

EXXON VALDEZ OIL SPILL SETTLEMENT  
TRUSTEE COUNCIL

PUBLIC ADVISORY GROUP

RESTORATION OFFICE  
645 G Street  
Anchorage, Alaska

October 29, 1992  
9:30 a.m.

**TRUSTEE COUNCIL MEMBERS:**

State of Alaska

**MR. CHARLES COLE**  
Attorney General

State of Alaska Department  
of Environmental  
Conservation

**MR. JOHN SANDOR**  
Commissioner

United States Department  
of the Interior

**MR. CURTIS McVEE**  
Special Assistant to the  
Secretary

\* \* \* \* \*

**PUBLIC ADVISORY GROUP MEMBERS:**

RUPERT ANDREWS

PAMELA BRODIE

JAMES CLOUD

JAMES DIEHL

RICHARD ELIASON

DONNA FISHER

JOHN FRENCH

PAUL V. GAVORA

JAMES KING

RICHARD KNECHT

VERN C. McCORKLE

GERALD McCUNE

JOHN McMULLEN

BRAD PHILLIPS

JOHN STURGEON

CHARLES TOTEMOFF

LEWELLYN W. WILLIAMS, JR.

**EX-OFFICIO MEMBERS:**

CLIFF DAVIDSON, ALASKA STATE HOUSE

JALMAR M. KERTULLA, ALASKA STATE SENATE

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P R O C E E D I N G S

1 MR. COLE: Let us call this informal meeting  
2 together, the first meeting of the Public Advisory Group.  
3  
4  
5

6 First, I'd like to introduce myself, I'm Charles Cole,  
7 one of the Trustee Council appointed by Governor Hickel. To my  
8 right is Commissioner John Sandor, Commissioner of the  
9 Department of Environmental Conservation, another member of the  
10 Trustee Council appointed by Governor Hickel. And on his right  
11 is Curt Mcvee, a member of the Trustee Council, the nominee of  
12 Secretary of the Interior Lujan. Not present today as members  
13 of the Trustee Council are Commissioner Carl Rosier,  
14 Commissioner of Fish and Game of the State of Alaska, appointed  
15 by Governor Hickel; Mike Barton, a federal appointee, nominee  
16 of the Secretary of the Interior.

17 Ms. Brodie, if you would be kind enough to join us?  
18 Pamela Brodie, ladies and gentlemen, nominee of the Sierra  
19 Club.

20 And lastly, Steve Pennoyer, who is another member of  
21 the Trustee Council, appointee of Dr. Knaust from NOAA.

22 I think it might be well now to go around the table and  
23 have each member of the Public Advisory Group introduce  
24 themselves so that we can have a sense of who people are and  
25 who they represent and -- on the Public Advisory Group.

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Ms. Brodie, would you be good enough to start the personal  
1 introductions?

2 MS. BRODIE: Yes. Excuse me for being late.  
3 I'm Pamela Brodie with the Sierra Club, here as an  
4 environmental representative.

5 MR. CLOUD: I'm Jim Cloud, a resident of  
6 Anchorage, and a banker, and I represent the public at large.

7 MR. DIEHL: I'm Jim Diehl. I'm a board member  
8 of the Knik Canoes and Kayakers, representing recreational  
9 users.

10 MS. FISCHER: My name is Donna Fischer. I'm a  
11 member of the Valdez City Council, beautiful Valdez, and I'm  
12 representing local government.

13 DR. FRENCH: I'm John French. I'm the director  
14 of the Fishery Industrial Technology Center in Kodiak. I'm a  
15 faculty member with the University of Alaska Fairbanks, and out  
16 in that capacity. I reside in both Kodiak and Homer, depending  
17 on the conditions. I represent scientific/academic interests.

18 MR. GAVORA: I'm Paul Gavora. I'm representing  
19 public at large. I'm from Fairbanks, Alaska.

20 MR. KING: I'm Jim King. I'm a wildlife  
21 biologist and I was just chatting with Charlie Cole this  
22 morning. I was a game warden in the 1950s in Fairbanks, when  
23 he was starting his legal career. And it reminded me that  
24 being a game warden, people would you want to do something like  
25 that, because nobody likes game warden, and I used to tell

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1 them, well, you know, everybody's trying to snare or trap or  
2 shoot those animals out there, and somebody had to speak for  
3 the animals, or there wouldn't be any, so I'm here as a  
4 conservationist I guess and I've been doing that for a good  
5 many years.

6 MR. COLE: Welcome.

7 MR. McCORKLE: Good morning. I'm Vern  
8 McCorkle, coyotes or wolves. I have been in public policy and  
9 municipal administration for a career's worth in Alaska. I  
10 presently work in publishing. I represent the public at large.

11 MR. McCUNE: Jerry McCune, and I'm representing  
12 the commercial fishing interests, and I'm the president of CDFU  
13 and UFA.

14 MR. COLE: Thank you. Brad Phillips?

15 MR. PHILLIPS: I'm Brad Phillips, and I've been  
16 taking visitors into Prince William Sound since 1958, and we  
17 were the first people to take -- have a regular service out  
18 there. I was in Fairbanks when Charlie -- before Charlie Cole  
19 started his legal career. But we're very interested in -- in  
20 all of Prince William Sound. It's -- and I represent  
21 commercial tourism.

22 MS. BENTON: My name is Kim Benton, and I work  
23 as a consultant to Alaska's timber industry. I'm sitting in  
24 for John Sturgeon today who unfortunately had to be on Afognak  
25 Island.

MR. TOTEMOFF: My name is Chuck Totemoff, the

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1 president of the Chenega Corporation, representing the native  
2 landowners.

3 MR. COLE: Well, let me introduce the Honorable  
4 Cliff Davidson from Kodiak. It's always a pleasure to have you  
5 join us, Mr. Davidson.

6 REPRESENTATIVE DAVIDSON: Thank you,  
7 Mr. Attorney General. I just wanted to add that I was  
8 appointed by the Speaker Grusendorf to represent the Alaska  
9 House of Representatives, and I didn't know Charlie Cole before  
10 he came down as Attorney General, and I'm still trying to be  
11 his friend.

12 MR. COLE: And indeed he is. But let me tell  
13 you it's tough to be summoned down before the Chairman of the  
14 House Resource Committee and grilled and racked over the coals,  
15 but somehow the last two sessions I have managed to survive it.  
16 I don't know about the next two.

17 Before we go further with this meeting of the Public  
18 Advisory Group, I see that we're honored to have Alaska's  
19 Congressman with us today, Don Young, and I offer you the  
20 floor, Mr. Young, if you'd like to make some comments about the  
21 Exxon Valdez settlement, the future of the Advisory Group and  
22 the Trustee Council, and any other political views you might  
23 like to present today.

24 CONGRESSMAN YOUNG: Thank you, Mr. Chairman.  
25 First, I want to congratulate all of you for the public service  
26 you're putting forth here. This is a very fine group of

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Alaskans, and I know there will be a lot of opinions and a lot<sup>6</sup>  
1 of diversified ideas, but together I think we're trying to  
2 solve a challenge facing Alaskans.

3 Mr. Chairman, I'm sure that you're well aware that I  
4 have written a letter concerning the -- some of my ideas and  
5 suggestions. And I hope the -- that all the members will have  
6 it.

7 But I think we have to remember one thing in your  
8 decisions, and you will not find me bothering you a great deal,  
9 because I think this group can make up its -- its minds in its  
10 own way, but I think we ought to remember the people that were  
11 involved in this Spill, not just very frankly a lot of studies.  
12 There are some serious environmental problems in Prince  
13 William Sound and the areas that were affected that existed,  
14 were -- did not occur because of the Oil Spill. We have areas  
15 that have tanks, we have polluted areas that this is an  
16 opportunity for once to clean up those areas, and to make sure  
17 that the Spill (sic) is safely, environmentally protected even  
18 beyond the Oil Spill. We have areas -- Cordova, of course, and  
19 Chenega Bay and Tatitlek and Kodiak and other areas that can be  
20 fixed, and I'm hoping that you will consider that as you go  
21 through these deliberations.

22 You will be in fact hit from all sides and different  
23 groups of people, and we know that, and I want to commend you  
24 again for you efforts and your dedication to the State of  
25 Alaska and the Prince William Sound area. This is a yeoman's

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task and you have tremendous responsibility, and I'm confident  
1 that we will be able to solve the problem.

2 And in closing, again, let's not forget the people  
3 directly involved. I know that there will be a tendency and  
4 demands in Congress, and I -- the reason I'm here, we've  
5 already had numerous suggestions from Congressional leaders on  
6 how you should perform your task, outside the State of Alaska,  
7 and I'm just suggesting that before you act, and I'd hope you  
8 will act on the positive side to recognize the Alaska needs or  
9 the needs of the people of Alaska and -- and you'll go down in  
10 history as one of the finest groups of people that ever served  
11 the State.

12 And I thank you for allowing me to be here, and there's  
13 no press, the press just came in. This was not for press  
14 purposes, that's why I got here early. Thank you. I'm very  
15 proud of you.

16 Thank you very much, Mr. Chairman.

17 MR. COLE: Thank you, Congressman Young.

18 I think probably it's best now to sketch briefly the  
19 history of the Exxon Valdez settlement. I know you are all  
20 likely familiar with it, but let me just sketch it.

21 I had in mind to prepare this morning my remarks, but  
22 unfortunately the Southeastern weather caused a change in  
23 plans, and so I have not thought out carefully my remarks  
24 today, but let's see if I can summarize for you the essence of  
25 where we are.

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1 You will recall that on October 7th of 1991 the State  
2 of Alaska and the United States entered into a settlement  
3 agreement, which on that day was approved by Judge Holland,  
4 settling the claims of the United States of America and the  
5 State of Alaska against Exxon for natural resource damages.

6 I won't try to summarize for you that agreement in  
7 detail, but I simply want to say that under the terms of the  
8 agreement, Exxon was to pay \$900 million. Some of those monies  
9 were used to reimburse the State of Alaska and the United  
10 States for -- for its work in assessing the natural resource  
11 damages and cleanup. Those reimbursements total -- somebody  
12 I'm sure will correct me -- approximately \$150 million.

13 Now, why was that provision included, you may ask, and  
14 what is its status? Well, those provisions were included at  
15 the instance of the State and the United States and it's  
16 provided for in the regulations.

17 There has been in the past urgings by some members of  
18 the public that the Federal Government and the State relinquish  
19 those claims for reimbursement. We on the State scene have  
20 presented those claims or demands or requests to the  
21 legislative leaders and were promptly rebuffed. The feeling  
22 was that the State has expended those monies from the State  
23 Treasury, and the State should be reimbursed.

24 In order, however, for there to be adequate funds to  
25 get the work of the Trustee Council under way, and restor- --  
begin restoration in the Sound, the State and Federal

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Governments agreed to take those reimbursements over a five-  
1 year period. The -- the State has been reimbursed  
2 approximately \$29 million, and the Federal Government has been  
3 reimbursed approximately \$24.5 million. That's up to this  
4 current date. Roughly I think a like amount will be reimbursed  
5 out of the next payment, and perhaps as I recall, a similar  
6 amount in year three and -- and in years four and five the  
7 payments will be substantially reduced. And like I say, the  
8 purpose of that is to enable the Trustee Council to have funds  
9 so that the restoration activities can get under way.

10 Now, at this juncture I see that Senator Murkowski has  
11 joined us, and it's my pleasure to introduce Senator Murkowski  
12 to members of the public at large and ask if he would like to  
13 make some remarks to the group today. Senator, you may come up  
14 here if you wish, and .....

15 SENATOR MURKOWSKI: Thank you.

16 MR. COLE: ..... make whatever remarks you wish  
17 to make today.

18 SENATOR MURKOWSKI: You have quite a group  
19 here. Good morning, gentlemen and ladies. Let me thank you,  
20 Mr. Cole for an opportunity to just make brief comments.

21 First of all, I'd like to congratulate those that have  
22 volunteered for what is obviously a very difficult and I assume  
23 ultimately a controversial effort to make some recommendations  
24 on this settlement, and I guess it would be appropriate to  
25 simply thank you for agreeing to serve on -- on this Public

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Advisory Group.

1 I think bringing the responsibility down to the level  
2 of the people for their input is probably the best type of --  
3 of government process that could be envisioned. You know, we  
4 had this accident and tragedy as a consequence probably of  
5 complacency if you were going to generate one single word,  
6 depending on oversight from a government located in  
7 Washington, D.C., and one in Juneau, Alaska, with various  
8 agencies, but there was no involvement from the people.

9 As a consequence of that, why, we learned a couple of  
10 things. The best oversight are the people in the area, and as  
11 a consequence, you're all familiar with the citizens as council  
12 that were established as a consequence of the Spill, both in  
13 Cook Inlet and Prince William Sound. I think those of you who  
14 have had some familiarity with those groups know that they're  
15 active, they have funding, they're capable of reviewing new  
16 technology, and as a consequence are made up of a balance of  
17 people in the area, whether it be the fishermen, the  
18 environmentalists, the -- the tour operator, the people in the  
19 logging industry or what have you, they now review the  
20 contingency plans associated with the oil activity and the  
21 movement in both Prince William Sound and Cook Inlet, and I  
22 think the establishment of that was most significant.

