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1 EXXON VALDEZ OIL SPILL
2 TRUSTEE COUNCIL
3 Public Meeting
4 Tuesday, July 9, 2002
5 441 West 5th Avenue, Suite 500
6 Anchorage, Alaska

7 TRUSTEE COUNCIL MEMBERS PRESENT:

8 U.S. DEPARTMENT OF INTERIOR: MS. DRUE PEARCE
9 (CHAIRWOMAN) Senior Advisor to the
10 U.S. Department of Interior
11 STATE OF ALASKA - MR. CRAIG TILLERY
12 DEPARTMENT OF LAW: Assistant Attorney General
13 State of Alaska
14 U.S. DEPARTMENT OF AGRICULTURE, MS. MARIA LISOWSKI for
15 U.S. FOREST SERVICE MR. DAVE GIBBONS
16 Forest Supervisor
17 Forest Service AK Region
18 U.S. DEPARTMENT OF COMMERCE, MR. JAMES W. BALSIGER
19 National Marine Fisheries Svc: Administrator, AK Region
20 STATE OF ALASKA - DEPARTMENT MR. FRANK RUE
21 OF FISH AND GAME: Commissioner
22 STATE OF ALASKA - DEPARTMENT MS. MICHELE BROWN
23 OF ENVIRONMENTAL CONSERVATION: Commissioner
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1 TRUSTEE COUNCIL STAFF PRESENT:

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3 MS. MOLLY McCAMMON Executive Director

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5 MS. SANDRA SCHUBERT Program Coordinator

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7 DR. PHIL MUNDY Science Coordinator

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9 DR. BOB SPIES Chief Scientist

10

11 MS. PAULA BANKS Administrative Assistant

12

13 MS. DEBBIE HENNIGH Special Staff Assistant

14

15 MR. ROBERT WALKER Data Manager

16

17 MR. ALEX SWIDERSKI Department of Law

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

2 (On record - 10:45 a.m.)

3 CHAIRWOMAN PEARCE: Will the Exxon Valdez
4 Trustee Council meeting please come to order? It is July
5 9th.....

6 MS. McCAMMON: We're coming to order now.

7 CHAIRWOMAN PEARCE: It's July 9th, 2002, it
8 is 10:45 a.m. and the full Trustee Council is present.
9 Maria Lisowski is here for David [sic] Gibbons of the
10 Forest Service, she is on the phone and out of the room,
11 but she is here. I am Drue Pearce, I will be chairing this
12 meeting.

13 We need to approve the agenda and,
14 Ms. McCammon, if you can tell us about a couple of changes
15 that I believe that I believe are there.

16 MS. McCAMMON: Thank you. There are only a
17 couple of changes. One is there's only one small parcel on
18 the agenda and that's KAP 1087, the Chokwak parcel. The
19 Swartzes' parcel is no longer on the agenda. And then Brad
20 Meiklejohn will be here instead of Glenn Elison for The
21 Conservation Fund. Randy Hagenstein will not be here, but
22 there is a report from him that you should have before you.
23 And then there's an additional item that's being added for
24 action today, and that's the Sitkalidak land exchange
25 equalizing payment of \$41,000.

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1 CHAIRWOMAN PEARCE: Do we have a motion to
2 approve the agenda?
3 MR. TILLERY: I move we approve the agenda.
4 CHAIRWOMAN PEARCE: Is there a second?
5 MS. BROWN: Second.
6 CHAIRWOMAN PEARCE: We have a motion and a
7 second to approve the agenda, all those in favor please say
8 aye.
9 IN UNISON: Aye.
10 CHAIRWOMAN PEARCE: Anyone opposed?
11 (No audible response)
12 CHAIRWOMAN PEARCE: The agenda is approved.
13 That brings us to the Executive Director's report. Madam
14 Executive Director.
15 MS. McCAMMON: Do you want to do the
16 meeting notes for June 14th meeting?
17 CHAIRWOMAN PEARCE: Oh, I'm sorry. Next is
18 approval of the meeting notes for the previous meeting,
19 which was June 14th. Any discussion on those?
20 (No audible response)
21 CHAIRWOMAN PEARCE: Do you have a motion?
22 MR. TILLERY: I move the meeting notes be
23 approved.
24 MS. BROWN: Second.
25 CHAIRWOMAN PEARCE: There is a motion and a

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1 second to approve the June 14th notes. All those in favor.

2 IN UNISON: Aye.

3 CHAIRWOMAN PEARCE: Anyone opposed?

4 (No audible response)

5 CHAIRWOMAN PEARCE: The notes are approved.

6 And that brings us to the Executive Director's report.

7 MS. McCAMMON: Thank you, Madam Chair. I

8 only have two items that I wanted to report to you today.

9 The first is that our solicitation package for nominations

10 for the Public Advisory Committee and the subcommittees for

11 our scientific process -- that package has gone out to our

12 e-mail list and to everybody on our mailing list.

13 Nominations are due back to our office by September 3rd

14 and we encourage you to get people to apply for one or more

15 of these subcommittees. And if anyone needs information

16 or, you know, if you want to suggest names or anything like

17 that, just get ahold of any of us here at the office. But

18 we do have this two-month period to get these nominations

19 -- to get them all back to this office.

20 The second item I wanted to just brief you

21 on a little bit is that there was a legislative resolution

22 that passed the State Legislature, SJR-44, at this past

23 session. And it, I think, in essence, passed unanimously,

24 there might have been one no vote with it. But basically

25 it's calling upon the University of Alaska, the Arctic

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1 Research Commission, the North Pacific Research Board and
2 the Alaska Science and Technology Foundation to develop a
3 statewide research and development plan. And I have been
4 asked by the University of Alaska, by their vice president
5 for research, Craig Dormand, to help out with that, to help
6 in putting together some of the background materials for
7 the ocean and the environmental research and development
8 pieces of it. So just wanted to let you know that I am
9 participating in that. And if you have any questions on
10 that at any time, just get ahold of me.

11 That's it, that concludes my report today.

12 CHAIRWOMAN PEARCE: Okay. Any questions
13 for -- very efficient.

14 MS. McCAMMON: Thank you.

15 MR. TILLERY: Molly, you mentioned that
16 there should be a report from Randy, I guess, in here?

17 MS. McCAMMON: Yes. Did you get the
18 report? Do we have it there?

19 MR. TILLERY: I don't think -- I was looking
20 for it.

21 MS. McCAMMON: It's not there, Paula? If
22 not, I have mine here and I'll make sure to get copies
23 made, but.....

24 CHAIRWOMAN PEARCE: All I have is the
25 Chokwak.

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1 MS. McCAMMON: Okay. I'll have copies made
2 right now.

3 CHAIRWOMAN PEARCE: Unless it's here. I
4 don't believe I have one.

5 MS. McCAMMON: Okay, we'll get copies of
6 that and we'll actually talk about it later under small
7 parcels.

8 CHAIRWOMAN PEARCE: Okay.

9 MS. McCAMMON: Okay.

10 CHAIRWOMAN PEARCE: Mr. Balsiger.

11 MR. BALSIGER: Madam Chair, if I could.
12 Molly, could you tell me what your charge was, again,
13 relative to this? You said it in a few words and I didn't
14 get it all down. Are you developing the whole outline for
15 how this resolution carries forward or just some small part
16 of it?

17 MS. McCAMMON: No, I've been asked to help
18 with -- it's being carried forward by the University of
19 Alaska, North Pacific Research Board, ASTF and the Arctic
20 Research Commission, and I've been asked to help with the
21 environmental piece regarding ocean monitoring systems,
22 research, things of that nature, so just one little piece
23 of it.

24 MR. BALSIGER: So we had the resolution
25 last time, but I don't remember the words, but it didn't

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1 mention EVOS in there?

2 MS. McCAMMON: It does, it mentions it in
3 one of the whereases that the EVOS Trustee Council is
4 developing research plans, but the Trustee Council is not
5 specifically charged with developing this plan. But I can
6 get you a copy right now of the final plan -- or the final
7 resolution.

8 MR. BALSIGER: Thank you very much.

9 CHAIRWOMAN PEARCE: Any other questions for
10 the Executive Director?

11 MS. BROWN: This isn't a question. I just
12 wanted to compliment Molly and her staff for the Ocean and
13 Watershed Symposium, which was superbly executed, so thank
14 you.

15 MS. McCAMMON: Thank you for participating,
16 it was great.

17 CHAIRWOMAN PEARCE: That brings us to
18 public comments. Do we have public comment? We'll check
19 for the off site on teleconference first. Do we have
20 anyone on teleconference who would like to make a public
21 comment to the Exxon Valdez Trustee Council?

22 (No audible response)

23 CHAIRWOMAN PEARCE: I'm not sure we have
24 anyone on line listening to us. We have not. What about
25 here in the room, do we have anyone who would like to make

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1 public comment today?

2 (No audible response)

3 MS. BROWN: Wow, you run a tight ship.

4 CHAIRWOMAN PEARCE: Pardon me?

5 MS. BROWN: You run a tight ship.

6 (Laughter)

7 CHAIRWOMAN PEARCE: Okay. That brings us
8 to approval of the GEM Program document, which I suspect we
9 are not capable of doing without Molly, so why don't we
10 stand at ease while we wait for her to finish her phone
11 call?

12 (At ease)

13 CHAIRWOMAN PEARCE: We will call the
14 meeting back to order. We had asked for public comment and
15 didn't have any at the time, but I see that Mrs. Obermeyer
16 is here, would you like to make public comment?

17 MS. OBERMEYER: If like I have it labeled
18 on my forehead. Don't ever think I'm having fun, Senator.
19 It's not enjoyable, but I think a whole bunch of things
20 could come unraveled any day now. See, Drue, you just came
21 to town, right? I don't know whether you even read our
22 local rag anymore. My opponent gets hard news stories
23 almost everyday with color pictures and my name has not
24 been printed since the filing deadline. That is how
25 corrupt our media really is. It really is frightening

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1 worrisome. Of course, see, I really have the -- is I'm
2 better known that he is already, so it's not a big deal.
3 And I have been told by many lawyers that I'm folk hero. I
4 never know. All I do is take it a day at a time, I always
5 try to get a good night sleep. And then I come out and I
6 say hi and I'm nuts. And I'm proud to be nuts. There is
7 nothing wrong with nuts, but where I live it is so mean
8 spirited and hateful.

9 And it's really scary to see what these
10 lawyers do. I don't want to be categorical about anybody,
11 I'm sitting with at least two right now, and I don't want
12 to assign motives to anyone, but it's all miscommunication,
13 that I'm sure of. And, you see, there's no independence of
14 thought. That's the way it's all possible that this could
15 have gone on for this long. And, of course, amazingly, and
16 just to let the rest of you know, we have mailed 60 copies
17 of everything that's gone on for at least a decade. So one
18 of my jokes is somebody does know how to read. I mean,
19 people have read that stuff and I think there are people
20 that have boxes full of it. Of course, I have so many
21 files and transcripts it's ridiculous.

22 You know, it is a great compliment, and I
23 say this humbly, do you know how many millions have been
24 spent on me? I mean, it's really kind of comical. Don't
25 ever think I enjoy it, but when you know who you are, and

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1 all you can do is try. And I'm an American that loves my
2 country. I know that where I live there is no education.
3 I have sued the university and I don't think anyone else
4 will ever try. My husband is still not licensed. At the
5 end of my suit against the university, that was as long ago
6 as 1986, I had to write a check for \$17,151. I mean and
7 then I see about -- and I have files and I just kind of
8 clip out stories about Exxon. You know, can we realize how
9 much a billion dollars is? And I don't think those of us
10 that are working people -- I find it unfathomable how much
11 one billion is. And, of course, Exxon has put out that
12 they want to settle for 25,000,000. One billion is a
13 thousand million. And let's think this way. I used to
14 always have a joke and I'd say, I can't count that many
15 zeros. But, see, I've been on the Anchorage School Board
16 and so what I used to -- well, everyone talks millions and
17 billions. And I think they might have in the Legislature,
18 Drue.

