the  
23 Draft Plan for GEM, so it'll be an all day meeting  
24 scheduled here in Anchorage.

25 MR. BALSIGER: Mr. Chairman, is that

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1 expected to be a single day meeting, did you say?

2 MS. McCAMMON: Yes.

3 MR. BALSIGER: Thank you.

4 CHAIRMAN ALLEN: Okay. All right. Once  
5 again, Molly, thank you very much for excellent staff work  
6 and do I have a motion to adjourn?

7 MS. LISOWSKI: So moved.

8 CHAIRMAN ALLEN: All those in favor?

9 IN UNISON: Aye.

10 CHAIRMAN ALLEN: Okay, we are adjourned.

11 Thank you.

12 (Off record - 11:12 a.m.)

13 (MEETING ADJOURNED)