23 Now, this advisory group, of course, is a consequence  
24 of the 1990 Oil Pollution Act, and I believe it simply cannot  
25 work without public oversight, so again I commend you for your

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11  
willingness to make this effort on behalf of -- of the public.

1 It would see to me that the general obligation would be  
2 to encourage that the money be expended to enhance those areas  
3 and those resources that were specifically damaged.

4 Now, I understand that there's some question about the  
5 process as it relates to the Energy Bill, which the President  
6 signed, and there was very little in it for Alaska as a  
7 consequence of the inability to resolve differences in the  
8 conference, and I'm here to briefly give you an explanation of  
9 that conference and respond to any questions that you may have.

10 Now, the conference was divided basically into two  
11 sections. The first addressed the Bristol Bay buy-back, and as  
12 you know, that was part of a package that included leases in --  
13 in Florida, North Carolina and Alaska, and the amount of those  
14 leases total approximately \$1.5 billion. The Alaska portion  
15 for the Bristol Bay leases was relatively modest, it was 130  
16 million.

17 But the problem, of course, with the buy-back was how  
18 you were going to identify the source of funds, because the  
19 legislation as introduced called for a scoring, which means the  
20 Office of Management and Budget basically said, "All right. If  
21 you're going to buy-back this package of leases, you're going  
22 to have to find a billion and a half dollars." Well, I  
23 suggested that we had an alternative for that, and that was to  
24 allow a lease sale for ANWR. Unfortunately the Chairman of the  
25 House Conference would not accept that, and -- of course, I

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wasn't surprised, but we had that alternative. Then we  
1 proceeded through a series of exploratory avenues such as  
2 saying, "Well, let's take the one-year moratorium and see if we  
3 could find the money in one year, and if not, it'll move over  
4 to the second or third year." Well, they wouldn't accept that,  
5 because they said that scored as well. So as a consequence,  
6 Miller pulled down the Bristol Bay lease buy-back, because it  
7 would not be accepted by either he or the other chairman,  
8 Bennett Johnson, because Bennett wanted the Energy Bill to pass  
9 and if he couldn't find the billion and a half dollars, he knew  
10 that it couldn't pass, and there was simply no way to find the  
11 billion and a half dollars unless we did something like open up  
12 ANWR.

13 Then we proceeded into other issues that were in the  
14 Alaska package, and we basically broke down on -- on two  
15 specific issues. One was a \$50 million federal dictate of an  
16 expenditure of the -- of the federal portion of the -- of the  
17 settlement. There was 50 million from -- from civil -- or  
18 criminal penalties for both -- for both the State and federal.  
19 The \$50 million for the federal was proposed to -- to purchase  
20 certain land acquisitions in legislation by Miller. There were  
21 no hearings on that, and there was, you know, no question of  
22 the -- the alternative authority of the Trustees to recommend  
23 that if they so see fit, so that's an area that you folks might  
24 care to address with regard to a recommendation.

25 But nevertheless, the issues broke down as a

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consequence of the inability to get assurances in the package  
1 that those damaged, in other words, the fishermen that were  
2 damaged by the Spill could pursue in court their damages. And  
3 Bennett Johnson, who's from Louisiana, again the Chairman of  
4 the -- of the Senate Energy Committee and the co-conference  
5 chairman, refused to accept that. I said, "I'm not going to  
6 sell out one interest group for another. I'm not going to sell  
7 out Alaskans who were damaged from their right to pursue  
8 litigation in their case in the courts."

9           And the other issue was the Alaska OCS subsistence  
10 review study, and I maintained that we simply could not accept  
11 a prohibition which would prevent the -- the affected areas to  
12 have the assurance that they would have a subsistence review on  
13 any OCS activity.

14           Now, those are the facts. We could have accepted  
15 something out of that, but to accept something would have meant  
16 that we would have had to give up on what they call the TAPS  
17 remedy non-exclusive, which is the basic right of Alaskans to  
18 pursue their damages in court. And I make no apologies. That  
19 would have been a poor deal to have accepted. To have accepted  
20 it, we would have been criticized for basically selling out  
21 Alaskans who were damaged in their right to pursue the matter  
22 in court. As a consequence, we intend to pursue this  
23 legislation when we go back in January, re-introduce it.

24           And the -- the interesting thing that I'd like people  
25 to recognize is by not accepting it, we are not excluded from

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pursuing it. Had we accepted this, or some kind of an  
1 alternative trade-off, which I was prepared to -- to pursue the  
2 50 million purchase for the land, if I could have gotten both  
3 of the other provisions, the OCS subsistence review and the  
4 right of the damaged people to initiate litigation. I could  
5 not get that, so I simply said, you know, there's no point in  
6 Alaskans taking a deal that's not in the best interest of  
7 Alaskans, and particularly those people who have the right to  
8 pursue litigation through the courts as a consequence of their  
9 damages.

10 I think I've gone on long enough, but if anyone has any  
11 questions, I'd be happy to expand. Yes, ma'am?

12 MS. BRODIE: Yes, Senator, I was at the  
13 conference committee, .....

14 SENATOR MURKOWSKI: Uh-huh.

15 MS. BRODIE: ..... and you have repeatedly  
16 blamed Congressman George Miller .....

17 SENATOR MURKOWSKI: Yes.

18 MS. BRODIE: ..... since then .....

19 SENATOR MURKOWSKI: That's correct.

20 MS. BRODIE: ..... for not getting any progress  
21 on the .....

22 SENATOR MURKOWSKI: Uh-huh.

23 MS. BRODIE: ..... Bristol Bay buy-backs, .....

24 SENATOR MURKOWSKI: Uh-huh.

25 MS. BRODIE: ..... but in fact

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Congressman Miller was trying very hard to protect Bristol Bay  
1 from oil drilling, including proposing compromises, and the  
2 problem was with the Bush Administration. The Bush  
3 Administration was refusing to go along with a five-year  
4 drilling ban and a one-year drilling ban. It was not  
5 Congressman Miller.

6                   SENATOR MURKOWSKI: I beg to differ with you,  
7 and this isn't, obviously the place to interpret feelings, but  
8 as you know, in the House bill there was a five-year provision,  
9 in the Senate bill there was a one-year moratorium provision.  
10 We still have a one-year moratorium provision. You're going to  
11 see some news relatively soon with regard to that matter, which  
12 I'm not prepared to announce, but I'm sure you'll be very  
13 pleased.

14                   But make no mistake about it, Miller accepted no  
15 responsibility for finding out where the funding would come  
16 from, and that's very, very easy to do in the legislative  
17 process, particularly in a conference late at night by simply  
18 throwing it out and saying it's, one, the Administration's  
19 responsibility. Chairman Miller had as much responsibility as  
20 any member of that conference to say where that money was  
21 coming from. He simply washed his hands of that obligation,  
22 and I don't think that's responsible -- an appropriate  
23 responsibility for him to take. He has as much responsibility  
24 to come up with where the money's coming from as certainly  
25 anyone else, and he just divorced himself and just threw it off

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and said, "It's a political problem, it belongs to the Bush  
Administration." He should have said where the money's coming  
from. Why didn't he accept the ANWR? We had an identification  
of where the money would come from.

MR. COLE: Does anyone else have a question for  
Senator Murkowski? Yes, sir, Mr. McCune?

MR. McCUNE: Senator?

SENATOR MURKOWSKI: Uh-huh.

MR. McCUNE: I'd just like to get one little  
point straight, is that you're going to go back and try to  
establish the legislation on the TAPS fund, because where it  
stands now, looking at it know, it looks like most likely the  
TAPS finding by the -- the Committee is going to stand as is,  
which Judge Holland has already said that the court date is  
canceled now, so in essence, and I don't want to get into a  
bunch of legal stuff, but looks like maybe we might have lost  
our ability to go to court on the economic side, so -- I think  
maybe we still have a chance if -- if we can preserve that way.  
I'm not quite sure, but maybe you have a better handle on  
that?

SENATOR MURKOWSKI: Well, to respond to your  
question, what we intend to do is what should have been done  
previously, and that's to hold hearings, which Miller -- you  
know, those hearings were not held on our side. It was simply  
introduced on one side. Hold hearings, and I intend as I said  
to introduce legislation which will allow the damaged parties

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to pursue in court separately from Judge Holland's package  
1 proposal, a process that had I accepted Miller's proposal, you  
2 would have been excluded from law. You're not excluded from  
3 that right now if -- if the law is -- if the legislation is  
4 accepted. But to have accepted that package, we'd have sold  
5 you people that were damaged right down the river, and there's  
6 no question about that.

7 MR. McCUNE: I understand that. Thank you. I  
8 was just wanted to see the point about putting it back in  
9 there.

10 SENATOR MURKOWSKI: Yep, it's going to be put  
11 back in.

12 MR. McCUNE: Thank you.

13 SENATOR MURKOWSKI: We're going to hold  
14 hearings, and proceed in a -- in a manner that I think will  
15 address the concerns of all, and everybody will understand.

16 MR. COLE: Any other questions for  
17 Senator Murkowski? Thank you, Senator, for appearing here.

18 SENATOR MURKOWSKI: Mr. Cole. I wish you all a  
19 good day, and again my -- my congratulations on your  
20 willingness to undertake this -- this effort which is  
21 extraordinarily worthwhile, but is going to be tough. Good  
22 luck.

23 MR. COLE: Thank you. Before proceeding, I  
24 want to introduce Chuck Meacham -- Meacham, who is here as a  
25 representative of Commissioner Rosier from the Alaska

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Department of Fish and Game.

1 Well, let me sort of move along quickly. As a result  
2 of the settlement, the -- and the agreement between the State  
3 of Alaska and the United States, there was a requirement that a  
4 public advisory group be appointed to act essentially in -- in  
5 the capacity which the name implies, to advise the Trustee  
6 Council in connection with the decisions required to be made by  
7 the Trustee Council.

8 And we got the Trustee Council underway really last  
9 December and held the first meeting here in Anchorage, and at  
10 that time, early on in connection with the work on the Trustee  
11 Council, we were faced with coming up with a restoration plan  
12 for the 1992 summer season. We -- we had to make decisions as  
13 to a lot of on-going studies in those early meetings. Those  
14 on-going studies were focused really on the development of  
15 damage assessments and damage claims for use in connection with  
16 litigation against Exxon. And so one of the first decisions we  
17 had to make was what studies should we terminate, what studies  
18 should we allow to run their course, and what studies we should  
19 endeavor to delimit and endeavor to draw to a conclusion early  
20 on.

21 That was not an easy process for the Trustee Council,  
22 because one of the principal problems which we faced in that  
23 regard was we did not want to lose the benefit of a lot of on-  
24 going studies and just chop them off and say, "well, too bad.  
25 They're ended, you can't finish them up. You can't write you

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conclusions," and therefore what we did is we allowed a number  
1 of these studies, projects to continue so they could be wound  
2 up in an orderly fashion and thus preserve the -- the  
3 information which was being developed from the studies.

4 In addition, with respect to the 1992 plan, we had to  
5 make decisions in connection with that plan as early as March  
6 1, and certainly by April 1, and the reason we had to do that,  
7 we had to do it, because of budget problems with the State and  
8 Federal agencies, we had to do it for personnel reasons, we had  
9 to do it for contract reasons, and we simply had to have some  
10 time available for these projects to get underway, so that they  
11 could be started as -- as soon as possible. Some in fact had  
12 to be started as early as April, others obviously could not be  
13 started until the weather got better out there in the Sound.  
14 But at any rate, we -- we approved a number of projects for  
15 1992. They're largely completed.

16 In connection with those projects, and in connection  
17 with the current projects we have for the 1992 -- or 1993  
18 season, they're largely formulated by what we call the  
19 Restoration Team. Let me tell you a little bit about the  
20 Restoration Team. We decided early on that we had to have a  
21 framework of people who work almost on a daily basis in  
22 connection with the development of these projects, to review  
23 proposed projects, and to make recommendations to the Trustee  
24 Council.

25 And so what we did is we agreed that each member of the

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Trustee Council would have one appointment to make in  
 1 connection with the formulation of the Restoration Team. And  
 2 that has been done. Primarily the appointments have been made  
 3 by the member of the Trustee Council to a member of the agency.  
 4 For example, Carl Rosier has appointed a representative from  
 5 the Department of Fish and Game; John Sandor has done likewise.  
 6 I as the Department of Law appointed Marty Rutherford. She is  
 7 really now a member of the Department of Natural Resources.

8 And this Restoration Team works essentially on a daily  
 9 basis reviewing these projects, making recommendations to us,  
 10 and so .....

11 In addition to that, in order to have an independent  
 12 voice looking at these restoration projects, we have retained  
 13 the services of Dr. Spies from the San Francisco Bay area, a  
 14 scientist, to furnish us along with members of his peer review  
 15 team his independent comments on these proposed studies and  
 16 projects, as recommended to us by the Restoration Team.

17 Let me say this, maybe skirting out a little bit, but  
 18 let me explain one of the reasons we've done that. There's  
 19 been views expressed by the public, some of you may hold the  
 20 same views, that -- pardon me? That's all right. -- that --  
 21 that these agencies and members of the Restoration Team are  
 22 simply making these project recommendations to further their  
 23 own agency, and to provide an economic, you know, base and so  
 24 on and so forth. And obviously, and maybe this is a flaw in  
 25 the system, but it's one of the reasons we have the public

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advisory group composed of you people, that -- to guard against  
1 that -- that possibility.