19 And so when people kept talking million and
20 billions I thought, well, I better listen to what they're
21 saying, so I'd bring my calculator, I'd add up and cross
22 reference, nothing even added up over there at that school
23 district, and I was supposed to be their puppet. I don't
24 think so, I'm not going to be somebody's puppet. Now, I'll
25 try to be a reasonable person. I don't think we've been

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1 treated at all reasonably, ethically, in a civilized
2 manner. I cannot believe that no one helps. And so I am
3 left with all these wonderful people sitting behind me.
4 I'm trying -- I want them to understand it, because I also
5 feel like if I don't stay on course it's a flood gate and
6 these judges will treat everybody else the same way. I
7 don't have any answers, I mean, it's amazing. I could
8 never have imagined anything that's gone on.

9 But I always do bring something. What I
10 know is repetition is good and I know, like, Ms. Brown
11 wasn't here the last time and I know Mr. Rue was on the
12 phone so, you know, I haven't seen you in a couple of
13 months. I try to come some of the time. And let's really
14 focus on how corrupt our courts are. And what I'm reading
15 is this case is now transferred to superior court. I don't
16 even know what judge's court it's in, I don't think that's
17 been published. I can't know all of this, maybe you know
18 which court and which judge has it. I don't know whether I
19 can even get the file. I mean the police check my name and
20 all the stuff and my name is there and I think it's funny.
21 I really am a college administrator with a Ph.D. that's
22 raising four people over -- down the street. I'm
23 neighborly and I just -- I don't think we should let Exxon
24 get away with all this. That's my opinion, but I don't
25 really believe it's -- I really believe it's going to take

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1 more than just a big paper shuffle, I think it takes new
2 leadership.

3 I do this very humbly, I feel like I have
4 to. I am the only woman in the race, and that's kind of
5 fun. I never know, because I know I've run for Mayor, and
6 school board recently and, oh, this afternoon I'm on my way
7 to AIDEA, that is the political slush fund, they hand out
8 millions to their fixers and their manipulators, whoever is
9 going to do something. It's -- I don't whether you -- I
10 mean, Drue, I don't know whether you knew this when you
11 were in the Legislature. Go over across from McDonald's on
12 Northern Lights at 1:00 o'clock and see what's going on.
13 They now have a big three-story building of employees.
14 They used to be over on Tudor, I think it was, or
15 International. International, next to Cattle Company and
16 it was a small building, now they like quadrupled or at
17 least they have three times as many employees as they used
18 to have. I don't know whether you focus on all this stuff.

19 I hope you're having a good day.

20 CHAIRWOMAN PEARCE: Mrs. Obermeyer, we
21 don't have any purview over AIDEA. Could you bring it back
22 to the Council and.....

23 MS. OBERMEYER: Oh, yeah, but, see, you
24 used to, Madam, you have been.....

25 CHAIRWOMAN PEARCE: I'm sorry, I don't

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1 anymore, thankfully.

2 MS. OBERMEYER: And I'm really talking to
3 someone like you. You have been the President of the State
4 Senate, you should have had an overview for at least a
5 decade and something good should have happened. I mean,
6 where is accountability? It hasn't. I don't have any
7 answers for you. I just know that I live in a place where
8 there are about 2,200 State of Alas -- attorneys that are
9 in state that are licensed. Of course, Mr. Tillery is one
10 of them, and there's almost 500 out of 2,200 -- and, see, I
11 can't get their salaries. You, I assume had that when you
12 were in the State Senate, I assume they make up to 100,000
13 a year, if they play ball. They don't get anything unless
14 they play ball. And if they play ball they get trips, they
15 get whatever they want. I mean, John Steiner's over there
16 at the school board right now. Because I filed for school
17 board, he filed. And, of course, I know the election
18 wasn't fair. And so I don't know whether you even know
19 John, I assume you do. He is the attorney for the airport.
20 I'm worried, you're flying out of here, what's the -- you
21 know, I don't have any answers. I just know that I've
22 watched all of this unfold before my eyes for so many
23 years. It's beyond belief, because, see, anywhere else we
24 would have gotten a lot of help by now. And I take this as
25 the ultimate challenge because I do know why and that

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1 sustains me, that allows me to continue. It isn't fun
2 being laughed at, but it's happened. You know, going into
3 rooms and having everyone -- have these over-responses. I
4 mean, I've actually been jailed for 29 days. I don't think
5 anybody would have enjoyed that.

6 And, of course, I always have a joke. What
7 one my students said, I taught at a jail for almost six
8 years before any of this started. I assume you remember, I
9 taught at McLaughlin before I was elected to the school
10 board, and that's when I think we had fair elections. I
11 don't even know if they were fair then, I only know I went
12 over there and tried and look what happened. My name was
13 in headlines everyday, now I can't even get my name
14 published. I mean, my picture was actually in headlines,
15 now my name is not even in the paper. I did, and you might
16 remember, Drue, I did go to Washington, because I told you
17 I was going. I didn't have a chance to say hi to you
18 because I didn't know where you were in Washington, but I
19 did go on Capitol Hill a little bit, you know, not well --
20 you always feel such failure, I would have rather spent
21 more time there, but I was -- I had three of my children
22 with me, so I was really mainly sightseeing and
23 entertaining children. Do you know the syndrome? I think
24 anyone that raises children does. I had to mainly allow my
25 children to sightsee and stuff. And I think that's only

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1 fair to them.

2 Although I did do a little bit on Capitol
3 Hill. I even visited Orin Hatch's office, who does he
4 think he's kidding? The Chairman of the U.S. Senate
5 Judiciary Committee, are you serious? He -- the things
6 that that man has done directly. I have his
7 correspondence. That was in the early '90s. So let's head
8 -- there's some level of understanding and decency if there
9 isn't. I have a lot of comfort that I try, that's all I
10 can ever do. So let's see if a whole bunch of things come
11 unraveled.

12 You know, I also think of this group and
13 the fact that they have so many hits a week it's amazing.
14 Overnight -- I mean I understood, am I correct, 115 hits a
15 week -- 115,000?

16 MS. McCAMMON: Not that many.

17 MS. OBERMEYER: How many?

18 MS. McCAMMON: I can't tell you right now.

19 MS. OBERMEYER: You said -- you gave.....

20 MS. McCAMMON: We gave you a number, but I
21 can't remember what it was.

22 MS. OBERMEYER: It was over 100,000 a week,
23 whatever it was, and I don't have -- pardon me?

24 MS. McCAMMON: It was a lot.

25 MS. OBERMEYER: Yeah, exactly. So if

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1 something -- I don't know how that would happen, but the
2 Internet is such a powerful force. And, of course, have a
3 website, I hope that many lawyers and judges all over our
4 great nation have downloaded that stuff. Again, I always
5 think I should have more stuff on there. I was thinking
6 about putting more on there even yesterday, but I probably
7 have too much as it is, and it's sometimes hard to
8 download, you know, if it's a time of day where there are a
9 lot of people on it you can't even get the stuff
10 downloaded. So whatever -- I hope people look at it late
11 at night and read it over when they have a chance. All I
12 can do is make an example out of myself and that's what I'm
13 trying to do.

14 And so did you have a question, Senator?

15 CHAIRWOMAN PEARCE: No.

16 MS. OBERMEYER: Well, I just wish you well,
17 I hope you have a very safe journey. Let's let the truth
18 surface for a change. And can we remember that my opponent
19 will be the highest ranking Republican in the U.S. Senate
20 if he gets elected, now that's frightening. Look what he's
21 already done. It's scary. I don't know what to say. I
22 mean, if that's what we want as a country, it's -- I'm only
23 one person, I know I would never let it happen if I had any
24 control over it. Because, you see, we don't even know
25 what's going to happen. We can only ask for somebody with

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1 a good character, and that man does not have a good
2 character. Look at the way he was licensed, as long ago as
3 1960, he really is one of the biggest frauds or scams in
4 the history of the United States.

5 And here's the other funny thing, when I
6 talk about him people don't even know his name and I never
7 give it out. I'm not giving out his name. Now, when I've
8 written things I've put his name down because I assume that
9 people that read do know his name, but when I talk to
10 people, what I said on the East Coast is do you know that
11 both of our U.S. Senators are running for office? Do you
12 know that, Mr. Rue?

13 MR. RUE: Yes. And, Madam Chair, I'm not
14 sure what this has to do with our agenda, but it's.....

15 CHAIRWOMAN PEARCE: I don't think so
16 either.

17 MS. OBERMEYER: Well, sir, it has to do
18 with American law and it has to do with accountability.

19 MR. RUE: I'm not sure that's on our agenda
20 today.

21 MS. OBERMEYER: Your agenda has to do with
22 the Exxon Valdez Oil Spill Trustee Council.

23 MR. RUE: It would be helpful to have you
24 tell us what.....

25 MS. OBERMEYER: And, you see, you wouldn't

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1 just wanted to say that. And what does it have to do? It
2 has to do with independence of thought. I'm the one that
3 comes in that nicely wants to mention these things, because
4 I know the law, and I understand public employment. I have
5 been a public employee, if anything I'm really hoping that
6 you are treated well. I ask for this. But, you see, I've
7 already said there's not going to be a lot of good that's
8 going to happen, especially at this university, because I
9 sued them and no one else is going to. I don't expect you
10 to understand any of it.

11 CHAIRWOMAN PEARCE: Mrs. Obermeyer, please
12 wrap up.

13 MS. OBERMEYER: And would you forgive me,
14 as another professional woman, I am a college administrator
15 with a Ph.D., I will leave what you want to call me to you,
16 but I'm an educator. And thank you for hearing me.

17 CHAIRWOMAN PEARCE: Thank you. Any other
18 public comment?

19 (No audible response)

20 CHAIRWOMAN PEARCE: Okay. GEM.....

21 MS. McCAMMON: Anybody on the line?

22 CHAIRWOMAN PEARCE: No, we've already did
23 that. There was not anyone and nobody has joined because
24 we would have heard a beep.

25 MS. McCAMMON: Okay.

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1 CHAIRWOMAN PEARCE: That brings us to
2 approval of the GEM Program document.

3 MS. McCAMMON: Yes. Madam Chairman, in
4 your packet there is a copy of the revised first five
5 chapters of the revised GEM Program document. There's an
6 outline that shows the complete document and so just for
7 the sake of saving a few trees of paper, we didn't copy
8 chapters six, seven, eight and nine, which basically are
9 unchanged from the version you saw before. Those are
10 primarily the scientific background, which covers the
11 physics, the biology, the human uses and economics of the
12 Gulf of Alaska, the modeling chapter and the data
13 management information transfer. And then there was an
14 introductory chapter in chapter six, so those aren't
15 included, the appendices are not included either. And also
16 we don't have the acknowledgements and the executive
17 summary because the executive summary still needs to be
18 rewritten.

19 But what you have is basically the heart of
20 the revised GEM Program, following the National Research
21 Council's Review Committee, chapters one through five.
22 Chapter one goes through the vision of the program, which
23 includes mission, goals, governance, funding, geographic
24 scope and kind of the legacy of the past where -- basically
25 describing the origins of the program.

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1 Chapter two goes through the conceptual
2 foundation and the central hypotheses, which is basically
3 the scientific heart of the program.

4 Chapter three talks about the tools and
5 strategies that the program will use, and these include
6 things such as using gap analysis, monitoring research,
7 modeling, data management and information transfer. It
8 does highlight, and I want to call your attention to this,
9 on page -- the two key strategies, and this is on Page 34
10 in chapter three. The main strategy for potential for
11 resource management applicability is unchanged, that's been
12 in there before, but we did significantly add to the
13 strategy of incorporating traditional knowledge and
14 community involvement. And so this piece is in there in
15 this section. And we see community involvement,
16 traditional knowledge and also using information to develop
17 resource management applications as being key strategies in
18 developing the program over time.

19 Chapter four goes through program
20 implementation, and this is basically the beginning of a
21 science plan for the GEM Program. This chapter will
22 probably be obsolete tomorrow in the sense that the
23 Scientific and Technical Advisory Committee will be working
24 on it, the Public Advisory Committee will be working on it,
25 refining the questions, developing and making

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1 recommendations on which variables should be monitored, at
2 which sites, in order to answer what questions. And so
3 this is really a working chapter and it's the beginning of
4 the overall GEM Science Plan.

5 And then chapter five talks about program
6 management and goes through how the program will be
7 administered, the relationship between the Trustee Council,
8 staff, the Scientific and Technical Advisory Committee, the
9 Public Advisory Committee, public review, all of the
10 subcommittees. Again, a major section on Page 66, on
11 public and community advice and involvement and the
12 commitment to that. And it also describes the role of
13 scientific advice review and management, the role of the
14 GEM Science Director, the Scientific and Technical Advisory
15 Committee, the various subcommittees and work groups.

16 Pretty much -- most of the information in
17 here is pretty substantially similar to information that's
18 been in earlier versions. It's been significantly
19 reorganized, I think, in order to highlight and, hopefully,
20 to be a little be easier for people to look at and
21 understand and be able to respond to. But basically a lot
22 of the information is still the same, with the addition of
23 major sections on community involvement, traditional
24 knowledge.

25 And with that I'd be happy to answer any

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1 questions you might have.

2 CHAIRWOMAN PEARCE: Questions? Maria.

3 MS. LISOWSKI: Molly, as I understand it,
4 we're still waiting to get final comments from the NRC on
5 the document; is that correct?

6 MS. McCAMMON: We have received the pre-
7 publication version, which is 99.9999999 percent the final
8 document. All that's really being changed now is they're
9 correcting some typos, they're adding a couple of sentences
10 to clarify some things that we ask questions about. There
11 were a couple of -- in some comments on the science
12 background, there were a couple of errors and they
13 corrected those so, in essence, it is their final comments.

14 MS. LISOWSKI: So substantively we've
15 basically received what we're going to receive from them?

16 MS. McCAMMON: Substantively, yes, we have.

17 CHAIRWOMAN PEARCE: Any other questions?

18 MR. RUE: Quick question.

19 CHAIRWOMAN PEARCE: Yes, Mr. Rue.

20 Commissioner.

21 MR. RUE: Yeah, thank you. Molly, I see
22 the subcommittees as the key to fleshing out the specifics
23 of chapter four.

24 MS. McCAMMON: That's correct.

25 MR. RUE: And we've got nominations -- what

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1 do we have two months?

2 MS. McCAMMON: Two months for nomination,
3 until September 3rd and then it's -- you know, if there's
4 not a suitable pool, then there will be additional
5 recruitment and.....

6 MR. RUE: Go back out.

7 MS. McCAMMON:go back out, yeah.

8 MR. RUE: Yeah, right.

9 MS. McCAMMON: And there's still a question
10 in terms of how many of those subcommittees. Originally it
11 had been our thought about doing one for habitat,
12 watershed, nearshore, offshore and Alaska Coastal current.
13 In discussion with the STAC there was some -- well, first
14 of all, there was concern about how to administer and
15 manage that many committees, number one. And then number
16 two, whether that many subcommittees were actually needed.

17 MR. RUE: Yeah. Because I'm thinking of
18 the interface between science and management, which is one
19 of our goals here.

20 MS. McCAMMON: Right.

21 MR. RUE: You know, not just doing things
22 for science or just for management. And those committees
23 is a place where you can have managers, et cetera, sit down
24 with scientists and work on questions.

25 MS. McCAMMON: Right.

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1 MR. RUE: Work on the hypotheses, what are
2 the things we really need to know, what are we doing, what
3 are you doing. And if it's one big committee -- I mean, I
4 can imagine with the Department of Fish and Game, I have
5 folks who are worried about watersheds, other folks who are
6 worried about issues offshore more, and finding one or two
7 or three people to all sit on one committee. It would be
8 hard to find one person to sit on that committee who could
9 represent all the interests you might even want from
10 someone like Fish and Game, much less at DNR or other
11 manager types who aren't really plugged into the process,
12 perhaps, as well as the -- they could be with the committee
13 structure. So it's more a question than -- I sort of like
14 the idea of the committees by habitat type, because it has
15 a logic, but it is fairly large and unmanageable. So,
16 perhaps, we'll just have to see how it works out and who
17 gets nominated, but that's something I'm worried or
18 thinking about as we move ahead here because I do think
19 that's where the rubber meets the road is in those
20 committees and having good people there to help us work
21 through the theory and the initial hypotheses to here are
22 priority areas where we think you need work. That's where
23 we're going to get that kind of advice.

24 MS. McCAMMON: And the nominations do come
25 back to the Trustee Council.

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1 MR. RUE: Right, right, I know.
2 MS. McCAMMON: And that would be in
3 September. And I think there was also some thinking on the
4 part of the STAC that a lot of the work would be also done
5 in these targeted workshops that we've done, which has a
6 larger pool of people and you really do get a real mix of
7 stakeholders, community people, managers, scientists and
8 really have that kind of interaction. So it'll be kind of
9 a mix of that.
10 MR. RUE: Uh-huh.
11 CHAIRWOMAN PEARCE: Mr. Balsiger.
12 MR. BALSIGER: Would you remind me of the
13 terms of the appointments of these? I know it was in the
14 announcement, but I.....
15 MS. McCAMMON: The subcommittees would have
16 renewable three year terms. The STAC has a four year term,
17 but they're staggered.....
18 MR. BALSIGER: Thank you.
19 MS. McCAMMON:some are two, some are
20 four.
21 CHAIRWOMAN PEARCE: Further comments or
22 questions?
23 (No audible response)
24 CHAIRWOMAN PEARCE: And do you want us to
25 take action on approval?

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1 MS. McCAMMON: Yes, please.
2 CHAIRWOMAN PEARCE: Any further discussion?
3 Do we have a motion? Commissioner Rue.
4 MR. RUE: I move that we approve the Gulf
5 Ecosystem Monitoring Research Program chapters presented to
6 us today, which I believe were chapters one through five.
7 MS. McCAMMON: It would be the entire
8 document.
9 MR. RUE: The entire document that we have.
10 Oh, actually, let's approve the whole thing. We don't have
11 to come back to this.
12 MS. BROWN: Include 21 pages of acronyms.
13 MR. RUE: Right.
14 CHAIRWOMAN PEARCE: You're not going to
15 tell her to start over?
16 (Laughter)
17 MR. RUE: Let's approve the Gulf Ecosystem
18 Monitoring Research Program.
19 CHAIRWOMAN PEARCE: Do we have a second?
20 Let's do.
21 MS. BROWN: Second.
22 CHAIRWOMAN PEARCE: We do have a second.
23 Any discussion?
24 (No audible response)
25 CHAIRWOMAN PEARCE: All those in favor say

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1 aye.

2 IN UNISON: Aye.

3 CHAIRWOMAN PEARCE: Anyone opposed?

4 (No audible response)

5 CHAIRWOMAN PEARCE: It has been approved.

6 MS. McCAMMON: Yea!.

7 (Laughter)

8 MR. RUE: Good job, Molly and Phil. Can we
9 comment after the fact?

10 CHAIRWOMAN PEARCE: Yes, Commissioner.

11 MR. RUE: I should have said I appreciate
12 all the work that went into this by you and Phil Mundy and
13 others. I do think it's a good document, I've read it, it
14 made sense. I actually got it and that's how I came to the
15 conclusion the subcommittees are really important, because
16 there's a lot here, but there's still a lot more detail
17 that needs to be worked out and that's where the real fun
18 will happen, but this is a good way to organize our
19 thoughts and focus this, so I appreciate all the work you
20 all did. It's a good job.

21 MS. McCAMMON: Well, I appreciate all the
22 work of the staff, too, and Phil has just done an enormous
23 amount of work on it. Bob Spies has done an incredible
24 amount of work in getting the conceptual foundation pulled
25 together, Sandra Schubert, Katharine Miller, Bob Walker,

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1 all the people who wrote various sections of it, it really
2 has been a work from a number of people.

3 MR. RUE: I think it'll be a good example
4 for others. I know at the NPRB we're sort of looking at
5 how do we do science planning. We won't necessarily follow
6 with the pack, but it is a very -- I think it's a good way
7 -- it's a good thing to have out there, not only for
8 ourselves, but for others who are struggling with some of
9 the same issues.

10 CHAIRWOMAN PEARCE: Any further comments?
11 (No audible response)

12 CHAIRWOMAN PEARCE: That brings us to the
13 Revised Operating and Report procedures.

14 MS. McCAMMON: Yes. The next item on your
15 agenda, Revised Operating and Report procedures. You were
16 briefed on these at your last meeting. I just wanted to
17 highlight a few items and make note of some of the more
18 significant changes.

19 In the General Operating Procedures, it
20 provides for a chair to alternate meeting to meeting
21 between State and Federal Trustees, which has been the
22 current practice, and I thought that was actually in the
23 procedures, it hasn't been, but -- unless you want to make
24 someone permanent chair, but that's -- I thought we would
25 just memorialize.....

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1 CHAIRWOMAN PEARCE: Let's see who would we
2 choose?

3 (Laughter)

4 MS. McCAMMON:the current practice.

5 MR. RUE: Dave Gibbons

6 MS. McCAMMON: Yes, Dave Gibbons, the
7 Forest Service Chair shall be the permanent chair.

8 MS. LISOWSKI: But not his alternate.

9 (Laughter)

10 MS. McCAMMON: There's a section on Page 4,
11 under Proposal Solicitation and Review, to allow the
12 Trustee Council to approve funding a project for a single
13 year or for multiple years. We don't describe the process,
14 the direct process of multiple year funding in the
15 procedures. We're still working on those, the details of
16 how that would actually work, but it gives the ability to
17 do so.

18 The Financial Procedures, there are no
19 substantive changes since you saw them. There is one small
20 change, when I read through it, on Page 5 of the Financial
21 Procedures under Lapse, number three, the close-out period.
22 There had been a question, I believe, by Mr. Tillery and I
23 think we did a better job of clarifying this, but when I
24 read it again last night I was still a little confused, so
25 I did have a little bit of different language just to

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1 clarify. During the months of October, November and
2 December, and in parenthesis, through December 31st,
3 agencies may pay from funds from the fiscal year that just
4 ended on September 30th, an expense that was undisclosed
5 during the fiscal year. In addition, agencies may
6 establish obligations to accommodate an expense that was
7 undisclosed during that fiscal year, period.

8 When you start talking about prior year
9 funds it gets a little confusing about what prior year you
10 mean, so I thought that might clarify.

11 CHAIRWOMAN PEARCE: Is that just for the
12 Federal? The State fiscal year ends in July.

13 MS. McCAMMON: No, we're on -- all of the
14 oil spill programs are on the Federal fiscal year, so that
15 applies there, too.