2 We've had Dr. Spies and members of his peer review  
3 group look independently at these proposals, which we did in  
4 the 1992 season, and to furnish us with his views as to, you  
5 know, whether these projects are justifiable, and in many  
6 respects we have relied heavily on Dr. Spies' independent views  
7 in that regard. Dr. Spies and his staff will be available to  
8 you in connection with your review of these projects.

9 So I should say another thing about the Trustee Council  
10 that's very important I think is under the terms of the  
11 agreement between the State and Federal Government, the Trustee  
12 Council must act unanimously, and by that I mean each member --  
13 each of the six members has an independent veto over any  
14 project, and if John Sandor, for example, has a strong  
15 objection to any particular project, simply by his saying "I  
16 don't vote for that project. I'm unable to accept it," I mean,  
17 that kills the project. And we've had criticism from the  
18 public, some members of the public about how that should work,  
19 but I tell you, in my view, and I think in the view of the  
20 Trustee Council generally, that unanimity clause has worked  
21 well. In some ways, rather than making the Trustee Council  
22 more divisive or divisive, it's served to bring us together,  
23 because I think not one of us really wants to be a sole and  
24 independent voice which -- which rejects any particular  
25 project.

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Now, what is to be your fundamental purpose here? I'm speaking for myself largely, not necessarily for other members of the Trustee Council. Mr. Sandor and Mr. McVee can do that, but .....

Of course, the Public Advisory Group is provided for in the agreement, and it's a requirement of the consent decree and order entered by Judge Holland. At first we in the Trustee Council sat down and decided how many members of the Trustee -- of the Public Advisory Group we would want, and then -- actually it was probably the reverse. We sat down and thought about the various interest groups which we thought would be productive to help the Trustee Council discharge their responsibilities under the agreement. And, you know, you can see the various groups which we put together: sport hunting and fishing, environmental, science, government, conservation, aquaculture, forest, tourism, native interests, subsistence. And then from that, after we got those various groups together, we said, "Well, how many members should there be, and should we have some people from the public on the committee?" We first arrived at 15, to be comprised of three members of the public at large. Later on in the process we decided to enlarge the public group to five. We thought we would get, you know, a better public representation. So we changed our view and made the public at large five, increased the total membership to 17.

In addition to that, because my good friends in the Legislature, like Mr. Davidson, they didn't want the Hickel

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23  
appointees, if I may say so, to have too much say in this, and  
1 the Executive .....

2 MR. DAVIDSON: I hope you're not speaking for  
3 me.

4 MR. COLE: ..... in the Executive Branch -- no,  
5 I'm not. I'm speaking generally, thanks -- and the Executive  
6 Branch to have oversight, you know. And -- and it was --  
7 frankly, it was my thought that the Legislature, which has been  
8 very interested in this whole project to have representatives  
9 there to be able to -- to have, you might say, a hands-on  
10 understanding of what is going on in this Council. Be- -- and  
11 there is a sound reason for that, and one of them is -- is in  
12 order to achieve a balance in the separation of powers between  
13 the Legislative right to appropriate monies, and the Executive  
14 Branch, that the Legislature really does have an interest in  
15 seeing how these monies are being expended, and we have a  
16 provision in recently passed legislation that makes all these  
17 expenditures go through the Legislative Budget and Audit  
18 Committee. And that way the Legislature has a sense of how  
19 much money is going to the State and -- the State agencies, to  
20 be able to have a sense in the Legislature of the budgets of  
21 these various agencies, and principally it's the Department of  
22 Fish and Game and the Department of Environmental Conservation  
23 with respect to the State. So we have one member of the  
24 Legislature appointed by the Speaker of the House, and another  
25 member of the Legislature appointed by the Senate President to

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sit in as ex-officio members of the Public Advisory Group.

1           Now, what is your -- like I say, let me just see if I  
2 can bring this to a conclusion with respect to your function.  
3 Obviously, you know, you've read the papers, there's a wide  
4 diversity of views as to how these monies should be expended.  
5 That -- that is a task which the Trustee Council has found,  
6 believe me, not easy. Obviously there's a very strong public  
7 view that these monies should be primarily expended for the  
8 acquisition of habitat and to protect the Prince William Sound  
9 generally from logging and -- and the destruction of habitat  
10 there. There is another widely held view that we should  
11 continue with studies to enable us to make the restoration  
12 projects driven by science. There's other views that these  
13 scientific studies are simply waste and will lead to nothing  
14 more than gathering dust in the -- in the bowels of some  
15 library some place, and it will just be of use to, you know,  
16 further the -- the interest of scientists in the various  
17 bureaucratic agencies.

18           So obviously you people well understand yourselves as  
19 to the various tensions about how this money should be  
20 expended, and I think it's certainly accurate to say that we  
21 look to you people to furnish us with views as to how these  
22 monies should be spent, what projects we should -- we should  
23 adopt, what the long-range policies should be for the  
24 expenditures of these funds.

25           Finally, let me say this, and I feel strongly

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1 personally about this, under the terms of the settlement and  
2 the decree, these monies are to be used for restoration,  
3 replacement, and enhancement of the damaged resources.  
4 Category one. Or the acquisition of equivalent resources and  
5 services. Now, in my view that's a mandate from the federal  
6 court, and we're simply required to comply with it, and we have  
7 as far as I'm concerned complied with that so far.

8 Now, let me add to that we have a very broad question  
9 as to what is comprised, and I'm sure you will want to know, is  
10 an equivalent resource, and most of all difficult problem is  
11 what is an equivalent service. We'd look to the regulations in  
12 this area and promulgated by the Department of the Interior,  
13 and I must say they're not very helpful. Not very helpful as  
14 to what's within the scope. But anyway, that's something we'll  
15 have to struggle with.

16 We have, in the process of preparing for you a  
17 memorandum on that subject. It's not quite done, because we  
18 want to make certain that the Department of Justice agrees with  
19 every word that's in there. We do not want the State -- and  
20 the State, particularly the Department of Law, to be accused of  
21 sort of loading the deck with our personal views. We want the  
22 blessings of the Department of Justice on that subject.  
23 Probably within a week or two, we will get them.

24 Obviously, you know, you've seen the proposed  
25 restoration projects for 1993. They have been distilled from  
over 400 recommendations from the public generally at large and

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from the various State and federal agencies for the 1993  
1 projects. The Trustee Council has reviewed those. They've  
2 been reviewed in addition by Dr. Spies and his group, and we  
3 will be looking to you to review those projects, and to furnish  
4 us with your recommendations on them.

5 In addition, a very sensitive subject, the Trustee  
6 Council has -- has, you might say, contracted with The Nature -  
7 - Nature Conservancy to take a look at the areas of threatened  
8 habitat in Prince William Sound and to furnish us with its  
9 recommendations as to what -- to what areas of the sensitive  
10 habitat in Prince William Sound are threatened, and to furnish  
11 us with its recommendations concerning the acquisition of that  
12 threatened habitat.

13 I think that generally concludes my remarks.  
14 Commissioner Sandor? Commissioner -- or Trustee McVee? Would  
15 you like to make some further comments, please?

16 MR. McVEE: Well, thank you very much,  
17 Mr. Cole.

18 I thought about this meeting for some time and -- and  
19 all of the things that I guess that I felt like should be said,  
20 and knowing that the time is going to be short to do that, so I  
21 tried to -- I tried to boil it down, so -- and -- and hit upon  
22 some very key items, things that hopefully will help you in the  
23 immediate future, and so I -- I put it in writing, so I'm going  
24 to -- to a large extent read that statement so I don't miss  
25 those thoughts and maybe it will make it -- make it go a little

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faster.

1           But I'm very pleased that each of you agreed to serve  
2 on the Exxon Valdez Oil Spill Public Advisory Group. Like most  
3 government programs, you now have been given an acronym,  
4 P.A.G., and I know how Attorney General Cole hates acronyms,  
5 but .....

6                       MR. COLE: Never do I know what they mean,  
7 thank you.

8                       MR. McVEE: But -- I appreciate that the longer  
9 he be -- he's in government, the more of these he will -- he  
10 will have to face up to, but you will now that you're here that  
11 -- you now will hear that you're a member of the P.A.G. As  
12 best that I can tell, that there are no pejorative connotations  
13 from this term, and certainly -- certainly none were intended.

14           You will have, you know, considerable contact with the  
15 Department of Interior, with Doug Mutter, who some -- I sure  
16 that some of you have -- have talked to on the phone. And the  
17 way that business is done in the Trustee Council, that programs  
18 or projects are taken on by a lead agency, and I guess that we  
19 were either out of the room or raised our hand at the wrong  
20 time, but anyway we have the responsibility for the -- the  
21 advisory group. And it's -- it's operated under -- under  
22 federal rules, the Federal Advisory Committee Act, and  
23 therefore you have a charter asserting certain process and Doug  
24 has a -- has a title, and -- to meet compliance.

25           In -- in turn, there's certain, you know, State rules

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or State laws that also apply to us, the Open Meetings Law is  
1 an example, so we have that to contend with.

2 Like the State of Alaska, nothing related to this Oil  
3 Spill has been small. It was the largest oil spill in the  
4 United States, affecting fish and wildlife, as well as the  
5 people and services who rely upon them in substantial areas  
6 within Prince William Sound as well as the Gulf of Alaska.

7 It was also the largest ever environmental litigation  
8 settlement, and it's going to take a major effort to put a  
9 complete -- complete restoration program in place.

10 When the settlement was adopted, the Secretary of -- of  
11 Interior and, I am sure, the other Trustees, viewed it as a  
12 model for the conduct of -- conduct of joint Federal/State  
13 activities in such large ecosystem-wide spills. The court-  
14 approved settlement agreed -- agreement required joint  
15 decision-making by the U.S. and the State, rather than  
16 utilizing arbitrary allocations to attempt to assign the  
17 recovery based on concepts of ownership of the impacted  
18 resources.

19 Your presence here today reflects another of the  
20 settlement's requirements, that of public involvement  
21 throughout the entire restoration process, both directly and  
22 through this public advisory group. This requirement for  
23 public participation was included at the personal initiative of  
24 the Trustees, and is clear recognition that the resulting work  
25 product will be far superior with the active participation by

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you and the public at large.

1           The success of this program will be a model for future  
2 restoration efforts, and its failures will be equally obvious  
3 to everyone.

4           The Trustees are very aware of the criticism leveled by  
5 many members of the public and the national and local media on  
6 the lack of progress that has been made on actually expending  
7 the settlement money for restoration of injured resources.  
8 Similar concerns have been expressed for -- expressed with  
9 respect to the level of money being spent for administrative  
10 support of the not yet begun actual restoration implementation  
11 program and for additional studies. The Department of Interior  
12 feels that there is validity to such concerns and we recognize  
13 it is essential that the process remain responsive to public  
14 comment and recommendations.

15           And this morning you witnessed the interest of our  
16 Delegation and -- and they made some expression of Congress --  
17 Congress' over-all expression of interest in this whole area.

18           Progress has been made on development of a draft  
19 restoration plan, for public and P.A.G. review, during the year  
20 that has elapsed since the settlement was approved by the  
21 court. Even so, the Council has been advised that the staff  
22 cannot complete preparation of the draft restoration plan that  
23 is now -- that is suitable for public review until late winter  
24 or spring. Both the law governing the Superfund and the  
25 Department of Interior's Natural Resource Damage Assessment

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1 Regulations provide that adoption of a restoration plan is  
2 necessary before commencing expenditures for restoration  
3 implementation. The one exception to this policy is where  
4 emergency situations present such an imminent threat to  
5 resources or services that any delay would exacerbate the  
6 injuries. Such -- such action will still require compliance  
7 with the requirements of the National Environmental Policy Act.

8 Your advice will be particularly important with respect  
9 to the proposed budget/work plan for the period running from  
10 March 1, '93, through September 30, '93, and it's a blue book,  
11 one of the many handouts that you have here. A seven-month  
12 budget was proposed in order to conform future budgets to the  
13 Federal fiscal year budget cycle.

14 The proposed work plan was mailed to the general public  
15 last week and is included in your materials. Comments from the  
16 public on the proposed work plan are due by November 20. The  
17 Council has scheduled a meeting on December 11th to review the  
18 public comments and further consider this budget. I would  
19 recommend that you consider scheduling your next meeting prior  
20 to December 11th in order to focus your comments and concerns  
21 on the draft budget for the Council's benefit.

22 I want to be very frank and straightforward with you  
23 now, because I think it's essential that you understand the  
24 nature and issues of problems that the Trustee Council must  
25 deal with in the near future. And I would -- I have put these  
into two basic categories: Those which will come before the

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P.A.G. concerning the restoration plan land programs; and those  
1 concerns on management and administration of the Trustee  
2 Council operations and organizations.

3           Examples of the first category of issues which I would  
4 anticipate the P.A.G.'ll -- P.A.G. will review are the scope of  
5 spending that should be made under the '93 work plan prior to  
6 finalizing the Restoration Plan. Is too much money proposed to  
7 be spent in the absence of a completed Restoration Plan? Is  
8 too much money being spent for overhead and administrative  
9 costs?

10           Were the criteria used by the Restoration Team or the  
11 Trustee Council in approving a particular project the  
12 appropriate ones for the intended purposes?

13           Review of specific projects for feasibility, priority,  
14 urgency, cost of administrative and overhead. Are -- are all  
15 the studies proposed necessary? From the public's standpoint,  
16 how many studies are justified?

17           Is the Restoration Plan being completed without undue  
18 delay? Have the appropriate resources been devoted to  
19 completion of the Restoration Plan and Environmental Impact  
20 Statement?

21           Since the standard under law is to restore the  
22 resources to their pre-spill base line levels, the levels they  
23 would have been but for the Spill, how should it be determined  
24 when services have been restored?

25           The second category of issues, organization and

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management problems, which have, perhaps, resulted from the  
1 Council not fully appreciating the scope of the task and the  
2 amount of time necessary to start an organization of this kind.

3 The Council, as mentioned by Attorney General Cole, operates  
4 on the basis of unanimous agreement.

5 I don't expect these problems will necessarily come  
6 before the P.A.G., but I think if you're aware of them, the  
7 Council will -- that the Council will have to deal with these  
8 and similar administrative concerns, it will help you. We  
9 have been basically through a start-up phase I would say, and  
10 now I think we need to look at a more efficient operation. And  
11 there are a series of issues, just as examples, and I will  
12 touch on some of them:

13 For nearly 11 months, the Council has operated with an  
14 interim Administrative Director and has yet to fill the  
15 permanent position.

16 Rather than having its own staff, the Council has used  
17 personnel from each Trustee department or agency to form the  
18 Restoration Team, to carry out the day-to-day management  
19 efforts. Mr. Cole mentioned this. We are concerned that this  
20 creates some agency bias to procure for each agency its share  
21 of funds rather than to objectively approve projects which are  
22 essential for restoration efforts.

23 Schedules for many activities have not been developed,  
24 and when they are developed, we have problems meeting  
25 deadlines. We're concerned this tardiness and that revised

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updated deadlines are not being established and made available  
1 to the public so they know what's going on.

2 The procurement process has generally failed to utilize  
3 the competitive procurement procedures at this point.

4 Finally, the role that the P.A.G. will undertake is one  
5 that you and the Trustee Council ultimately decide is needed.  
6 The Trustee Council will from time to time undoubtedly make  
7 recommendations or suggestions for you to examine -- examine.  
8 How do you consider them and what positions you wish to take,  
9 are solely up to you.

10 With you help and the participation from the general  
11 public, we believe that a program can be put together of which  
12 everyone can be proud.

13 I'll be pleased to answer any questions now or in the  
14 future, and I want to ask you not -- not to hesitate to call me  
15 at any time if you have questions or need some information.  
16 Thank you very much.

17 MR. COLE: Thank you, Mr. McVee.

18 Commissioner Sandor, would you like to make some  
19 remarks at this time?

20 MR. SANDOR: Thank you, Attorney General Cole,  
21 and those very excellent summaries by Mr. Cole and Curt McVee  
22 will prompt me to make just some very view -- very few comments  
23 and observations. And I make these comments and observations  
24 from a perspective of a -- of a 40-year career in natural  
25 resources and environmental administration, but mostly as a

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1 federal bureaucrat and mostly from the standpoint of natural  
2 resource protection and administration. It was my good fortune  
3 to have most of this in -- in the State of Alaska itself.

4 It's been a special pleasure to work with the Trustee  
5 Council and -- and I'd like to make this observation based on  
6 this -- this rather lengthy career in -- in natural resource  
7 administration, that a lot has actually been done, and much  
8 more than I think perhaps people realize. The Exxon Valdez Oil  
9 Spill of over 10 million gallons is the largest in -- in the  
10 United States. However, it is only one of 18 spills of  
11 10 million gallons or more over the last 30 years throughout  
12 the world, and this is not an unlikely event that may yet  
13 happen again. Certainly hopefully not in -- within Alaskan  
14 waters, but it will happen again. And I think it's important  
15 to place what is happening now in that perspective.

16 The Amoco Cadiz which actually broke up about 14 years  
17 ago off the coast of France spilled over 60 million gallons of  
18 -- over six times the amount of -- of oil that spilled in -- in  
19 the Exxon Valdez. Not as sensitive an area, and not as  
20 important an area to be sure. One of the real important  
21 lessons from that, however, was that the litigation and the  
22 settlement of that Amoco Cadiz catastrophe took 14 years in  
23 resolution, and was only resolved, finally settled the first of  
24 this year, 14 years after the spill itself occurred, for a  
25 total settlement of something in the range of \$250 million.

26 We're extremely fortunate in this day of -- of

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litigation and constant litigation, on-going litigation, to  
1 have had this settlement reached really so -- in such a  
2 relatively short period of time so that we can actually get on  
3 with the job of restoration, and that's been one of the most  
4 satisfying aspects of this -- this thing. We are getting about  
5 the job of -- of restoration of -- of the natural resources and  
6 services that's been damaged.

7           The other observation I would make to -- to you as  
8 members of the Public Advisory Group, is that this group of  
9 three Federal agencies and three State agencies have been  
10 working together in -- in remarkable harmony. Not that we  
11 haven't had battles, we've -- we've had battles, but it's --  
12 it's really been an amazing thing to see three State and three  
13 Federal agencies working as we've worked together, and it's  
14 easy to -- to criticize and perhaps second guess some of the  
15 decisions that are made out of this -- that have been made out  
16 of this group. But as both Curt McVee and Charlie Cole have  
17 pointed out, the scientific studies that -- that actually led  
18 to -- to the settlement, helped lead to the settlement, have to  
19 be continued, and it's important that they were -- that they --  
20 that the work continue to be able to not only complete the  
21 studies, but to set the basis and groundwork for additional  
22 restoration work of species that have been damaged, resources  
23 and services that have been damaged so that they can in fact be  
24 -- be restored.

25           I believe that as -- as you get into -- to looking at

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the studies that have -- are underway and the many, many  
1 millions and millions and millions of dollars of proposals for  
2 not only restoration work, but for acquisition, that you'll see  
3 the tremendous challenges that -- that you face. And I see  
4 ourselves sitting in a partnership effort, to -- to look at  
5 these proposals, to help set priorities in -- in evaluating  
6 these and then to working with the various agencies involved,  
7 the organizations involved. The Nature Conservancy has had  
8 three contracts, two pend- -- two under say and -- and an  
9 earlier one that's been of great help in -- in setting the  
10 stage for this evaluation.

11 But as you will see in the proposals that come before  
12 you, that it's going to be very difficult, very, very difficult  
13 indeed to set priorities that will please everybody.

14 But I -- but I believe in conclusion that one --  
15 certainly express my personal appreciation for -- for your  
16 willingness to serve in what is going to be both an exciting  
17 challenge, but sometimes frustrating. And we look forward to -  
18 - to our partnership together in developing programs and  
19 activities which best meet the needs of the resources and  
20 communities and the people who have been impacted by the oil  
21 spill, and that as we work together in looking at proposals  
22 which are put before us that we do this in -- in a way that's  
23 within strict confines of the settlement agreement and the  
24 consent decree, looking at restoration, replacement,  
25 enhancement and the acquisition of equivalent resources and

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services. We have a tremendous partnership. We have a lot of<sup>37</sup>  
1 resources. Dr. Spies, the chief scientist, the 40-some peer  
2 reviewers, peer scientific reviewers, tremendous resources  
3 that's available to -- to all of us.

4 I see through this partnership that you're a special  
5 pathway to the public, to the people, to the resources, the  
6 communities that have been damaged by the Spill, and I believe  
7 that working together in this partnership effort that we can in  
8 fact not only bring about the restoration and replacement,  
9 enhancement of the -- the resources and services damaged in  
10 this area, but provide a guide to those other regions of the  
11 world that have been impacted by spills such as this.

12 So, Mr. Chairman, I appreciate the opportunity to make  
13 these comments, and thank again the public advisory group for  
14 their willingness to tackle this difficult job. Thank you.

15 MR. COLE: Thank you, Commissioner Sandor.  
16 Mr. Meacham, would you like to speak on behalf of  
17 Commissioner Rosier?

18 MR. MEACHAM: Yes, thank you, Mr. Chairman.

19 I would also like to thank you on behalf of  
20 Commissioner Rosier for your willingness to participate in this  
21 group. Commissioner Rosier had to be in Washington, D.C. this  
22 week and -- and was unable to participate.

23 My name is Chuck Meacham. I'm Deputy Commissioner with  
24 the Department of Fish and Game and Commissioner Rosier's  
25 designated alternate for the process here.

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As with Commissioner Sandor, I offer you both  
1 congratulations and condolences. I think you'll -- you'll find  
2 that this is both rewarding and -- and frustrating, but I do  
3 believe that you will find the rewards are far more -- far more  
4 numerous than the -- the frustrations. With my limited  
5 experience in the -- the oil spill-related activities, I  
6 certainly did so. I spent two years as a fisheries program  
7 manager with the Department's oil spill studies immediately  
8 after the oil spill.

9 I'm sure as you all realize, we do have a tremendous  
10 opportunity here, a really tremendous opportunity to make  
11 things right. And I mean right for the resource and right for  
12 the people. And the Department and Commissioner Rosier look  
13 forward to working with you to do -- to do just that. Thank  
14 you.

15 MR. COLE: Thank you, Mr. Meacham.  
16 Representative Davidson, would you like to make some remarks on  
17 behalf of the Legislature?

18 REPRESENTATIVE DAVIDSON: Thank you,  
19 Mr. Attorney General. I would simply say that the House indeed  
20 takes -- the House of Representatives and the entire  
21 Legislature takes a very keen interest in how we resolve some  
22 of the issues that will come before this group. And I won't  
23 attempt to paraphrase what others will say, but I think that we  
24 -- we are concerned about how the -- the system will work here,  
25 and that the primary thing, of course, is to get the resources

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that we're dealing with here out to -- to the replacement and  
1 enhancement of the damage that was done, and listen to the  
2 people who were most directly affected, and that was the way I  
3 think that the Legislature acted last time.

4 I don't know that -- I don't know you determine which  
5 acquisitions are most favorably driven by science, but I'm sure  
6 that this body will be able to examine many projects and offer  
7 that advice to this august body of councilors, and we look  
8 forward to working with you.

9 It's also -- I will add my thanks to the citizens here  
10 and their willingness to serve, because it is not always an  
11 easy task to serve merely as an advisor to a group who will  
12 have ultimate control of what decisions you'll make, but  
13 certainly they will take into consideration I'm sure the full  
14 measure of what the consensus of the group as well as even  
15 minority opinions might have from our -- our advisory group  
16 here.

17 So with that I just would like to say I'm glad we're  
18 all here. The process moves forward, and hopefully we can move  
19 with undue haste to resolve some of the frustrations and  
20 grievances that people have out there.

21 MR. COLE: Thank you, Mr. Davidson.

22 Can I have just about --? I want to say that  
23 Senator Kertulla was the appointee of the President of the  
24 Senate. Senator Kertulla's sister is very ill, and as a result  
25 he's not able to be here today.

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But I'd also like to introduce Senator Hoffman, who is  
1 here today. Welcome, Senator.

2 SENATOR HOFFMAN: Thank you.

3 MR. COLE: Yes, sir. I think now is -- let's  
4 have questions, if you don't mind?

5 DR. FRENCH: Okay. I would like clarification  
6 of two points you made, Mr. Cole. The first is how was the  
7 chief scientist selected, since we're obviously going to be  
8 asked to put a lot of weight on his decisions, and who  
9 constitutes his peer review group?

10 MR. COLE: Let me say this: The chief  
11 scientist .....

12 DR. FRENCH: By the way, I have known Dr. Spies  
13 for over a decade.

14 MR. COLE: Yes. Thank you. I hope you have as  
15 much respect for him as we do.

16 But he had been retained by the Department of Law early  
17 on to advise it in connection with the development of its  
18 litigation against Exxon, and as a result of his experience in  
19 working with the Department of Law, and the contract which he  
20 had at the time, the decision was made by the Trustee Council to  
21 continue that relationship. We in the Department of Law had  
22 found his work to be excellent. That's the reason for that.

23 Now, frankly, I do not know all of the members of his  
24 peer review group. Mr. Tillery, the head of the Department of  
25 Law, Environmental Section, would you like to add anything to

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my response?

1 MR. TILLERY: No, but I also don't know all the  
2 names of the peer group. Mark, can you help us out?

3 MR. COLE: Mr. Broderon?

4 MR. BRODERSON: I do not have all of them  
5 either. That's the contract under the Department of Natural  
6 Resources right now. There's a list of about 50 of them.  
7 They've been picked over the three years since the Spill by  
8 people who have been most responsive to using their good  
9 judgment to help us review things is what it basically comes  
10 down to. People who can come in and -- and give us unbiased  
11 opinions, whether we want to hear them or not, and that's  
12 pretty important to us, and that's what we look for in peer  
13 reviewers over the years.