16 MR. BALSIGER: So that language you just
17 read is not here, it's an adjustment to this language?

18 MS. McCAMMON: That's an adjustment, yes.

19 MR. BALSIGER: Okay, thank you.

20 MS. LISOWSKI: Could you read that one more
21 time?

22 MS. McCAMMON: During the months of
23 October, November and December, and in parentheses, through
24 December 31st, agencies may pay from -- strike the prior
25 year -- funds, and then add, from the fiscal year that just

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1 ended on September 30th, an expense that was undisclosed
2 during the fiscal year, period. And then, in addition,
3 agencies may establish obligations to accommodate an
4 expense that was undisclosed during that fiscal year,
5 period. And then delete the just ended.

6 So that's the Financial Operating
7 procedures. And then the Report Writing procedures, the
8 significant changes there were in the number of copies of
9 the final report, down from 31 to 21, we're not such a
10 popular document as we once were. So there are just fewer
11 libraries requesting paper copies of the reports. All of
12 the reports are available on our website, so that's getting
13 a lot more use.

14 We also significantly changed the annual
15 report due date, distribution and the report form. And
16 those changes are all included under Report Writing,
17 Section C. As I mentioned the last time you met, the
18 annual report, in the past, has not been due until April
19 15th and usually by that time proposals have already been
20 submitted, often the reports are late, and they haven't
21 been very user friendly to the peer review process, so
22 we've changed them significantly, made them a lot shorter,
23 they're due earlier. We hope that it'll expedite and
24 improve review.

25 And these have all gone through agency

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1 review, all of these changes. And then we do have the data
2 policy, which is a separate item. But those are the main
3 changes to the procedures.

4 CHAIRWOMAN PEARCE: Questions?

5 MS. McCAMMON: Since you last saw them.

6 CHAIRWOMAN PEARCE: Any questions? Mr.

7 Tillery, you have a puzzled look.

8 MR. TILLERY: Well, I'm trying to figure
9 out that you have the annual reports by September 1, which
10 is still after we'll have our primary Work Plan meeting, is
11 that not right; don't we usually do that in August? And is
12 this intended to sort of catch the December meeting?

13 MS. McCAMMON: Let me go through that, do
14 you remember what page? Where's Sandra? She's not even in
15 here when I need her.

16 CHAIRWOMAN PEARCE: Page 15.

17 MS. McCAMMON: Okay. Let me -- the way we
18 have it is that the annual reports are basically used to
19 highlight any problem and so the review of the Council
20 would still -- let me look back through this. I think we
21 did September 1 of each fiscal year -- the Trustee Council
22 would make their decision on the basis that there are no
23 problems and that everything is on track and that there are
24 no changes and so it would give an ability to withhold
25 funds starting October 1 if there were any changes to go

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1 back to the Trustee Council. So it's more for an internal
2 office review is the way it would be used. And the only
3 way to make it even go before the Trustee Council would be
4 so early that it would basically be meaningless.

5 MR. TILLERY: Right, that's why I was kind
6 of wondering because we have a hard time getting these
7 things anyway.

8 MS. McCAMMON: Correct. So.....

9 MR. TILLERY: But certainly by December we
10 could.....

11 MS. McCAMMON: We have only had, I think,
12 through this review process maybe two projects that have
13 either had significant problems, were stopped midstream or
14 had to really have some kind of serious redirection. It's
15 only been a handful, one, two, three projects, and so we
16 don't foresee this happening very often, but it does give
17 some method, some way to hold the PIs accountable.

18 Did you have anything on this, Sandra?

19 MS. SCHUBERT: No, I'm sorry, I didn't hear
20 the first part of the.....

21 MS. McCAMMON: The question was on the
22 September 1 due date for the annual reports and how that
23 ties in if the Trustee Council takes action earlier, and it
24 was more of an internal -- for us internally through the
25 peer review process and through the staff reviewing them

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1 and project management.

2 MS. SCHUBERT: I guess that one thing that
3 we've been talking about is that there could be approval
4 that's contingent on a satisfactory report and so on, since
5 the money isn't actually released until October.

6 MR. TILLERY: That's what I was just kind
7 of thinking, would we want to make it sort of part of
8 the.....

9 MS. McCAMMON: It would probably be one of
10 the contingencies.

11 MR. TILLERY: Pro forma for all of them,
12 yeah. So you might want to make sure you put that into
13 that annual Work Plan resolution.

14 CHAIRWOMAN PEARCE: Any other comments or
15 questions?

16 (No audible response)

17 CHAIRWOMAN PEARCE: Do we have a motion to
18 adopt the changes?

19 MR. RUE: Madam Chair, perhaps before we
20 put the motion.....

21 CHAIRWOMAN PEARCE: Commissioner.

22 MR. RUE:do we need to, perhaps, add
23 that last piece to the motion? That Craig just made, the
24 contingent -- I mean we had all assumed that funding was
25 contingent on satisfactory or.....

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1 MR. TILLERY: Madam Chair, I don't think we
2 need to add it to these or to a motion, I think we just
3 need to remember when we come around for the Work Plan to
4 put it in that resolution.

5 MS. BROWN: Well, I'll move that we.....

6 CHAIRWOMAN PEARCE: Commissioner Brown.

7 MS. BROWN: I'll move that we adopt the
8 Revised Operating and Report procedures as laid out in the
9 Executive Director's June 27th memo, as well as the
10 language change that was read on the Financial section.

11 MR. RUE: Second.

12 CHAIRWOMAN PEARCE: We have a motion and a
13 second, do we have discussion?

14 (No audible response)

15 CHAIRWOMAN PEARCE: All those in favor say
16 aye.

17 IN UNISON: Aye.

18 CHAIRWOMAN PEARCE: Anyone opposed?

19 (No audible response)

20 CHAIRWOMAN PEARCE: Hearing none, the
21 Revised Operating and Report procedures and the additions
22 that were told to us have been adopted.

23 So do you want to go executive session or
24 go to the next.....

25 MS. McCAMMON: Probably data policy, yeah.

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1 CHAIRWOMAN PEARCE: Let's go to number
2 seven on the agenda, approval of the new Trustee Council
3 data policy. And there are rules, do we need a motion to
4 change order on the agenda?

5 MS. McCAMMON: Unh-unh. (Negative)

6 CHAIRWOMAN PEARCE: Okay. Different people
7 handle things differently, you never know.

8 Okay. Data policy.

9 MS. McCAMMON: Okay. You do have a revised
10 data policy before you and there are -- it's a little bit
11 different than the one you have in your binder. And the
12 main change is the one in the binder referred to the draft
13 GEM data policy, the GEM Program, GEM projects, the GEM
14 data system manager, and we wanted to make sure and clarify
15 that this is the Trustee Council data policy. GEM is a
16 piece of it, but it's the Trustee Council data system
17 manager, is the Trustee Council's projects, so it not just
18 those that are GEM, it also includes lingering oil injury,
19 it's the entire program. So those changes were made
20 consistently throughout.

21 There's also one additional change under
22 the data preservation policy and this talks about you're
23 currently under court order that all samples and documents
24 collected as part of any Trustee Council sponsored
25 restoration program, including GEM, must be retained. All

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1 data normally must be preserved and requests to destroy
2 samples and documents must follow the Trustee Council's --
3 and what we have here is the procedures for State agencies
4 and their contractors for destroying documents or physical
5 evidence related to the Exxon Valdez oil spill. And then
6 it refers that documents must be preserved unless
7 authorization is given the Department of Law to destroy
8 items no longer necessary for restoration or other
9 purposes. And we do have a request to change that.
10 Department of Justice and Department of Law will be working
11 on these procedures in the next few weeks, and amending
12 them. There are some minor amendments here, but basically
13 consider them procedures for State and Federal agencies,
14 they would apply to both sides. And it would be procedures
15 for both Federal and State agencies and their contractors,
16 and then authorization must be given by the Alaska
17 Department of Law or the Department of Justice? I'm
18 asking, Craig, would it be or?

19 MR. TILLERY: I think it should be and.

20 MS. McCAMMON: And, so even if a State
21 agency were to apply for this, it would have to be agreed
22 to by both.

23 MR. TILLERY: As a practical matter we do
24 that anyway.

25 MS. McCAMMON: You do that anyway, okay.

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1 MR. TILLERY: And it's better just because
2 things are.....

3 MS. McCAMMON: Yeah, okay. So it would be
4 unless authorization is given by the Alaska Department of
5 Law and the U.S. Department of Justice to destroy items no
6 longer necessary. So this just makes clear that this
7 policy applies to both State and Federal agencies.

8 MR. BALSIGER: But this refers to a policy
9 that's yet to be developed because right now it doesn't
10 include the.....

11 MS. McCAMMON: There is a policy, it would
12 take the change of just adding Federal agencies and adding
13 the Department of Justice phone number on here, so it's a
14 pretty minor change.

15 MR. BALSIGER: So by approving this, we'd
16 approve that pending change, I guess?

17 MS. McCAMMON: Yes. The data policy
18 applies to FY03 projects, not current projects, and so it
19 wouldn't take effect until October 1 anyway.

20 MR. TILLERY: Well, Madam Chair, it's
21 actually -- I mean, it's in effect now, this is an existing
22 court order so these.....

23 MS. McCAMMON: Well, the court order is,
24 that's correct.

25 MR. TILLERY: The technical policy isn't,

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1 but people have to follow this now, they can't be out there
2 destroying documents and stuff.

3 MS. McCAMMON: Right.

4 MR. RUE: Should send this to Arthur
5 Anderson then.

6 (Laughter)

7 CHAIRWOMAN PEARCE: Any further discussion?

8 (No audible response)

9 MS. McCAMMON: And we did follow some of
10 the comments that you had at our last meeting and tried to
11 clean up some of the language and make it a little more
12 straightforward, so you can tell us if that was successful
13 or not. It's still law.

14 CHAIRWOMAN PEARCE: Further questions?

15 (No audible response)

16 MS. McCAMMON: You need a motion on this.

17 CHAIRWOMAN PEARCE: The change is actually
18 on our sheet, is that the only change?

19 MS. McCAMMON: Right, yes.

20 CHAIRWOMAN PEARCE: Okay, so the document
21 you have is complete with those handwritten additions of
22 and Federal and the U.S. Department of Justice. Do we have
23 a motion to adopt?

24 MR. RUE: Madam Chair.....

25 CHAIRWOMAN PEARCE: Commissioner Rue.

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1 MR. RUE:I move that we adopt the
2 EVOS Trustee Council data policy dated 7/9/2002.
3 MR. TILLERY: Second.
4 CHAIRWOMAN PEARCE: We have a motion and a
5 second; is there discussion?
6 (No audible response)
7 CHAIRWOMAN PEARCE: All those in favor say
8 aye.
9 IN UNISON: Aye.
10 CHAIRWOMAN PEARCE: Anyone opposed?
11 (No audible response)
12 CHAIRWOMAN PEARCE: And the motion is
13 adopted and the Trustee Council data policy changes have
14 been approved.
15 MS. McCAMMON: Well, we could go to --
16 let's see we wanted to.....
17 CHAIRWOMAN PEARCE: I think we have
18 executive session first.
19 MS. McCAMMON: I don't think our lunch has
20 arrived yet. And Brad Meiklejohn isn't here. We could do
21 the small parcel Chokwak and the Sitkalidak, those two.
22 CHAIRWOMAN PEARCE: Okay. Then let's go to
23 the small parcel KAP1087.
24 MR. RUE: Is everyone here who needs to be
25 here?