14 MR. COLE: Yeah. We can get you that  
15 information.

16 DR. FRENCH: Okay. I'd appreciate that.

17 MR. COLE: Sure.

18 DR. FRENCH: As an aquatic toxicologist of  
19 sorts for over 15 years, I'd like to state that there are not  
20 very many people that are unbiased in the field. It's a very  
21 polarized field, and whereas Dr. Spies is a very good  
22 scientist, independence isn't one of the traits -- the traits I  
23 would normally attribute to him.

24 The other question I needed clarification on was with  
25 respect to damaged resources. Most of the NRDA work, and as I

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understand it, the legislation which provided for the NRDA work  
 1 to be done, basically required that there be a high probability  
 2 that the results of that work would be usable in litigation,  
 3 that they would provide, to be crass about it, a body count,  
 4 some measurable, legally acceptable characterization of that  
 5 resource as being damaged, and so therefore early on in the  
 6 process, correct me if I'm not correct, but it's my  
 7 understanding that a number of types of projects were not  
 8 undertaken at that point simply because they would not be using  
 9 techniques or would not be likely to produce a high probability  
 10 outcome of legally determined damage. In other words, an  
 11 emphasis on acute rather than chronic toxicity.

12 Now, with respect to many of the other oil spills,  
 13 including the Amoco Valdez -- Amoco Cadiz, there has been  
 14 several indications of chronic toxicity, particularly to  
 15 fisheries, which is one of the areas of my own personal  
 16 interest, and many of projects that are undertaken and many of  
 17 the projects that are in the '93 Work Plan, at least to my  
 18 reading, are continuations of projects that are designed to  
 19 monitor acute toxicity and recovery from acute toxicity.

20 We still lack the knowledge of what really tends to --  
 21 to be measurable as chronic toxicity. One of the reasons we  
 22 didn't undertake it in the first place is we didn't really  
 23 understand the system. One of the reasons some federal  
 24 investigators expected the oil to stay in -- in Prince William  
 25 Sound when the Spill first occurred was a lack of understanding

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of the dynamics of the North Pacific, be they physical  
1 oceanography or be they biological or be they of human  
2 resources. A great deal of knowledge is not there, and for us  
3 to assess the damage and for us to prevent situations like this  
4 from occurring in the future, for us to enable the  
5 determination of future damage as directed under paragraph 17  
6 of the settlement, namely re-opener of -- for unknown injury,  
7 to allow those types of information to be accumulated, we're  
8 going to have to take a somewhat broader view of a damaged  
9 resource than a purely NRDA one. At least that's my  
10 perspective.

11 MR. COLE: Well, let me say this: I'm sure  
12 that you will have a full opportunity to express those views in  
13 the various meetings of the Public Advisory Group, and receive  
14 I'm sure in response the views of other members of the group as  
15 to how these resources should be allocated. As you know, we've  
16 been under a rather severe criticism as recently as a couple of  
17 weeks ago from the President or the CEO of the Sierra Club,  
18 that we've made a lot of, quote, unnecessary expenditures for  
19 studies, so, you know, that's going to be one of you  
20 assignments, to present your views and the views of others to  
21 the members of the Public Advisory Group and furnish the  
22 Trustees with the recommendations as to what studies should be  
23 undertaken, what -- in other areas where we haven't already  
24 done so. You'll certainly have an opportunity to in addition  
25 confer with the representatives of the Department of Fish and

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Game, who have made their recommendations for projects in the 1993 budget.

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MR. McVEE: Mr. Cole?

MR. COLE: Yes, sir?

MR. McVEE: Yeah, let me just add further comment. I think that the Trustee Council has struggled with - with the problem you're addressing on several occasions, and -- and argued maybe to some extent as to whether there is the proper balance between the data that we have available to us for -- for the various damaged resources. And -- and I think that -- that we are looking for help in that direction from any source that's available to us, and that the -- the court decree and the -- and the judgment does allow for us to do further -- further studies. And -- but, you know, I think they have to be carefully thought out and carefully designed and efficient and all that.

DR. FRENCH: Oh, yeah, I agree completely. I mean, if you -- if you're going to look at a body bag, there's only so many perspectives you can have on a body bag, but the broader perspective may be important and may lead to some -- some useful information.

MR. McVEE: Yes, I agree.

MR. COLE: Mr. McCune:

MR. McCUNE: Yes, I just wanted to understand the process just a little bit more now. The Restoration Team gets all the projects from the public groups, agencies, .....

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MR. COLE: Yes.

1 MR. McCUNE: ..... and also you said Mr. Spies  
2 has the final say on any project, .....

3 MR. COLE: No.

4 MR. McCUNE: ..... is that -- is that .....

5 MR. COLE: No.

6 MR. McCUNE: ..... what you said, or .....?

7 MR. COLE: Absolutely not. He is simply one  
8 other source of advice to the Trustee Council, and like I say,  
9 one of the reasons, I can speak for myself, that I look to  
10 Dr. Spies is I want to have a test as to whether, you know,  
11 Commissioner Rosier, for example, but only for example, has  
12 said, "Gee, we've -- we want more information out here in the  
13 Department of Fish and Game with respect to the red salmon down  
14 in the Cook Inlet, and we need it badly to make restoration  
15 decisions," and so -- and we say, "Well, Dr. Spies, you know,  
16 what about that? What's your views on that?" It's just an  
17 independent source of advice like the Public Advisory Group in  
18 my view will be to the Trustee Council. He -- his views are  
19 entitled, and I don't think they're given any more weight than  
20 anyone else. It's just an independent source.

21 MR. McCUNE: Okay. To go a little bit further  
22 then, once those project are forwarded, they're forwarded to  
23 the Trustee Council, as -- as the Restoration Team votes on  
24 those projects and weeds them out, is that correct?

25 MR. COLE: Yes, I think that's substantive

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correct. It .....

1 MR. McCUNE: So then .....

2 MR. COLE: ..... hasn't come to the Trustee  
3 Council yet, I mean. Then we send them out to the public as  
4 we've done, and you have the public comment on every one of  
5 them, and send them to this group for comment.

6 MR. McCUNE: Okay. That's where we're going to  
7 break in, after the projects have come from the Restoration  
8 Team and been forwarded to the Trustees?

9 MR. COLE: I would say that's where we are now.  
10 You know, for .....

11 MR. McCUNE: Okay. I just wanted to .....

12 MR. COLE: ..... the 1993 plan. ....

13 MR. McCUNE: ..... we come .....

14 MR. COLE: ..... I don't necessarily say that  
15 that will be the case in the ensuing years, but that's where we  
16 are right now. Okay?

17 MR. McCUNE: Okay. Yes.

18 MR. COLE: Yeah. Is that true, Commissioner  
19 Sandor and Mr. McVee?

20 MR. SANDOR: Yeah, I think that's certainly the  
21 way I see it for this present material that's -- that's now out  
22 for public review, but I see the Public Advisory Group as also  
23 being especially helpful in really looking at the process by  
24 which we, one, invite, solicit proposals for consideration,  
25 evaluating them and prioritizing, and even providing advice

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about the over-all operation of the -- of the -- this whole  
1 process.

2 Bear in mind we've been in business, you know, less  
3 than a year, and so we've had to begin primarily with the --  
4 with the basic information that was developed since the spill  
5 occurred, and we see some opportunities for strengthening the  
6 Restoration Team itself, and -- and I -- and also for the  
7 executive directorship relationship with the Restoration Team  
8 and the -- the Council itself.

9 We have an interim director, we expect to have -- make  
10a selection of a permanent director, but we're really even  
11looking at the ways of strengthening those -- those activities.  
12 That is the work of the Restoration Team, the -- and the flow  
13of the work of the executive director with the Restoration  
14Team, and the work of the Trustee Council.

15 I see, Mr. Chairman, the Public Advisory Group as being  
16able to offer some perspectives on how this total process of --  
17of developing our work, to strengthen our work, so -- but for  
18the -- what's on the table now is the material that's out for  
19public review.

20 MR. COLE: Let me -- let me say this. You  
21know, we -- we may have -- first, we're -- we've struggled for  
22this first year trying to find out way. There's no other group  
23like this in the United States, and we don't have any channels  
24to look to, or history to look to. We're pioneering this road,  
25and so we're looking to the Advisory Group to give us guidance

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as to where we're going. I mean, we may have sort of lost  
1 control of this in my view to the -- the State and Federal  
2 agencies. I don't know. But we -- I certainly would like the  
3 Public Advisory Groups thought on that. Are we getting too  
4 bureaucratic? Are we functioning well in that regard? I don't  
5 know. And I think that Commissioner Sandor and the State --  
6 and other State and Federal Trustees feel likewise. I mean,  
7 you know, this is no narrow thing.

8 Did you want to say something, Mr. McVee?

9 MR. McVEE: No.

10 MR. COLE: I think Mr. Totemoff first.

11 MR. TOTEMOFF: Yeah, thanks. I was wondering  
12 if there would be additional consideration given to projects  
13 for 1993? I know the draft is out after public comment. Would  
14 there be further consideration by the Trustee Council or  
15 P.A.G.?

16 MR. COLE: Let me defer that to -- is  
17 Dr. Gibbons here today? Or he's .....

18 MR. MUTTER: No.

19 MR. COLE: Does anybody have any thoughts on  
20 that? Frankly I don't know the answer to that. I don't --  
21 does anybody else want to take a shot at it? Commissioner  
22 Sandor?

23 MR. SANDOR: Well, I believe that -- that the  
24 Public Advisory Group as it scrutinizes the plan that's out  
25 there, if it identifies not only the -- the strengths and

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weaknesses in the proposals that are out on the table, but if<sup>49</sup>  
1 you actually see and identify something that's been overlooked,  
2 something -- some gaps, by all means present them, and I -- it  
3 seems to me those ought to be added to the package.

4 Bear in mind there's a number of things that -- that  
5 are underway that have not yet come together that will be very  
6 crucial for our December 11 meeting, and I think as either  
7 Charlie Cole or Curt McVee had pointed out, we hope you can  
8 meet again before the December 11 meeting to -- to really  
9 scrutinize what's there. And if -- if we've missed something,  
10 or if everybody's missed something, by all means lay it on the  
11 table.

12 The December 11 meeting is going to be a crucial  
13 meeting, but it's also going to help set the stage for the  
14 development of the next -- next year's program. Mr. Totemoff,  
15 we need your help in not only identifying what's on the table,  
16 but what's missing.

17 MR. COLE: Mr. McVee?

18 MR. McVEE: Yes. In -- in the blue back in  
19 your package, there are a series of questions asked the public,  
20 and -- and one of them is "do you believe there are other  
21 projects that directly address injured resources or services  
22 that are not contained in this document? If so, please  
23 identify the project." So we're asking people for -- for their  
24 thoughts in that respect.

25 MR. COLE: Mr. Meacham?

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MR. MEACHAM: No other comments.

1 MR. COLE: I'm told that's a periwinkle color.  
2 That was quite a shock to me, but -- because, you know,  
3 periwinkles to me was those little snails that we used to find,  
4 you know, along the irrigation ditches, but anyway it's nice to  
5 know.

6 Yes, Ms. Fischer first.

7 MS. FISCHER: Mr. Cole and Trustee Council  
8 members, some of the things that I'm sure that other members of  
9 this Council have also been approached on, and I realize that  
10 you've done a lot of work, and I -- I complement on the  
11 hearings that you've had. I've sat through some of them with  
12 you, listening over the telephone. Do we also go out to  
13 different groups and listen to them? I know I'm getting  
14 invitations, I'm sure some of the others are, and get their  
15 input, and if it's in here, explain it to them?

16 MR. COLE: I would say yes.

17 MS. FISCHER: Would that be our -- part of our  
18 responsibility, too?

19 MR. COLE: You get to be a funnel of all this  
20 .....

21 MS. FISCHER: I understand.

22 MR. COLE: ..... information from the public,  
23 bring it in to the Public Advisory Group to hear, you know. We  
24 want broad public input. That's one of the principal  
25 approaches that we in the Trustee Council want. It's one of

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the principal approaches dictated by the consent decree and  
1 order. And I think Mr. McCloud (sic) was next.

2 MR. CLOUD: Well, on the -- on the subject of  
3 contractors, I guess you already have who are on-going out  
4 there, is that are contractors for certain tasks chosen on a  
5 competitive bid process or sole-source award?

6 MR. COLE: I think I can answer this. I -- as  
7 I recall, and I have not looked at this legislation passed in  
8 the last session, but as I recall, except for administrative  
9 type contracts, now I mean like for power and, you know, things  
10 like that, electricity, and related things, these work projects  
11 are to be funnelled through the State and Federal agencies,  
12 number one, and we cannot under the statute go out and the  
13 Trustee Council contract with North Pacific Air Photo, for  
14 example, for aerial photography ourselves. We have to assign  
15 that project to one of the State or Federal agencies. And then  
16 they're required on a competitive bid proposals under the  
17 Procurement Codes to engage those services.

18 I must say that I personally had some reservations  
19 about that statutory requirement, but, you know, sometimes, you  
20 know, you read the tea leaves and -- and you say that will be  
21 fine. We thought that in any event we could look at that and  
22 see how this works, you know, the first year, whether we have  
23 problems with that or whether we don't, but the short answer is  
24 competitive bids under the State and Federal Procurement Codes.