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1 CHAIRWOMAN PEARCE: Pardon me?
2 MR. RUE: Is everyone here who needs to be
3 here? Is Alex Swiderski here? Where's Alex? No? We
4 don't have Alex Swiderski who's key to Sitkalidak, I think
5 and Chokwak.
6 MS. McCAMMON: Yeah, he probably needs.....
7 MR. TILLERY: Right, he's working on a
8 resolution for Chokwak.
9 MR. RUE: Is he?
10 MS. McCAMMON: Oh. Do we need Alex for
11 Chokwak, too?
12 CHAIRWOMAN PEARCE: Yeah, I'm just going
13 to.....
14 MS. McCAMMON: Okay. And we wanted to do
15 injury after executive session.
16 CHAIRWOMAN PEARCE: Yeah, executive
17 session. So we can go ahead and go into executive
18 session.....
19 MS. LISOWSKI: We can do executive session
20 and then just.....
21 MR. TILLERY: Yeah.
22 MS. LISOWSKI:talk and then eat.
23 MS. McCAMMON: But you may not want to go
24 to 1:30, maybe until 1:00.
25 MR. TILLERY: Right, maybe we could just go

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1 to 1:00 then and start now and begin.

2 CHAIRWOMAN PEARCE: Okay, let's do that.

3 MS. McCAMMON: Okay.

4 CHAIRWOMAN PEARCE: Who's got the motion
5 for executive session, do we go through all of that?

6 MS. McCAMMON: Yeah, you need a motion for
7 executive session.

8 MR. TILLERY: Give me just a second.

9 MS. McCAMMON: We need a motion for
10 executive session.

11 MR. TILLERY: Yeah, I just.....

12 CHAIRWOMAN PEARCE: Mr. Tillery.

13 MR. TILLERY: Yeah, Madam Chair, I would
14 move that we go into executive session to discuss legal
15 issues relating to injury status and to the litigation
16 issues.

17 CHAIRWOMAN PEARCE: There is a motion for
18 executive session to last until approximately 1:00 p.m.; is
19 that correct?

20 MS. McCAMMON: Right.

21 MR. RUE: Second.

22 CHAIRWOMAN PEARCE: And there is a second.
23 And I don't know if that's a motion that can be discussed
24 at any.....

25 MR. TILLERY: You just need to vote.

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1 MR. RUE: I'm sorry, I couldn't hear.
2 CHAIRWOMAN PEARCE: I was asking if you
3 could do discussion, and I don't suppose you can. If there
4 are no questions, all those in favor say aye.
5 IN UNISON: Aye.
6 CHAIRWOMAN PEARCE: Anyone opposed?
7 (No audible response)
8 CHAIRWOMAN PEARCE: Okay, we will go into
9 executive session, we should be out by 1:00 and we'll plan
10 to begin the update on the status of injured resources and
11 services at 1:00 or shortly thereafter, we won't begin
12 before. With that we are off.....
13 (Off record - 11:40 a.m.)
14 (On record - 1:52 p.m.)
15 CHAIRWOMAN PEARCE: If we could call the
16 meeting of the Trustee Council back to order, it's is eight
17 minutes until 2:00 in the afternoon. We apologize for
18 running late, we were in executive session discussing
19 injury and litigation concerns.
20 Next on the approved agenda is the update
21 on status of injured resources and services. And we each
22 just received with our packages and, frankly, most of our
23 packages didn't arrive to us until just the day before the
24 4th of July or even after, so most of the members have not
25 yet had an opportunity to spend the time we'd to spend,

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1 particularly on the memorandum that was provided to us in
2 response to our questions from the Chief Scientist and also
3 recommendations from the Executive Director. So we are
4 going to not actually take action on that update until the
5 August meeting. But having said that, we are putting that
6 aside. Do any members want to make comments or want to ask
7 for additional information from the staff before that
8 meeting?

9 (No audible response)

10 CHAIRWOMAN PEARCE: Okay. That, then,
11 would take us to number nine, habitat protection. And do
12 you want to go down the list in the order -- we have a
13 written report from The Nature Conservancy, which we have
14 been given.

15 MS. McCAMMON: We do and we have -- and
16 there's one thing I want to highlight there.

17 CHAIRWOMAN PEARCE: Okay.

18 MS. McCAMMON: And we have a written report
19 that's being copied from The Conservation Fund and we do
20 have Brad Meiklejohn from The Conservation Fund, who is
21 here. And the idea of these reports is to get back to you
22 the status of the pilot grant that has been underway for
23 the last year. It actually expires at the end of September
24 and so it will be before you to either not extend the grant
25 or consider extending it for the original 1,000,000 or

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1 potentially more. And so we wanted to have you start
2 thinking about this at this time, because if you do want to
3 extend the grant, then we would want to have you consider
4 that at the August 6th meeting, because that's the next
5 meeting before the September 30th expiration date.

6 And the one item in The Nature Conservancy
7 report that I did want to call your attention to, Randy did
8 put together a status of the parcels that they are working
9 on, on behalf of the Trustee Council, as part of this
10 grant. And this includes four parcels on the Anchor River
11 and then two parcels on Nuka Island that are owned by the
12 University of Alaska. These have all been before you, I
13 think, at the December meeting. You had these come before
14 you at that time, with the exception of the McGee tract on
15 the Anchor River. And so as part of this process The
16 Nature Conservancy and The Conservation Fund bring these
17 parcels to you, let you know this is what they're working
18 on. If there are any questions, concerns, problems, if you
19 want to say, halt, stop, don't go forward with these, I
20 have questions or concerns, now is the time to do it.

21 And so you still have final action when
22 they are actually ready to go forward, that you actually
23 approve them, but this, at least, gives them some
24 indication that they are on the right track. So, again, in
25 particular with The Conservancy, the main parcel there is

00049

1 the McGee tract and it's one of three private parcels at
2 the mouth of the Anchor River that together with the State
3 lands that are already existing there comprise the entirety
4 of the Salt Marsh Estuary and Barrier Beach complex at the
5 mouth of the river. And so they are working with the owner
6 of that parcel right now, it's currently being appraised
7 and that is one that could be coming back to you for
8 consideration.

9 I just wanted to let you know that they are
10 negotiating with the university on the Nuka Island parcel.
11 With the agreement of the Forest Service they have now
12 entered negotiations and discussions on behalf of the
13 Forest Service and the Trustee Council on the university
14 parcels in Prince William Sound, the Duck Flats parcels and
15 the Jack Bay parcel, so they're working on those, too.
16 Those have previously been approved by the Trustee Council
17 and actually offers were made on those, but they have never
18 been completed. So there's some ongoing discussion there.

19 And I guess Brad -- there is a report from
20 Brad Meiklejohn with The Conservation Fund, and maybe you
21 can come up here and if there were any -- and go through
22 this since we just got it.

23 MR. MEIKLEJOHN: Hello. The Fund is
24 working on three properties, you have of the properties
25 before you today, the Chokwak property, we're here for a

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1 final approval to go forward with making an offer to
2 purchase that property. That property is on the north
3 shore of Kiliuda Bay on the east shore of Kodiak Island.
4 It lies within lands for which there's a pending land
5 exchange between the State of Alaska and Old Harbor Native
6 Corporation. I believe that's also on your agenda today
7 for some additional funding.

8 The property has good habitat values for
9 eagles, salmon and, I believe, there's quite a bit of
10 herring spawning offshore. And the property has been
11 appraised, we've been through most of the due diligence,
12 there's been a hazardous material site inspection and we're
13 into the final stages. The seller has indicated
14 willingness to sell at the appraised value. So we're
15 essentially prepared to close on that property as soon as
16 we have approval from the Trustee Council.

17 The other two properties that the Fund is
18 working on, the Kurka property has been before you before,
19 I believe. It's located on the Anchor River just off of
20 the Stirling Highway on the North Fork Road. It's a
21 subdivision of 23 lots, of which 22 are still there, the
22 one was sold and 14 of those lots do front on the Anchor
23 River. I believe you are aware the Anchor is a fairly
24 important river for steelhead fishing and a variety of
25 other injured resources.

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1 And, finally, the third property the Fund
2 is working on is at the Ninilchik River, it's the Swartz
3 property, it's a very small tract of .19 acres. It's
4 adjacent to the Icicle Seafoods property purchased by the
5 Fund last year and for which the Council approved funding.
6 It does front on the Ninilchik River, a fairly important
7 sportfishing river. And the property is currently listed
8 for sale with a broker and the sellers are very eager to
9 sell. I don't have a value estimate at this time, we've
10 requested an appraisal, we have not yet received it. I
11 expect the value to be relatively low for that size tract.
12 The larger Icicle Seafoods property was, I believe, 19 lots
13 of similar size and that was about \$113,000, as I recall.
14 So we're probably in the neighborhood of \$10-20,000 for
15 this property.

16 Any questions?

17 CHAIRWOMAN PEARCE: I just have one. On
18 the Anchor River and the Ninilchik River properties has the
19 local government, I assume the borough, expressed interest
20 in the same -- these transactions?

21 MR. MEIKLEJOHN: I don't know that they've
22 expressed any indication one way or the other.

23 MS. McCAMMON: Did you want something from
24 the borough or the city?

25 CHAIRWOMAN PEARCE: I was just curious

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1 whether they had -- whether they care.

2 MR. RUE: Madam Chair.

3 CHAIRWOMAN PEARCE: Mr. Rue.

4 MR. RUE: On the Kurka property, you say
5 there was one lot that's been sold?

6 MR. MEIKLEJOHN: Yeah, Lot 16, it's the
7 back lands. It's in the upper left corner if you orient
8 the map horizontally, it's in the upper left corner and it
9 does not front on the river, it's hillside property.

10 MR. RUE: Okay, yeah, that's back from the
11 river.

12 MR. MEIKLEJOHN: So that's the only lot
13 that's not available.

14 MR. RUE: And actually it's less critical
15 for the river.

16 MR. MEIKLEJOHN: Yeah, it's -- I believe
17 it's been deforested, there was some cutting on the property
18 and that's where the timber was. The subdivision is
19 partially constructed -- that road listed as Wiggle Wort
20 Road has been built, there's a bridge crossing the south
21 fork of the Anchor River there, but the other roads have
22 not been constructed into the subdivision.

23 CHAIRWOMAN PEARCE: So will the road be --
24 if Fish and Game takes the property, will the road become
25 part of the State's road? How does this work?

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1 MR. RUE: Good question. I don't know if
2 it's plotted right away and stays with the city or if it
3 comes with the property. Do you know?

4 MR. MEIKLEJOHN: Yeah, my understanding is
5 the plot has not been finalized, the plot is still pending
6 before the borough. I believe the road would come with it
7 in its current status and would be part of the property
8 acquired. So it would be State managed. The bridge is in
9 very rough shape, it's like a wood plank bridge and I don't
10 think it has much longer life expectancy.

11 CHAIRWOMAN PEARCE: Well, that's the
12 problem, the minute Fish and Game takes it.....

13 MR. RUE: You would have to decide what to
14 do with it.

15 CHAIRWOMAN PEARCE:the State will
16 have to decide to reconstruct it.....

17 MR. RUE: Pull it out or keep it.

18 CHAIRWOMAN PEARCE:because pulling it
19 out would be a huge battle.....

20 MR. RUE: Would it?

21 CHAIRWOMAN PEARCE: Well, with the fishing
22 community, if you're going to have access for fishing.

23 MR. MEIKLEJOHN: Well, actually it's not
24 really -- I think there's access besides that bridge, I
25 mean, you don't need the bridge to get to the river. I

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1 think in its current status the bridge is a hazard, it's
2 fairly rough.

3 MR. RUE: I guess we'd have to look at
4 that.

5 CHAIRWOMAN PEARCE: Well, we're trying to
6 get rid of a bridge in Yakataga and I can tell you when a
7 bridge is in a state it's a huge battle.