25 MR. CLOUD: So that the contract you already

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have working out there to evaluate the threatened areas, is --  
1 was that competitive bid?

2 MR. COLE: Yes, Mr. McVee?

3 MR. McVEE: No. It was -- it may have  
4 originally I guess been a competitive -- there was some  
5 competition, but it was set up through lead agency, which is  
6 the Forest Service in that case, but as Mr. Cole mentioned,  
7 that -- that we have to comply with either State or Federal  
8 procurement processes. I think during this -- this phase, what  
9 I call -- rather this initial start-up phase during this year,  
10 that we have -- we have not probably had the opportunity, maybe  
11 the lead time to some extent, maybe part of the planning -- our  
12 planning has not been perfected enough in advance so that we --  
13 we could take advantage of the competitive situation, and I  
14 feel personally whether the rest of the Trustee Council agree  
15 with me at this point, but that is something that we have to  
16 address. That's why we have to have good schedules, to know  
17 what we -- what we're going to go out in advance, but I do know  
18 that the rest of the Trustee Council's members have addressed  
19 the issue of competitive contracts and -- and have been very  
20 supportive of that, but I think it's something that along with  
21 organization and trying to be more efficient, we also need to -  
22 - to get our act together in that respect.

23 MR. COLE: Mr. McCorkle?

24 MR. McCORKLE: Thank you, Mr. Cole. Three just  
25 very brief questions. Number one, will it be possible to get a

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copy of Mr. McVee's remarks today? You mentioned that they  
1 were in writing, so maybe you could send us along a copy later,  
2 or do you have .....

3 MR. McVEE: I have some copies.

4 MR. McCORKLE: You have 17 copies right there.

5 Thank you.

6 MR. COLE: Consummate bureaucrat.

7 MR. McCORKLE: Number two, does the PAG have  
8 any staff or is there any plans to do that or are we minimizing  
9 costs and not having staff? It seems to me the amount of work  
10 that the advisory group may have to do might call for some  
11 kinds of help or assistance, and .....

12 MR. COLE: I think the answer to both of those  
13 questions is yes.

14 MR. McCORKLE: Wait and see. Okay.

15 MR. COLE: Nothing but a qualified yes.

16 MR. McCORKLE: And then when it meets, will  
17 there be minutes or proceedings of each meeting in the record  
18 or do we have to keep our own notes?

19 MR. COLE: I'm not sure we've gotten there, but  
20 .....

21 MR. McVEE: Maybe if Doug has .....

22 MR. MUTTER: We'll -- we'll issue a meeting  
23 summary after each meeting and prior to the next meeting.

24 MR. McCORKLE: Thank you.

25 MR. COLE: Let me point out in that regard, all

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meetings of the Trustee Council are recorded, and a transcript  
1 is prepared, so that we have a record of essentially every word  
2 that's said at these meetings, and people will be able to refer  
3 to them, you may have copies of them if you wish. We will, I'm  
4 certain, provide you with the, you know, the requisite support  
5 staff. I don't think there's any doubt about it. We recognize  
6 you're going to have to have some support staff.

7 The next question?

8 MR. GAVORA: Is the Council, Advisory Council  
9 going to be organized, formally organized?

10 MR. COLE: I think that's up, largely up to the  
11 Advisory Group itself.

12 MR. McVEE: The charter, Mr. Cole, the charter  
13 calls for a chairman and vice charter, but when you make that  
14 selection, I think, and who is -- is your business.

15 MR. COLE: I think we should give them a copy  
16 of that charter.

17 MR. McVEE: I think they have.

18 MR. COLE: Do you have a copy of that charter?

19 SEVERAL: Yes.

20 MR. COLE: Yeah. Okay.

21 MR. McVEE: It may be mixed in with this mass  
22 of paper that has descended upon you here.

23 MR. COLE: Yes, Brad?

24 MR. PHILLIPS: Charlie, does the Council expect  
25 that this group will mostly or in large on our reaction to

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1 questions you give to us to consider, or do you expect this  
2 group to go out and make their own agenda? And, second, how is  
3 the information, if any develops on our group, transmitted to  
4 the Council? Is it on an individual basis or a consensus basis  
5 or .....?

6 MR. COLE: My -- my personal view is that  
7 that's up to the group itself to formulate its own internal  
8 operating procedures.

9 Mr. Mutter, do you -- do you have any views on that?

10 MR. MUTTER: Yes, that's correct. We have a  
11 draft guidelines, background that is in your packet, but one of  
12 the topics at perhaps the next meeting would be for the P.A.G.  
13 to determine how they want to make recommendations to the  
14 Trustee Council, as well as to elect officers to -- a chair and  
15 a vice chair for the group. So that's information that still  
16 needs to be dealt with by the group.

17 MR. PHILLIPS: How about the matter of subject  
18 matter that we are to deal with? Is it of our own making or is  
19 it just strictly in response to the Trustees' request for  
20 opinions?

21 MR. COLE: Let me take a pass at that. I think  
22 it's a very broad commitment or -- to the Advisory Group to  
23 furnish us with your over-all recommendations. There's nothing  
24 in that decree that says the Advisory Group shall just be  
25 limited in any particular fashion. That's my view.

MR. PHILLIPS: Uh-huh.

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MR. COLE: I mean, I -- I think we all want  
1 broad expression of views. Like Commissioner Sandor said, tell  
2 us where you think we've gone afield if we have, areas which we  
3 think -- you think we should address, et cetera, et cetera.

4 Now, I want to say this, you know, in the past year  
5 we've had a lot of criticism about what we've done from all  
6 fields, but few constructive suggestions as to what we should  
7 do. I mean, everybody says, you know, I mean, "you've got too  
8 many studies," well, I mean, tell us which ones that -- that's  
9 what we'd like to know you think are excessive, that, you know,  
10 it's off the chart as Judge Holland would say.

11 You want us to buy land? Habitat? Tell us where you  
12 want us to buy habitat, you know, why we should buy that  
13 habitat, why it's essential. Not just, you know, "Go buy  
14 habitat." I mean, run out to Prince William Sound with your  
15 check book and see if you can't buy some habitat some place, so  
16 we can say we bought habitat.

17 I mean, you know, we want sound advice that's  
18 constructive, you know. And that's what we're looking for.  
19 And, look, here's -- here's what I say, I mean, all of us are  
20 busy. Commissioner Sandor is busy, I'm busy, all the members  
21 of the Trustee Council are busy, but we're looking for broad  
22 public input from the public generally, funnelled through you  
23 people.

24 I'm pleased to say Mr. Tillery has given me this  
25 memorandum dated the 29th. Paragraph four, it says "The Group

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should supplement our efforts at public participation by going  
1 out to their interest groups, and being sure that they're  
2 informed." You know. And coming to us with constructive  
3 decisions to help us, you know, discharge our obligations, too.

4 And I -- I tell you, it's -- to me it's been a real  
5 pleasure to work with the other members of the Trustee Council  
6 in the past year. They're as finest a group of -- I always  
7 exclude myself -- other people that I've ever known to work  
8 with. It's just been a pleasure, the privilege of working with  
9 them. We've plowed a lot of uncharted ground, sailed through a  
10 lot of unchartered waters, and I think done pretty well, but we  
11 can do better, and -- and we're looking for your help.

12 MR. McVEE: Mr. Cole, one of the things I guess  
13 in working with advisory groups I've noticed in the past, or  
14 I've felt to be very beneficial is the dialogue that goes with  
15 -- on within a diverse -- the diverse interests, and I think  
16 that's one of the things that -- things that I really look  
17 forward to, and -- and, you know, seeing the minority reports  
18 that come out as well as the -- the other reports, because  
19 these -- I think these things will be most helpful to -- to us  
20 in the Trustee Council in reaching a conclusion on various  
21 issues.

22 And I would hope that you -- that you don't just look  
23 at issues that we place before you. In fact I think that --  
24 that most of you would become very discouraged if that were the  
25 case and probably would not want to continue. But I hope that

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you take some initiative to -- to broaden out and look at other  
1 issues.

2 MR. TOTEMOFF: I've got one .....

3 MR. COLE: Yes, Mr. Totemoff?

4 MR. TOTEMOFF: ..... one last question now.

5 You mentioned earlier that it was pretty much up to the Public  
6 Advisory Group on how to handle their affairs as far as  
7 communication, transmitting of that communication to the  
8 Trustee Council and to our respective interest groups. Would -  
9 - would it be pretty much up to the Public Advisory Group to  
10 develop a budget regarding that to the Trustee Council, or is  
11 there a cap on us?

12 MR. COLE: I think the answer to you question  
13 is yes and, no, there's -- I think it's largely up to you to  
14 make recommendations as to what you think, you know, a budget  
15 should entail and require, and there's no cap that I'm aware  
16 of. Commissioner Sandor? Meacham? No? No cap. Remember,  
17 we're public servants.

18 Yes, Ms. Fischer?

19 MS. FISCHER: Yeah, one more question. You had  
20 mentioned that we should meet with you I believe on December  
21 11th?

22 MR. COLE: No, let me restate that.

23 MS. FISCHER: Okay.

24 MR. COLE: The -- the Trustee Council itself  
25 will meet on December 11th to make what essentially are the

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final decisions on the 1993 Work Plan. We would expect the  
1 group to meet before that, however many times it feels is  
2 necessary, and furnish us as soon in advance of December 11th  
3 as it can with its recommendations on this work plan. Now,  
4 with that, did you have a further question?

5 MS. FISCHER: Well, then -- more or less, yeah,  
6 you pretty much answered it, but then we're going to need to be  
7 meeting for the next -- quite frequently to get things together  
8 and to go over this and come up with some ideas, or to -- to go  
9 with your recommendations.

10 MR. COLE: Whatever you think is necessary, I  
11 would say, to discharge your assignment.

12 MS. FISCHER: Okay.

13 MR. COLE: Ms. Brodie?

14 MS. BRODIE: Yes, thank you, Mr. Cole. I don't  
15 have a question. I just wanted to say how much I appreciate  
16 the introductory remarks that you've all made and that  
17 representing the groups that have been the most voluble in  
18 criticism, I do also want to say I appreciate having been  
19 appointed to this group, and that we do intend to work  
20 cooperatively, which is not to say that we will never criticize  
21 again in the future, but we do wish to participate in this and  
22 work with you, and -- and I am sure that you all want a  
23 successful restoration plan as we do.

24 MR. COLE: Thank you. I should tell other  
25 members of the Advisory Group that Ms. Brodie has attended

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nearly every meeting of the Trustee Council since its  
1 formulation, and has -- has been very familiar with our work,  
2 and has had the occasion to offer I believe constructive  
3 suggestions at virtually every meeting, so she -- she knows  
4 what's gone on.

5 MS. BRODIE: Thank you.

6 MR. COLE: Yes, Mr. King?

7 MR. KING: I haven't been through all these  
8 proposals, so this is sort of a theoretical question, but I  
9 assume that there may be some that we'd want more information  
10 on, and what are the possibilities of that -- for that? Can we  
11 invite people to come to our meetings?

12 MR. COLE: Yes.

13 MR. KING: Do we go through the agencies or  
14.....?

15 MR. COLE: I would think you should speak  
16 either with Mr. Mutter or Dr. Gibbons, who's the current  
17 Executive Director, but we will certainly furnish you with all  
18 of the support .....

19 Let -- let me say this, for example, just so you'll  
20 know one of the problems. If you look at those proposed  
21 projects, you'll see four or five archeological study proposed  
22 projects. Now, and I'll -- I mean, environmental groups say  
23 "Buy land," the subsistence people say, "Look, what are you  
24 doing for subsistence out there?" The tourism people say,  
25 "What are you doing for the whales?" I mean, let me tell you,

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I mean, making decisions on things like those -- and then the  
1 archeological people say, "Well, you have to preserve our  
2 heritage. This oil spill caused water to get in there. It  
3 opened up new areas. People are raiding these archaeological  
4 sites. We can't lose them, we must preserve them.  
5 Furthermore, we must have public information hearings to tell  
6 the people about that." Those are all in my view very, very  
7 difficult decisions, and -- and we have to make that cut, you  
8 know? And that's just an example of some of the problems which  
9 we face, and so I would say that, for example, in the  
10 archeological area, you can call the State archeological  
11 people, the various native groups have very deep interests in  
12 those studies.

13 I mean, you know, it's sort of wide open for you, and,  
14 you know, just give us some help. I think that's the broad  
15 thing.

16 Yes, sir?

17 MR. McCUNE: Mr. Cole, as you know, and as the  
18 Trustees Council members know, that you get a wide variety of -  
19 - of proposals. Some of them has nothing to do with  
20 restoration. So as I was looking through all the by-laws and  
21 all the different things that we and you have been through, I  
22 haven't really seen the criteria for what projects are, you  
23 know, real restoration projects and what aren't, besides  
24 Mr. Cole's comments during the State restoration money process.  
25 So do we have that in writing somewhere?

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MR. COLE: You mean what the rules are as it  
1 were, in quotes?

2 MR. McCUNE: Yes.

3 MR. COLE: Rules? I think we'll likely be able  
4 to give that to you maybe within the next week or ten days, in  
5 writing. Mr. Tillery, it's up to you. Can you --? Yeah. I  
6 think we can do that.

7 Mr. McVee?

8 MR. McVEE: Yes, I think, you know, that's the  
9 key point. The -- the R.T., Restoration Team, did develop some  
10 criteria which they used for their screening purposes. Now,  
11 those haven't been -- they may not be the final criteria the  
12 Trustee Council will use.

13 The other thing I think that's in play here is -- is  
14 the Restoration Plan which we were talking -- which we had  
15 talked about, which is in the process of being developed, and  
16 the draft will be out sometime in mid winter, but that will go  
17 in a lot more depth into criteria and priorities and options,  
18 alternatives and so on. So one key question is, you know, what  
19 do we do now, what do we -- what do we lock in on now for the  
20 '93 program when we haven't gone through that -- that exercise,  
21 and we haven't had the public exposure of that over-all  
22 planning exercise.

23 MR. COLE: Let me say this: There again we're  
24 looking to this group to tell us what its views are on the  
25 necessary restoration, (a) studies, projects for direct

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restoration, for indirect restoration, et cetera. I mean, you know, that's -- that's one of your charges. I mean, that restoration is a pretty broad term, so as you can see, as you look through this plus or minus 60 proposed projects -- some of those I -- I will say now I doubt if they make the cut in December. You know, the cut, you know, that's when your score isn't really quite high enough to -- but some of those aren't going to make the cut, but -- from my standpoint, but we would like your views on the ones which should or shouldn't, why they should or shouldn't, maybe expand them a little bit, maybe contract them a little bit, maybe other proposals, projects for next year, you know.

12 Yes, sir?

13 MR. DIEHL: I -- I see that the heads of the --  
14 the Regional Forester and the -- and Steve Pennoyer are not  
15 here. I -- I was wondering, you know, about the competitive,  
16 you know, this work here as I understand it has not been put up  
17 for competitive bids, right?

18 MR. COLE: It will be though.

19 MR. DIEHL: It will be.

20 MR. COLE: Those projects will not be done  
21.....

22 MR. DIEHL: All right. So .....

23 MR. COLE: ..... other than by competitive  
24 bids.

25 MR. DIEHL: So the figures in the projects are

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rough estimates or what?

1 MR. COLE: Yes, I think so. Is that --  
2 Mr. Meacham?

3 MR. MEACHAM: I think you're going to have both  
4 competitive bid and other in this. I know I've seen a list  
5 that -- that includes a number of projects that we're  
6 recommending both a competitive bid, and .....

7 MR. COLE: But some of them will be done .....

8 MR. MEACHAM: ..... (indiscernible) almost all.

9 MR. COLE: Some of them will be done, for  
10 example, with -- with Agency personnel, i.e., personnel within  
11 the Department of Fish and Game.

12 MR. DIEHL: Right.

13 MR. COLE: Did that help your .....

14 MR. DIEHL: Yeah, but .....

15 MR. COLE: ..... answer your question a little  
16 bit?

17 MR. DIEHL: Is there a breakdown of the budgets  
18 for each of these projects?

19 MR. COLE: Yes.

20 MR. DIEHL: Okay.

21 MR. COLE: I have seen, and I have personally  
22 reviewed very detailed breakdown of the budget to each almost  
23 acquisition of goods down to maybe \$50.00 or something like  
24 that. It's a very detailed breakdown, and if -- if it's not in  
25 the material you have, well, we'll certainly furnish it to you.

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1 And, like I say, we'd like your advice, for example, on  
2 whether some of these projects are simply too rich for our  
3 blood, whether some of those estimates are too high.

4 Mr. Mutter, would you .....?

5 MR. MUTTER: I think that's in the periwinkle  
6 book.

7 MR. COLE: It's in the periwinkle book I'm  
8 told. Anyway, there's -- it seems to be, yes. For example,  
9 you can look -- if you look at page 113, you will see how --  
10 that's an example of one of the -- project number 93024 is  
11 broken down. Page 113. Yes?

12 MS. BERGMANN: There is additional detail  
13 that's going to be made available within .....

14 MR. BRODERSON: Roughly a week.

15 MS. BERGMANN: ..... a week or so that will  
16 provide the kinds of detail that Mr. Cole was talking about,  
17 and it would be available for all of the P.A.G. members as well  
18 as interested members of the public.

19 MR. COLE: There's so much data on these  
20 projects you'll swelter and suffocate under it, if you have the  
21 time to go through it, I assure you, but a lot of it's there.  
22 Maybe almost too much.

23 Yes, Doctor?

24 DR. FRENCH: Well, in terms of the time frame  
25 then, we're expect- -- to be expecting more material within  
about a week?

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1 MR. BRODERSON: The extremely detailed budgets  
will be out in about a week, there's .....

2 DR. FRENCH: Well, I guess what I'm trying to  
3 do is think about our scheduling for future meetings and -- and  
4 what -- at what point we can expect to have most of what we're  
5 going to have in front of us prior to going out and getting  
6 other public review and other information. From this group, is  
7 there much -- we're -- we should anticipate beyond the next  
8 week to ten days?

9 MR. COLE: No, I would say from your  
10 standpoint, I would hope not, but, you know, it takes a lot of  
11 time to read this stuff and study it, devour it, evaluate it  
12 all.

13 Yes?

14 MR. BRODERSON: Jerome I think has another  
15 thought there.

16 DR. MONTAGUE: Mr. Chairman?

17 MR. COLE: Yes?

18 DR. MONTAGUE: All the information that is ever  
19 going to be available is here in -- in this building, in OSPIC,  
20 and is accessible to all these people. I think what Mark is  
21 talking about is making up a bunch of additional copies.

22 MR. COLE: Yes. Any further questions? Did --  
23 sir, did we talk about Dr. -- you know, I mean Commissioner  
24 Rosier not being here, and Mr. Pennoyer and so forth, did --  
25 did you have a further thought on that that you wanted .....

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1 MR. DIEHL: No, I was just -- the whole things  
2 was, you know, details about -- about the monies and  
3 everything, and -- and them not being here.

4 MR. COLE: But like I say, you're welcome to go  
5 to those agencies and .....

6 MR. DIEHL: Yes.

7 MR. COLE: ..... ask them questions, and I'm  
8 sure you'll have no difficulty in getting .....

9 MR. DIEHL: Right.

10 MR. COLE: ..... a full answer. Anything else  
11 before we break for lunch?

12 MR. MUTTER: Mr. Cole?

13 MR. COLE: Yes. Yes?

14 MR. MUTTER: I'd to if we could before we break  
15 for lunch just take care of one administrative detail. We have  
16 a couple of professionals here from the Fish and Wildlife  
17 Service I believe that will explain how we're going to do  
18 travel and expense reimbursements, and I think they need to get  
19 back to work. If we could just take about five minutes and  
20 have them explain some of that, would that be .....

21 MR. COLE: Sure. If there's no objection from  
22 the group here.

23 MR. MUTTER: Okay. Gina? Kathy? Do you want  
24 to do your thing for us? Here's a microphone here.

25 MS. MARTINEZ: Oh, I talk loud enough. I don't  
need that.

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My name is Gina Martinez, and I work for the Fish and  
1 Wildlife Service. This is Kathy Miller, and she also works for  
2 the Fish and Wildlife Service. We will be processing both your  
3 travel vouchers, and then I will be doing the travel  
4 authorizations authorizing you to come.

5 Do you want to go ahead and pass those out?

6 I have prepared folders for everybody that has samples  
7 of what -- what the paperwork that we get in should look like  
8 from you, so it's got references for -- those of you who are  
9 only going to need to claim mileage, it's got references in  
10 there. Then it also shows once you give us something, what  
11 (ph) you're going to get it back, what it's going to look like.

12 For those of you -- I don't -- I'm -- this I just came  
13 into about three days ago, so I'm kind of -- I don't know  
14 everybody's names and everything, but I want it known for the  
15 record that we are here to help you. If you ever have any  
16 questions whether it's whether we're going to pay for travel  
17 for you to go to any of these meetings, other -- outside of  
18 this PAG meeting, or if it's how to make your travel  
19 arrangements, how -- you can't get ahold of the LIFECO Travel  
20 Center, how can you, you know, get your stuff done. You're not  
21 going to be out of -- or you're going to be out of town, you're  
22 not going to be able to file your travel voucher in a timely  
23 manner, what can you do to, you know, expedite that? Certain  
24 questions like that, that if you have any problems, or if you  
25 had any questions on the travel that you needed to do to come

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to this trip, if you had any problems that you ran into across  
1 the way, feel free to ask us this.

2 In the folder that you have -- First of all, we'll  
3 start off with the -- the hand-outs in the folder. The -- this  
4 gold colored piece of paper here, this is what we ask that you  
5 fill out when you get done travelling and you're ready to file  
6 your claim. You will all be paid per diem while you're in  
7 town, and that is at the Anchorage rate. And I believe you got  
8 a hand-out that showed what the different locality rates are in  
9 Alaska. But it's a front and back page. It just says when you  
10 left your house, when you left the airport, from whatever city  
11 or town you're coming -- community you're coming from. Then on  
12 the back, if you were authorized a rental car on your travel  
13 authorization, if you had to pay parking while you were at the  
14 meeting, if you had to get a taxi to get to and from the  
15 airport if you were not authorized a rental car, those types of  
16 -- types of expenses go on the back of this form.

17 Then the green sheet of paper shows a sample of a trip  
18 that I made up for just me. That if -- once I filled out the  
19 green piece of paper, front and back, what your actual travel  
20 voucher that's going to go in for reimbursement is going to  
21 look like is page two of that. It's got your name, mailing  
22 address. Mailing address is going to be where your check are  
23 going to be mailed from the Finance Center. So this is just a  
24 kind of complete sample.

25 Once you get done travelling, you complete the -- the

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goldenrod copy and then the second page of this is going to be  
1 what -- what the actual voucher is going to look like, so that  
2 you don't get this strange form and don't have a clue in the  
3 world what to do with it. Government forms can be very  
4 intimidating and very complicated. So we've tried to simplify  
5 that for you.

6           The pink piece of paper is just for your information on  
7 how I and Kathy or one of our people that work with us are  
8 going to calculate your per diem. The per diem is -- is pro  
9 rated on a -- on a quarter day basis, for every six hours on  
10 the first and last day of travel. Every other day -- if you're  
11 in travel a complete day, then you get the whole day, then you  
12 get the whole day at that per diem rate, and that just kind of  
13 explains this. If you want to read that, that's fine. You  
14 don't have to.

15           The blue pieces of paper in here are copies of a claim  
16 for reimbursement if there's no per diem authorized. If you're  
17 not in travel status for ten hours or more, you're not  
18 authorized per diem. But if you got a rental car, or if you  
19 had to pay a taxi fare, if you had to pay parking, you can  
20 claim that on an 1164 and still be reimbursed for those costs.

21           Also in your folder you have blank forms of an 1164 and  
22 a travel voucher. We ask that you sign these. Well, we can do  
23 this two ways. You can either sign them blank now and we can  
24 fill them in with the information that you provide us, and you  
25 will get copies of those back once they're signed and approved.

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Or you can fill out the form, send it in and have it signed  
1 for approval, and then send it back -- or filled out for  
2 accuracy, then send it back to you and you can sign it and  
3 approve if you want to, then send it back in again for approval  
4 signatures. That's why we request that you sign it now blank.  
5 That's -- I mean, but that's a preference.

6 Travel vouchers will take four to six weeks to be done.  
7 If you chose not to sign them blank now and chose to have us  
8 prepare them, then send them to you for signature and then send  
9 them back for approving signatures, it could be six to eight  
10 weeks. That's a preference.

11 That is your money. You will be out-of-pocket money,  
12 there is no travel advances authorized for any of this. That's  
13 another incentive for you to sign them blank now.

14 Questions? Nobody had any problems making their travel  
15 arrangements for this meeting?

16 Can you think of anything else?

17 MR. MUTTER: No, I'm sure we'll stumble our way  
18 through this for a couple of meetings before we get the hang of  
19 it. This is a government work after all.

20 MS. MARTINEZ: That's true.

21 MR. MUTTER: Thank you very much, Gina and  
22 Kathy. Thank you, Mr. Cole.

23 MS. MILLER: Oh, by the way, here's some  
24 envelopes they can send in to us.

25 MS. MARTINEZ Oh, we also have envelopes here -

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- If you could pass those out, too? -- that are addressed to  
1 Kathy Miller, and she will be actually doing the vouchers. I  
2 will do the authorizations, she will be doing the vouchers.  
3 Once you complete your forms, you can just send them back in  
4 these sealed -- sealed envelopes, and they'll go directly to  
5 her. How many of them are here?

6 MS. MILLER: There's about 50.

7 MS. MARTINEZ: Okay. If each -- if each of you  
8 want to take about three -- pull three of them, then continue  
9 passing them around.

10 MS. MILLER: And make sure to keep you  
11 receipts. Very important.

12 MS. MARTINEZ: Yeah. Also in your red folder,  
13 or your orange folder, is a copy of a lodging receipt. The one  
14 thing that is mandatory is that if you acquire any lodging,  
15 even if it's only for \$6.00 at some bunkhouse somewhere, you  
16 have got to have a lodging receipt. It doesn't matter of cost.