8 (Laughter)

9 MR. RUE: Sounds like one we got.

10 CHAIRWOMAN PEARCE: Even the State doesn't
11 want us to do it.

12 MR. RUE: Of course.

13 MR. MEIKLEJOHN: You can get to the river
14 through a variety of those lots without using the bridge.

15 CHAIRWOMAN PEARCE: On both sides? River
16 access on both sides?

17 MR. MEIKLEJOHN: Well, on one side
18 certainly, I.....

19 MR. RUE: We have to evaluate whether we
20 want to keep it or not, or have the money to keep it. But,
21 I mean, that's what sportfish access monies can be used for
22 is sportfish access.

23 CHAIRWOMAN PEARCE: Okay.

24 MR. MEIKLEJOHN: I don't think Anchor is
25 all that deep.

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1 MR. RUE: No.
2 MR. MEIKLEJOHN: I mean, it's pretty
3 wadeable, so if you can get to one side you can get to the
4 other, I would think.
5 MR. RUE: Yeah.
6 CHAIRWOMAN PEARCE: And is it Fish and
7 Game's intent to provide public access for fish.....
8 MR. RUE: Oh, yeah.
9 CHAIRWOMAN PEARCE:for the fishery?
10 MR. RUE: Oh, yeah, that's why we'd have
11 it.
12 CHAIRWOMAN PEARCE: Any other questions for
13 The Conservation Fund? Mr. Tillery.
14 MR. TILLERY: Yeah, on this Chokwak
15 property, who would pay the owner the purchase price?
16 Would it be the State of Alaska or The Conservation Fund?
17 MR. MEIKLEJOHN: Well, we've done these
18 deals both ways in the past, depending on the matter of
19 timing. Our preference is to not be in chain of title if
20 we can avoid it. We do have a revolving fund that we can
21 draw from. It's possible to have the title go straight to
22 the State and miss The Conservation Fund altogether, but if
23 there's a timing issue that the property needs to close by
24 X date and we don't have the funding yet from the Trustee
25 Council, it's possible for us to take title and convey to

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1 the State at a later time.

2 MR. TILLERY: I notice the resolution is
3 drafted to talk about purchase by the State of Alaska,
4 which would tend to foreclose that latter option. Do you
5 need something that's more general like purchase.....

6 MR. MEIKLEJOHN: We can certainly assign
7 our contact to the State if that's.....

8 MR. TILLERY: Well, I'm thinking you may
9 very well be right, if for some reason you need to go ahead
10 when the State can't do it. I don't think that's typical,
11 but -- I know we had that problem with the Federal
12 government because of the time it takes money to circulate.

13 MR. MEIKLEJOHN: Uh-huh.

14 MR. TILLERY: But I'm wondering, would
15 there be better language by saying something like to
16 provide funds to the Department of Interior for purchase by
17 or for the State of Alaska or something? Or by the State
18 of Alaska or The Conservation Fund? I mean, should we
19 leave that flexible?

20 MR. MEIKLEJOHN: It would help us if it was
21 flexible?

22 MR. TILLERY: Does that follow that Mr.
23 Swi.....

24 MR. SWIDERSKI: I'm sorry, I didn't hear
25 the last exchange, but I think the transaction is ready to

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1 close and the only question how long it will take to move
2 the funds through the grant and move on to the seller.

3 MR. TILLERY: Well, yeah, I'm kind of
4 thinking this is the first of these we've done with the
5 grant. And in terms of just our practice, and this will
6 sort of set the trend we will do. Should it say purchase
7 by the State of Alaska or The Conservation Fund, to allow
8 some flexibility, closing as to who exactly ends up paying
9 the purchase price?

10 MR. SWIDERSKI: You could strike out both
11 of them, just purchase of the property.

12 MR. TILLERY: Well, then you have the
13 Department of the Interior, I think, purchasing it.

14 MR. SWIDERSKI: I guess I would strike out
15 all of it but, sure, you could say Conservation Fund
16 (indiscernible - lowers voice)

17 MR. MEIKLEJOHN: It really doesn't matter
18 to us. If it's an issue we can delay closing until the
19 transfer can go straight to the State.

20 MR. TILLERY: Okay. But you think -- I got
21 the impression from your first answer that you generally
22 thought it was a benefit that you had the flexibility to
23 either do it yourself, if you had to step in and get it
24 done, that there was a State government issue.

25 MR. MEIKLEJOHN: Yeah, it would be nice to

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1 have the flexibility.

2 MR. TILLERY: So for that reason it would
3 seem to me that that thing should be in the alternative.

4 MR. MEIKLEJOHN: If we trying.....

5 MR. SWIDERSKI: I'm not sure if your fix
6 does it. Your fix provides -- especially if the funds
7 would go and purchase by The Conservation Fund the
8 property.

9 MS. LISOWSKI: There needs to be that
10 additional step that once they buy it, it goes to the
11 State.

12 MR. TILLERY: So for the State of Alaska?

13 MS. LISOWSKI: For conveyance to the State
14 of Alaska or something like that, uh-huh.

15 MR. TILLERY: We wouldn't convey it to
16 ourselves, so.....

17 MS. LISOWSKI: No, but if they purchase it
18 -- they receive the funds and they purchase it, then there
19 has to be -- they have to convey it.

20 (Whispered conversation)

21 MR. SWIDERSKI: If The Conservation Fund --
22 the problem that may arise is I don't know how long it will
23 take to move the funds out of DOI to either The
24 Conservation Fund or the State or the title company to
25 convey them to the seller. So you may ask The Conservation

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1 Fund to purchase the property directly from the seller,
2 then what you would be authorizing is a purchase from The
3 Conservation Fund.

4 MR. TILLERY: No. My suggestion was that
5 you allow for purchase by the State of Alaska or The
6 Conservation Fund for conveyance to the State of Alaska of
7 all the seller's rights and interest.

8 MR. SWIDERSKI: But that doesn't fix it,
9 which is -- what this says is we resolve to provide funds
10 to the Department of Interior for purchase by the State of
11 Alaska for The Conservation Fund. You still haven't got
12 the funds through quickly.

13 MR. RUE: So would you say by or from The
14 Conservation Fund?

15 MR. SWIDERSKI: No, I think.....

16 MR. RUE: And -- or by the State of Alaska?

17 MR. TILLERY: No. What I'm trying to say
18 is that Interior can then give it to either the State of
19 Alaska or The Conservation Fund. Providing funds to
20 Interior for the purpose of a purchase by the State of
21 Alaska or The Conservation Fund.

22 MR. RUE: Doesn't matter if they already
23 bought it, The Conservation Fund has already bought it.

24 MR. TILLERY: Well, no -- you talking about
25 buying it with their own money?

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1 MR. RUE: Yeah, that's what he's saying.
2 MR. SWIDERSKI: Yeah, right.
3 MR. TILLERY: Oh, well, that's not what
4 I.....
5 MR. RUE: By or from.....
6 MR. TILLERY: Well, I was talking more
7 about giving the money -- it's possible that the money from
8 Interior would go to The Conservation Fund.
9 MR. SWIDERSKI: Well, yes, it is, if The
10 Conservation Fund buys it and then the State would buy it
11 from The Conservation Fund.
12 MR. RUE: That's why I said by or from The
13 Conservation Fund.
14 MR. TILLERY: Well, no, I guess I would
15 perceive The Conservation Fund buying it with the deed to
16 go to the State of Alaska, we wouldn't buy it from them.
17 We've done that before where, like, the Federal government
18 bought property with a conveyance to the State of Alaska of
19 a portion of it, and that's what I would anticipate what's
20 going on here.
21 MR. SWIDERSKI: They would pay for the
22 property and the title would go to the State.
23 MR. TILLERY: Right, yeah.
24 MR. RUE: Thank you. It sounds like a good
25 deal, let's sign.

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1 MR. TILLERY: No, with Interior funds that
2 go to The Conservation Fund, with a title going to the
3 State.

4 MR. SWIDERSKI: Mr. Chokwak would like to
5 close the sale sometime in the next 10 days, which is a
6 little -- his concern is that we don't know if it will take
7 two weeks or two months for the funds to move from the
8 Department of Interior to a point where they can be
9 conveyed to him. I'm not sure how this addresses this
10 problem.

11 MR. TILLERY: That's a different concern.

12 MR. SWIDERSKI: Right, but that is the
13 concern.

14 MR. RUE: So, Craig, why don't we say --
15 what if they step in, The Conservation Fund steps in,
16 spends their own money, buys the property, why can't we say
17 in here it's either going to go through them or to
18 them.....

19 MR. MEIKLEJOHN: And we're willing to do
20 that.

21 MR. RUE:or the State, either one?

22 MR. TILLERY: Uh-huh.

23 MR. MEIKLEJOHN: We're willing to spend our
24 money up front.

25 MR. RUE: It's maximum flexibility.

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1 MR. TILLERY: Yeah, that's fine. It's just
2 not drafted that way. Right now it's just got the State
3 buying it.

4 MR. RUE: Okay. Well, so we say to or from
5 or something like that.

6 MR. SWIDERSKI: Frankly, my suggestion
7 would be the Council consider adopting this motion in
8 principle and allow us to work on language satisfactory to
9 everybody.

10 MR. TILLERY: With the idea that it's sort
11 of the maximum flexibility to get it done.

12 CHAIRWOMAN PEARCE: Uh-huh.

13 MR. RUE: If we can do that.

14 MR. TILLERY: Yeah, we'll just need --
15 instead of signing it at the end of the meeting it gets
16 circulated.

17 CHAIRWOMAN PEARCE: Okay. And we'll leave
18 that part to the drafters, after we conceptually.....

19 MR. RUE: Do we need a motion, Madam Chair?

20 CHAIRWOMAN PEARCE: We need a -- well, do
21 we have any other questions for The Conservation Fund on
22 any of parcels?

23 MR. RUE: I have one.

24 CHAIRWOMAN PEARCE: Okay.

25 MR. RUE: Madam Chair, one other comment,

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1 this parcel also provides important access to the public
2 lands behind it for hunting and fishing. It's got other
3 attributes, as well, that have been important to us for a
4 long time.

5 CHAIRWOMAN PEARCE: Okay. Thank you very
6 much.

7 MS. McCAMMON: Madam Chair, if I could just
8 make some comment, though. Because this is the first
9 parcel that's going through the grant program, and really
10 we haven't -- the whole idea of a pilot grant was to kind
11 of test the process, and we're really stretching that test
12 at this point. My recommendation, at this point, probably
13 to you next month will be to extend the grant and we would
14 need to work with Department of Interior on the process for
15 doing that, but I would like you to consider that and if
16 there are any concerns or questions about that or things
17 that you would like to see differently, to get back to me,
18 because it is something, I think, just process-wise, we'd
19 probably have to get underway pretty quickly.

20 CHAIRWOMAN PEARCE: Did Barry draft that?

21 MS. McCAMMON: No, it was people here in
22 Anchorage.

23 CHAIRWOMAN PEARCE: Okay.

24 MR. RUE: Madam Chair, are we going to get
25 a discussion from folks that whether they think it's

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1 working? I mean, from my perspective it seems to be
2 working, but I haven't heard from the folks in the trenches
3 that, you know, this a pretty efficient way to do it.

4 The other thing is the leveraging of other
5 funds was a hope, also the ability to, perhaps, deal with
6 landowners who might want to sell part of the parcel or the
7 Trustees might only want part of a parcel for restoration
8 values and perhaps you could subdivide that parcel and The
9 Nature Conservancy, or someone, could keep the rest, sell
10 it, add to their -- I mean, there are lots of possibilities
11 that we thought this might allow for. Are we going to get
12 a report on whether.....

13 CHAIRWOMAN PEARCE: I assume if.....

14 MS. McCAMMON: At some point you would,
15 yeah.

16 CHAIRWOMAN PEARCE:with the
17 recommendation we would have an analysis of.....

18 MS. McCAMMON: The problem is we haven't
19 really, I don't think, tested the grant, because we have
20 one parcel.

21 MR. RUE: Oh, okay.

22 MS. McCAMMON: That's it.

23 MR. RUE: There you go.

24 MS. McCAMMON: This is it. So, I mean, we
25 were hoping to have through the period of a year a little

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1 more action than that, it turned out things take longer, so
2 I think extending it and giving it a little bit longer time
3 to test it and then really analyzing it and seeing whether
4 it should be tweaked or whether it's worthwhile the way it
5 is.

6 MR. RUE: Okay.

7 MS. McCAMMON: But I'd also like to talk to
8 the grantees, also, and see from their perspective what
9 concerns and if there needs to be any tweaking and an
10 extension.

11 MR. RUE: And when we do that? In August
12 we would take this up then?

13 MS. McCAMMON: We would have to do that in
14 August, so you would have to take action at that time, so
15 the actual extension could be done just contractually
16 through the people here in Anchorage.

17 MR. RUE: Okay.

18 MS. McCAMMON: Get that done and then the
19 question would be extending it for a year, which would
20 probably be -- and we'd have to talk to Brad and Randy
21 about whether it should be a year or six months or what.

22 MR. RUE: Okay. I understand now. Thank
23 you.

24 CHAIRWOMAN PEARCE: Okay. Any other
25 questions about the grant?

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1 (No audible response)

2 CHAIRWOMAN PEARCE: Okay, so let's go to
3 small parcel 1087 and we have before us a draft resolution,
4 correct?

5 MS. McCAMMON: And that's the one that was
6 being discussed.

7 CHAIRWOMAN PEARCE: Right.

8 MS. McCAMMON: And there is in your packet
9 there is a description of the parcel, it's nearly 160
10 acres, it is on the north shore of Kiliuda Bay, which is in
11 the middle of the parcel that the State will be acquiring
12 as part of the land exchange with Old Harbor Native
13 Corporation. A lot of the State lands in the Bay have high
14 bluffs and access is not all that easy and so this is one
15 of two inholdings in Dog Bay which would provide important
16 access and also protected moorage to the State owned
17 uplands.

18 So the parcel includes a salmon stream,
19 which has silver, chum and pink salmon runs, so it also has
20 restoration value for salmon resources and it also has
21 restoration value for recreation services. There is a map
22 that is behind it, and in addition I do have a letter from
23 Marty Rutherford, Deputy Commissioner of Alaska Department
24 of Natural Resources expressing their willingness to assume
25 management of the Chokwak parcel.

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1 And so this, in essence, meets the
2 conditions required by the terms of the grant, which is to
3 come forward with an acquisition package to the Trustee
4 Council for your consideration today. So you have the
5 background material and the draft resolution.

6 CHAIRWOMAN PEARCE: And on the draft
7 resolution we need a conceptual motion for adoption; is
8 that correct?

9 MS. McCAMMON: Correct.

10 CHAIRWOMAN PEARCE: For language tweaking
11 on how the property actually will be acquired through the
12 process or how the money, I guess, will move through the
13 process.

14 MS. McCAMMON: Right.

15 CHAIRWOMAN PEARCE: Because clearly the
16 property is going to end up in the hands of the Alaska
17 State Department of Fish and Game.

18 MS. McCAMMON: Natural Resources.

19 CHAIRWOMAN PEARCE: Okay, Natural
20 Resources. I'm sorry, I'm still back in Ninilchik.

21 Do you have a motion, Mr. Tillery?

22 MR. TILLERY: I move that the Trustee
23 Council adopt, in concept, the Resolution 02-06, related to
24 small parcel KAP1087, Chokwak, with the understanding that
25 the language relating to the mechanism by which monies will

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1 be transferred for the purchase of the property be
2 negotiated among the governments and the grantee in order
3 to provide the maximum flexibility for that language.

4 And, in addition, this hasn't been
5 discussed yet, but under the THEREFORE clause, subsection
6 (f), it talks about compliance in terms and conditions of
7 paragraph 6(b) of the grant. My understanding is, is that
8 where the terms and conditions relating to things like
9 hazardous materials, survey and NEPA are contained. And in
10 order to make this document more understandable to the
11 public I would like for there to be language added that
12 talks about compliance with the terms and conditions of
13 paragraph 6(b) of the grant relating to, and then include,
14 what -- sort of list what those items are, so that people
15 know that they're in there, you know, without having to go
16 find that separate grant document.

17 And that would be my motion.

18 MS. BROWN: Second.

19 MR. RUE: Second.

20 CHAIRWOMAN PEARCE: Okay, we have a motion
21 and a second; is there discussion?

22 (No audible response)

23 CHAIRWOMAN PEARCE: All those in favor

24 signify by saying aye.

25 IN UNISON: Aye.

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1 CHAIRWOMAN PEARCE: Anyone opposed?

2 (No audible response)

3 CHAIRWOMAN PEARCE: Motion carries.

4 Which brings us to Sitkalidak. And we have a memorandum.

5 MS. McCAMMON: There is a memo in your

6 packet. If you'll recall at the last meeting there was a

7 discussion about the Sitkalidak exchange between the State

8 of Alaska and Old Harbor Native Corporation. This is in

9 its last stages before being finalized. And, based on the

10 appraisals by State and Federal review appraisers, it is

11 supposed to be an equal value exchange, but the value of

12 the lands to be conveyed by Old Harbor Native Corporation

13 is \$1,572,000, the lands to be conveyed by the State are

14 \$1,531,000 and there's a difference of \$41,000.

15 There had been a commitment by The

16 Conservation Fund to secure this extra funding from a

17 private funder, that has not occurred for various reasons,

18 and now the State is asking for funds from the Trustee

19 Council to equalize that land exchange. In this memo it

20 details how the exchange would benefit the State in that it

21 would give title to shoreline lands adjacent to other State

22 owned uplands and providing shoreline access to those

23 uplands. The exchange would benefit Old Harbor Native

24 Corporation by giving it title to virtually all of

25 Sitkalidak Island and basically consolidating its

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1 landholdings there and allowing it to do better planning
2 and better development of its estate.

3 The exchange also benefits the restoration
4 of injured resources from the oil spill because it will
5 result in protection of significant natural resources,
6 including harbor seals, bald eagles, chum and pink salmon,
7 there's also Kodiak brown bears and deer. So there is a
8 restoration value there. And also a value to recreational
9 hunting and fishing service by improving the access to that
10 peninsula and State lands on that peninsula.

11 So it has benefit to Old Harbor, to the
12 State of Alaska and to the Trustee Council for restoration
13 purposes. And we do have Alex Swiderski here with
14 Department of Law, we also have Walt Ebell here
15 representing Old Harbor Native Corporation and available to
16 answer any questions.

17 MR. SWIDERSKI: I also brought a map of the
18 impending exchange, if that would help.

19 CHAIRWOMAN PEARCE: Alex, any additional
20 comments?

21 MR. SWIDERSKI: If it's in interpreting the
22 map, the lands that would be acquired by the State are
23 outlined in red, are actually different colors on the map.
24 The lands that would be acquired by Old Harbor are outlined
25 in yellow.

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1 CHAIRWOMAN PEARCE: Does this -- I'm not
2 sure of the right word to use. Would this exchange then
3 give Old Harbor all of its selections or will it still have
4 selections pending?

5 MR. SWIDERSKI: I believe Old Harbor
6 already has all of its selections, all of its entitlement;
7 is that correct?

8 MR. EBELL: That's correct.

9 MS. McCAMMON: Correct.

10 MR. SWIDERSKI: So it won't affect that at
11 all.

12 CHAIRWOMAN PEARCE: Okay. Any additional
13 questions?

14 MR. TILLERY: Madam Chair.

15 CHAIRWOMAN PEARCE: Mr. Tillery.

16 MR. TILLERY: The 41,000 isn't really
17 attributed to any particular spot on this map, right? It's
18 just part of the entire whatever circled in red, we need
19 41,000 to make that up.

20 MR. SWIDERSKI: That's correct.

21 MR. TILLERY: And what is the status of the
22 State land behind there?

23 MR. SWIDERSKI: That land is managed by the
24 Department of Natural Resources, Division of Lands. The
25 majority of it is subject to something called the Terror

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1 Lake Agreement, it's a settlement agreement that was
2 executed in the early 1980s relating to a hydroelectric
3 project. There's a requirement in the agreement that it be
4 managed as wildlife habitat as a defined term under
5 Department of Natural Resources regulations. And the lands
6 that's acquired here would be managed in the same fashion.

7 MR. TILLERY: So, if I'm correct,
8 essentially the exchange would end up consolidating what is
9 sort of already protected, these inholdings up here, and
10 which would tend to make -- it would be difficult for Old
11 Harbor to use those given the lands around it. It would
12 allow them to concentrate their holdings on Sitkalidak
13 where they hope to develop eco-tourism and other sort of
14 business opportunities. As the State, it then allows them
15 to sort of consolidate their protected -- all the protected
16 status, so.....

17 MR. SWIDERSKI: My understanding is that
18 what Old Harbor desires to do is develop an eco-tourism
19 business and that Sitkalidak Island would be the center of
20 -- the focus of that business, and by establishing
21 substantially a monopoly of ownership of the island they
22 hope to be more successfully able to do that. The State
23 owns these back lands and the map probably show it as
24 clearly as it would if you were actually on the land, but
25 Old Harbor when selected these lands, selected the interior

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1 of the bays which are really the points where you can get
2 access to these adjacent uplands. And proceeding with the
3 exchange the State would acquire these lands, which provide
4 places for, you know, boats to moor and anchor and people
5 to go ashore, airplanes to land and really with the one
6 exception because it's Claudia [sic] Bay or something like
7 that that it seems to really give that kind of access to
8 these State uplands today.

9 CHAIRWOMAN PEARCE: Any further questions?
10 (No audible response)

11 CHAIRWOMAN PEARCE: I believe we're ready
12 for a motion and then also the proper wording for a motion.
13 Mr. Tillery.

14 MR. TILLERY: Madam Chairman, I would move
15 that \$41,000 be provided to the Alaska Department of
16 Natural Resources to be used to equalize the values of the
17 lands on Sitkalidak Island to be conveyed by the State of
18 Alaska to Old Harbor Native Corporation. The lands in
19 Kiliuda Bay to be conveyed to the State.

20 MR. RUE: Second.

21 CHAIRWOMAN PEARCE: We have a motion and a
22 second. Is there discussion?

23 (No audible response)

24 CHAIRWOMAN PEARCE: Is this the first of
25 this sort of action where we're unable find funds in any

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1 other place on an exchange we -- through funds that the
2 exchange make it happen?

3 MS. McCAMMON: We haven't done an exchange.
4 I think the only other thing that's a little bit similar to
5 it is that with the Kenai Native Association there was a
6 land agreement that was approved by Congress and the
7 Trustee Council contributed a certain amount of funds to
8 it, but it wasn't all of the money that was needed for it,
9 so there was that -- that's the only thing similar,
10 although the funds were quite a bit more substantial, it
11 was in the millions as opposed to 41,000, but.....

12 CHAIRWOMAN PEARCE: Okay.

13 MS. LISOWSKI: We did a land exchange as
14 part of the Eyak transaction, but there wasn't a specific
15 dollar amount associated strictly with the exchange.

16 MS. McCAMMON: There have been some small
17 land exchanges as part of the larger parcel deals, correct.
18 To consolidate some of the land ownership primarily.

19 CHAIRWOMAN PEARCE: Any other discussion?

20 (No audible response)

21 CHAIRWOMAN PEARCE: All those in favor
22 signify by saying aye.

23 IN UNISON: Aye.

24 CHAIRWOMAN PEARCE: Anyone opposed?

25 (No audible response)

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1 CHAIRWOMAN PEARCE: Hearing no opposition,
2 the Trustee Council will provide the \$41,000 so that the
3 State can exchange land.

4 MS. McCAMMON: We need about a two-minute
5 break to get ready for Bob Spies deal.

6 CHAIRWOMAN PEARCE: Okay. We'll take a
7 two-minute break. Stand at ease.

8 (Off record - 2:30 p.m.)

9 (On record - 2:34 p.m.)

10 CHAIRWOMAN PEARCE: Let's bring the meeting
11 back to order. We are at the end of our adopted agenda,
12 but under other business as may come before the Council, I
13 would ask our Executive Director to make a presentation.

14 MS. McCAMMON: Thank you, Madam Chair. As
15 most of you know, with our program we are in a big
16 transition time right now. We've been really focused for
17 the last 12-13 years on oil spill restoration and that
18 continues to be a major focus, but we are also
19 transitioning into the GEM Program, which is, to a large
20 degree, a real legacy of the Oil Spill Program, it will be
21 looking at the entire ecosystem of the spill-affected
22 region. All of the species within that region and all of
23 the health of the northern Gulf of Alaska.

24 But as part of that transition there's a
25 little in the changing of the duties and responsibilities

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1 of one of the key players in the Restoration Program.
2 Fortunately this person is not leaving, it's just a little
3 bit of a change so that he can spend more time relaxing and
4 building his new estate on the California coast.

5 DR. SPIES: Well right now it's a 6x11
6 shed.

7 MS. McCAMMON: Right now it's a 6x11 shed,
8 that's the estate. Yeah, he's dealing with permitters and
9 NEPA there.

10 But I think it's really appropriate that
11 this is Bob's last meeting in person before the Trustee
12 Council with the official title of Chief Scientist. He
13 will continue to -- fortunately for all of us, continue to
14 work and give his expertise to the Trustee Council as Chair
15 of the Lingering Oil Effects Subcommittee and that, I
16 think, we're really grateful that he's going to be serving
17 in that capacity.

18 But I don't think when you look at recovery
19 of the spill-affected region -- I think a lot of that
20 recovery -- I mean you can't say it's really due to a
21 person, it definitely is Mother Nature, but certainly Bob's
22 contribution has been enormous. I don't think I've met
23 someone who has looked at all sides of an issue with such
24 balance, with such integrity, who has always been willing
25 to provide information to do what needed to be done,

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1 whether it was on a weekend or a holiday or extra hours or
2 jump on a plane to come up here. This is somebody who has
3 really devoted the majority of his professional -- kind of
4 the peak of his professional career to restoration of the
5 oil spill area. It has not been an easy task. He's been
6 shot at by both side, whether it be Exxon on one side or
7 environmental groups on the other side. And throughout it
8 all I think Bob has just been remarkable for maintaining
9 his integrity and just keeping true to his belief in terms
10 of what the science it telling him and what he, as Chief
11 Scientist to all of you, has told you.

12 And so that's my speech. So thank you,
13 Bob. I couldn't have done any of this without you, so I
14 really appreciate everything you have done.

15 (Applause)

16 CHAIRWOMAN PEARCE: And we have other
17 comments from other Council members. Mr. Rue.

18 MR. RUE: I guess I didn't come with a
19 prepared speech, I never do, and I can't top Molly. I've
20 been here for, what, almost eight years now and then
21 earlier than that with the Habitat Division when the first
22 started getting going. And I know certainly in my time
23 here Bob has always been a critical part of the decision-
24 making process and I think we have truly relied on -- the
25 Council has truly relied on your expertise, and wouldn't

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1 have a lot of the good things it's done without your
2 advice, and it's always been good advice. We haven't
3 always followed it, but it's always been good advice.

4 (Laughter)

5 MR. RUE: No, actually we have most of the
6 time followed it, but it has been good advice, it's been
7 really important to the folks sitting at this table to have
8 you available and have you do the work you've done. So
9 thanks for a lot of good support. Haven't said enough, I'm
10 sure, over the years.

11 CHAIRWOMAN PEARCE: Further comments? Mr.
12 Tillery.

13 MR. TILLERY: Yeah. Bob has been with us a
14 long time, and I've been here since the first days of the
15 spill in the litigation mode and Bob was here. As I recall
16 your first contract was with the Department of Law, with a
17 contractor to the Department of Law on the spill, sort of
18 as our legal Chief Scientist, and then he evolved into the
19 restoration Chief Scientist as some of us sort of went from
20 litigation to restoration. He's done so very gracefully
21 and properly. During the time here, which has been, I
22 guess, basically since '89, he has provided good advice,
23 he's brought credibility, I think, to the program. When
24 we have been under attack from Outside he has brought a
25 willingness, which has been very important, to say no to

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1 people in the greatest extent possible, suppress politics
2 in the budget process. Some people will remember that
3 there was a problem at one time with sort of the horse
4 trading in the budget and I think, to a large extent,
5 that's been eliminated because of people like Molly and Jim
6 Ayres, but also primarily because of people like Bob Spies
7 or primarily Bob Spies being to willing to say, no, this is
8 my recommendation and here's what it is.

9 I have been particularly pleased with the
10 way that during these meetings when things have gotten
11 tense or testy, he's never responded in a tense or testy
12 manner, but rather has come back calmly and logically
13 pointing out the errors of my logic and has done so very
14 well. And it's also been interesting to watch him become
15 an Alaskan, almost at times. I don't know if he gets a
16 PFD, but he's been seen walking around with a set of cramp-
17 ons and an ice ax, so he must have learned something while
18 he was up here. So, Bob, it really has been a long time,
19 but it has been a great time and appreciate all you've
20 done.

21 DR. SPIES: Thank you.

22 CHAIRWOMAN PEARCE: Other comments.

23 Commissioner Brown.

24 MS. BROWN: I'll just be brief since it's
25 all be said better, just thank you, just even personally

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1 because, you know, for those of us who are not well steeped
2 in science, but who need to rely on balanced, steady,
3 constant, thoughtful analysis, you've been our beacon. And
4 we could rely on you, we knew it was always based on sound
5 logic and that is credible and valuable in the job we have
6 to do and we couldn't have done it without you, so thank
7 you.

8 CHAIRWOMAN PEARCE: Jim.

9 MR. BALSIGER: Well, with certain
10 exceptions, I'm one of the newer people here and so just
11 for a couple of years.

12 (Laughter)

13 MR. BALSIGER: So I don't have the
14 background of all you who tied everything together in the
15 beginning, but it was useful from my perspective to come in
16 to have everything and brought together from a good
17 science, unbiased standpoint, starting this process. Not
18 coming to the meeting spending hours and days going through
19 the material, but you could do it hours rather than days, I
20 guess, because of the way you packaged it, and I
21 appreciated that, so thanks. I second what the other
22 people have said as well.

23 CHAIRWOMAN PEARCE: Thank you. Any

24 comment?

25 MS. LISOWSKI: Well, as the last Council

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1 member here, I guess I should say on behalf of Dave Gibbons
2 and myself we certainly have been involved in the oil spill
3 for a very long time at the same time that you pretty much
4 started and we appreciate all of your assistance, your
5 objective and thoughtful review of the science and
6 assistance to both Dave and I, so thank you very much.

7 CHAIRWOMAN PEARCE: And I would just say
8 that on behalf of the Department of the Interior and both
9 the present Secretary, but I'm also sure the previous
10 Secretaries, would thank you for your service. I found
11 that since that awful morning in 1989 that so many of us
12 who were there in differing capacity at the very beginning
13 have continued to find ourselves associated with the
14 ongoing work of the Exxon Valdez restoration over the
15 years, and many and differing ways it's brought people
16 together and it will just keep weaving in and out of each
17 other's lives. So I'm sure we will see you again, still
18 working with the Exxon Valdez in just differing capacities
19 and continuing on into, goodness knows how far, but it is
20 something that in some bizarre ways has brought a lot of
21 Alaskans and even non-Alaskans together as Alaskans.

22 Mr. Rue.

23 MR. RUE: Madam Chair, I think that's a
24 very good point. And you should feel proud that you built
25 something positive out of a very negative experience.

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1 CHAIRWOMAN PEARCE: That's true.
2 MR. RUE: I mean I still feel the emotions
3 of that time in '89 and to have something positive, like a
4 research legacy, information coming out of that, that's a
5 very good point and you should feel proud that we've built
6 something good out of a pretty awful situation.
7 CHAIRWOMAN PEARCE: And if you wouldn't
8 mind coming forward, we have something to give you.
9 MS. McCAMMON: Two things.
10 CHAIRWOMAN PEARCE: We got a certificate of
11 appreciation, signed the present members of the Trustee
12 Council.
13 DR. SPIES: Oh, fantastic. All right.
14 MS. McCAMMON: We have the original
15 poster.....
16 DR. SPIES: The original.....
17 MS. McCAMMON:which will have framed
18 down there, we didn't want to frame it up here since it's
19 been.....
20 DR. SPIES: Everybody signed it.
21 CHAIRWOMAN PEARCE: So we'll get that to
22 you.
23 MR. RUE: Theresa didn't.
24 (Laughter)
25 MR. RUE: Sorry.

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1 DR. SPIES: Now that's a healthy ecosystem.
2 (Laughter)
3 MS. McCAMMON: Those killer whales. And
4 then as a reminder of Prince William Sound, the
5 Harleys.....
6 DR. SPIES: The harlequin ducks.
7 MS. McCAMMON:the hadu's, yes.
8 DR. SPIES: That's a nice print.
9 CHAIRWOMAN PEARCE: Over the fireplace.
10 DR. SPIES: Well, thank you very much.
11 CHAIRWOMAN PEARCE: Thank you.
12 DR. SPIES: It's -- I guess I should say a
13 word or two. It's been about a third of my career,
14 actually. When I got the phone call in '89, I didn't
15 really expect to here, you know, 13 years later, still
16 doing things in connection with the spill. But things
17 evolved and I thought, well, it's going to be a month or
18 two or maybe a year or two involved and I was helping the
19 State out with some advice on oil pollution. This has
20 occupied my career through the middle part, but it's been
21 more than kind of a scientific odyssey, it's been kind of
22 an odyssey where, I think Frank talked about it, where we
23 took something that was kind of chaotic and was a tragic
24 event and we actually helped a lot of people shape it into
25 something that's pretty positive.

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1 You know, given through Molly's leadership
2 and the Council and the mission of Jim Ayres and also the
3 foresightedness of various Councils, including your own,
4 that kind of took this and built this into a program that
5 really has some integrity, I think, particularly with the
6 GEM Program, which has really been a strong component for
7 quite a few years. That is really going to be a legacy for
8 the future you can all be proud of. I feel privileged to
9 be a part of this process and I'm privileged to be part of
10 the Alaskan family up here in natural resources and I hope
11 I'm around for at least a few more years to participate in
12 this some more.

13 So thank you very much.

14 CHAIRWOMAN PEARCE: Thank you.

15 (Applause)

16 CHAIRWOMAN PEARCE: Do we have anything
17 else to come before the Council?

18 (No audible response)

19 CHAIRWOMAN PEARCE: And our next meeting is
20 a teleconference meeting on August.....

21 MS. McCAMMON: 6th.

22 CHAIRWOMAN PEARCE:6th, which is a
23 Tuesday, correct?

24 MR. BALSIGER: 2:00 o'clock p.m.

25 MS. McCAMMON: Yeah.

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1 CHAIRWOMAN PEARCE: Okay.
2 MS. McCAMMON: Yes, 2:00-4:00 p.m. And
3 there is cake and coffee in the library.
4 CHAIRWOMAN PEARCE: Good. If there's
5 nothing further, we are adjourned.
6 (Off record - 2:48 p.m.)
7 (MEETING ADJOURNED)