17

18 And the other thing, the lodging receipt has to show  
19 that the fee was paid. If you stay here in Anchorage, and the  
20 total bill is \$75.00, if your lodging receipt says "balance  
21 due, \$75.00," and doesn't zero that out, then we need a copy of  
22 either a credit card or a cash register receipt that shows that  
23 you have physically paid that balance. And there's a sample  
24 like I said in your orange folder about what a paid balance and  
25 a zero balance receipt would look like.

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MR. COLE: What time do you want to resume this  
1 afternoon? You might as well assert your independence now.

2 MR. KING: I've got one question on this .....

3 MR. COLE: Yes?

4 MR. KING: ..... expenses thing.

5 MR. CLOUD: Well, how about 1:30, Charlie?

6 MR. COLE: 1:30 this afternoon. There's a  
7 question on the travel voucher. Mr. King?

8 MS. MARTINEZ: Yes?

9 MR. KING: Now, as I understand it, if we fill  
10 this out and put the slips in, if we send this white one and  
11 sign where it says "traveller sign here," and put that all  
12 together, that's what you're saying you need?

13 MS. MARTINEZ: Uh-huh. Uh-huh.

14 MR. KING: And .....

15 MS. MARTINEZ: ..... And what will happen then  
16 is we will transfer the information from the yellow sheet of  
17 paper to the white sheet of paper, and since you will have  
18 already signed it, then it will just have to go for an  
19 approving signature here in Anchorage. If you send -- if you  
20 chose not to send that signed, then we'll fill out a blank, a  
21 white piece of paper .....

22 MR. KING: I got that.

23 MS. MARTINEZ: Okay.

24 MR. KING: So -- but we .....

25 MS. MARTINEZ: Is that .....

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MR. KING: . . . . need to complete the travel,  
1 so we'll have to get home before we can complete this thing?

2 MS. MARTINEZ: That, or you can just sign blank  
3 forms and -- and leave them with Doug, and he can get them to  
4 us.

5 MR. MUTTER: But we need to get you receipts  
6 when you're all done, including your . . . .

7 MS. MARTINEZ: Yes, exactly.

8 MR. MUTTER: . . . . airline coupon.

9 MR. KING: So the best way to do would be just  
10 . . . .

11 MS. MARTINEZ: To send a blank . . . .

12 MR. MUTTER: When you get home . . . .

13 MS. MARTINEZ: Yeah.

14 MR. KING: Get it out in the mail.

15 MR. MUTTER: Right.

16 MS. MARTINEZ: Using those envelopes, and  
17 they'll go directly to Kathy.

18 I don't know if you -- have they been given Kathy's  
19 phone number?

20 MR. MUTTER: Yes.

21 MS. MARTINEZ: Okay. And also in that envelope  
22 is one of my business cards. You can feel free to call me at  
23 any time also. Kathy will be the primary person doing the  
24 travel vouchers, the reimbursements. If she is out, then I  
25 will step in and -- and do that for her.

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MR. COLE: 1:30. Thank you.

1 (Off record)

2 (On record)

3 MR. MUTTER: Shall we reconvene the meeting,  
4 please? I think just about everyone has returned.

5 We have a couple of additional administrative items  
6 that I'd like to go through with you before we get into the  
7 meat of this afternoon's discussion. First of all, you  
8 probably noticed that you've got a lot of paper and materials  
9 that you've been sent and -- and have placed in front of you.  
10 And we've set up a couple of notebooks hopefully to help you to  
11 control the flow of your paper. We may have to add additional  
12 notebooks in the future.

13 What we'll try and do is indicate when you get  
14 materials what tabs and what notebooks to insert things in, to  
15 help you keep track of things. And if there's -- there are  
16 materials that you would like distributed to the group, why,  
17 maybe we can do the same thing. Or if you think you have  
18 suggestions for additional tabs or information that ought to be  
19 provided, why you can let me know, and we'll set that  
20 information up. There is a lot of paper to go through, so we  
21 thought there ought to be some way to keep control of that.

22 And some of the materials in front of you should be  
23 marked with tabs. You can go ahead and insert those.

24 You also have a hand-out, three tables on habitat,  
25 potential habitat acquisition. Those all go into your second

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volume, tab five. They aren't marked. There's three tables  
1 that you received this morning.

2           There's another item that we need to discuss. If you  
3 wish, you can decide this toward the end of the day, but we  
4 need to schedule the next meeting of the Public Advisory Group,  
5 and you heard Mr. Cole mention this morning that December 11th  
6 the Trustee Council will be meeting to make decisions about  
7 that 1993 work program and would like to have the Public  
8 Advisory Group recommendations prior to that meeting to help  
9 them in their decisions. You have a copy of the proposed  
10 projects for '93, that's the periwinkle book in volume two of  
11 your notebooks.

12           To set up a Public Advisory Group meeting, we almost  
13 need 30 days advanced notice. We've got requirements to  
14 advertise the meeting in the Federal Register, to advertise the  
15 meeting in local newspapers and generally to let people know  
16 ahead of time that there's going to be a meeting. So keep that  
17 in mind as you decide to schedule meetings, that there's a  
18 certain time lag that we -- we have to conform with.

19           I've put together a suggested agenda and a time for a  
20 second meeting, Wednesday, December 2nd. You can mull that  
21 over and -- and decide if you want to do that.

22           Now, let me pass around the proposed agenda. The key  
23 item of -- of concern at your next meeting would probably be  
24 the 1993 program plan since that's the -- the major decision  
25 item that the Trustee Council is going to be undertaking, so

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we've devoted a substantial amount on the agenda for that

1 second meeting to the '93 work plan.

2 Another item that the P.A.G. needs to take some action  
3 on is the election of officers. The charter calls for a chair  
4 person and a vice chair person. Now, if you wish to deliberate  
5 on that at this meeting today, you can do so. If you'd rather  
6 wait until the second meeting to do an election of officers,  
7 you can do that. I've put it on as the first item of second  
8 meeting agenda.

9 Also in your handouts is a draft background and  
10 guidelines, operating procedures if you will, for the Public  
11 Advisory Group, and there are some things in there that you can  
12 decide to do differently. There are some items in there that  
13 are mandated by the charter and some of the Federal and State  
14 laws that govern advisory groups. You need to take a look at  
15 that, and you don't have to make a decision at the second  
16 meeting of the group, but at some point in time, you'll want to  
17 decide on those operating procedures that you wish to follow.

18 The fourth item that needs to be discussed at a future  
19 meeting is the status of the draft Restoration Plan. There's  
20 quite a bit of activity going to put together a long-term  
21 restoration plan, and there's a work group that's been  
22 established doing that work, and they're ready in December to  
23 present some information to you about the direction that's  
24 going and -- and solicit some suggestions and to get you  
25 recommendations.

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So there's basically four items on -- on the proposed  
1 agenda, and the bulk being the '93 work plan.

2 Do you want to discuss the -- the meeting time and --  
3 and the agenda at this point, or would you rather -- we need to  
4 make a decision sometime today on that. Okay. How does  
5 December 2 sound?

6 MS. FISCHER: Fine.

7 MR. CLOUD: I move for December 2.

8 MS. FISCHER: And I'll second it.

9 MR. MUTTER: Okay. Any discussion?

10 MR. PHILLIPS: Could I suggest an earlier hour  
11 for meeting? The day's half over at 9:30 for me.

12 MR. MUTTER: Okay. One of the problems we have  
13 is getting people from outside of Anchorage into town, and --  
14 would 8:30 cause problems? I think 8:30 might cause problems.

15 MR. PHILLIPS: Well, we don't want to cause  
16 problems.

17 DR. FRENCH: For those of us coming from  
18 Kodiak, that would cause a problem, although going later than  
19 five would not cause a problem. I mean, we could add on to the  
20 end of the day. That would -- that would be fine I think from  
21 that perspective.

22 MR. PHILLIPS: Do you anticipate a one-day  
23 meeting? Is that it?

24 MR. MUTTER: You -- you can meet more if you  
25 desire to, but I thought everybody's pretty busy with other

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things, that we'd try and keep these to one-day meetings.

1 Maybe it makes sense to meet at noon and -- starting at noon  
2 and meet until noon the next day, if that would accommodate  
3 travel better for people out of state (sic).

4 MS. FISCHER: I think it would.

5 DR. FRENCH: Yeah. That would also provide  
6 some time -- I'm not quite sure how this fits into the open  
7 meeting laws, and maybe it's not an appropriate statement, but  
8 it would provide time for informal discussion amongst various  
9 members of the group, until we're strict- -- that's strictly  
10 forbidden in -- in the sense of the open meeting provisions,  
11 but it allows more unstructured time for discussion of projects  
12 and approaches which I think is going to be very critical at  
13 this juncture, because most of us don't really know each other  
14 very well, or have much opportunity for informal contact  
15 outside of the process, although hopefully that will develop,  
16 otherwise we're not going to get our work done.

17 MR. MUTTER: Well, is there a feeling of the  
18 group then that it might be useful to meet say -- say starting  
19 on noon on the second and adjourn at noon on the 3rd of  
20 December?

21 MS. BENTON: It'll give a little more time with  
22 handouts.

23 MR. DIEHL: Some -- some of us do have to work  
24 for a living and, .....

25 MR. MUTTER: Right.

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MR. DIEHL: . . . . that -- that means two days  
1 gone instead of one out of the week, and that's the problem for  
2 those in the Anchorage area.

3 MR. MUTTER: Mr. McCune?

4 MR. McCUNE: Maybe -- I'd like of like to stick  
5 with what we've got going right here right now, and then we'll  
6 see if we need to do something different. You know, I have --  
7 it's pretty well -- 9:30, I mean, we should be able to --  
8 everybody -- that accommodates everybody so far, so that's my  
9 opinion anyway.

10 MR. MUTTER: Okay.

11 MS. FISCHER: Maybe -- I agree with Jerry, too,  
12 because the Valdez plane leaves at 8:30, so -- or 8:45, so it  
13 gets us in here, if it's on time, right around 9:30, quarter to  
14 ten. But I would -- I agree with Mr. Brad Phillips over there  
15 that I would like to see the meetings -- meetings start  
16 earlier. Why not come in the night before, and then that way  
17 if groups wanted to get together, meet that day, and then leave  
18 that afternoon, it would still be the same as what you're  
19 saying, but still it's giving everyone a chance to meet if we  
20 wanted to, that you'd meet before, . . . .

21 DR. FRENCH: Yeah. Yeah, the . . . .

22 MS. FISCHER: . . . . and we're not taking two  
23 full days.

24 MS. BRODIE: I would like to -- to try to  
25 minimize the costs of our meetings, because the money that we

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1 spend on this is money that doesn't go for restoration, and so  
2 maybe this is easy for me to say, because I'm an Anchorage  
3 person, but insofar as if people don't really need to pay for a  
4 hotel, I'd rather not -- I'd rather not structure our meetings  
5 so that a lot of people are needing hotels when we can avoid  
6 that.

7 DR. FRENCH: I was -- I was just checking the  
8 schedule here, and the first flight we can get in from -- from  
9 Kodiak is scheduled to arrive at the airport at 9:20 in the  
10 morning, so technically even that's tight considering the  
11 Kodiak weather. So realistically Rick and I would probably  
12 have to come in the night before if we wanted to make sure that  
13 we'd make even a 9:30 meeting.

14 MS. FISCHER: And I -- yeah, I -- most of us  
15 live out in the outlying areas, and we travel a long ways to  
16 come here. Not that we're looking for anything special or  
17 anything, but people that live in Anchorage, yes, it's  
18 beneficial -- beneficial to them, but to us it's not. So many  
19 of us do have to travel quite a distance, and the weather is a  
20 big factor for us. And we don't want to miss the meetings. I  
21 think we're taking our time, too, to make sure that we are  
22 here, and if we can be assured of starting at a good hour in  
23 the morning getting in here late in the evening to help that, I  
24 think it would be to the benefit of the -- pardon me?

25 MR. DIEHL: Yeah, I see nothing wrong with  
that.

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MS. FISCHER: Yeah. It would be to the benefit  
1 of the whole organization so that we can all be here.

2 MR. MUTTER: I think there's no question that  
3 some people are going to have to spend a couple of days for a  
4 one-day meeting .....

5 MS. FISCHER: Yeah.

6 MR. MUTTER: ..... just because of logistics.

7 MS. FISCHER: Right.

8 MR. KING: We had a pretty good example of the  
9 kind of problems coming from Juneau today. A number of the  
10 people that were here this morning were scheduled on -- to come  
11 in last night and were bumped, or the flight was canceled due  
12 to weather, but we were able to get re-scheduled in time to get  
13 here at 9:30. I think we landed at 9:25 or something out at  
14 the airport. But we had two options, and the first one failed,  
15 but the second one worked out. So I'd say that's an example of  
16 how a little redundancy might help.

17 MR. MUTTER: Well, maybe for the time being we  
18 ought to go with the one day, start at 9:30 to accommodate late  
19 arrivals. We may not get started until 10. Some people may  
20 have to come in the night before, which is acceptable, and give  
21 it a shot that way.

22 You may wish at some point in time to have meetings in  
23 locations other than Anchorage, and that's -- that's up to you  
24 folks to decide that, too. Initially we thought we'd meet  
25 here, because the staff and -- and everyone is here, and

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there's a lot of information here in this building.

1 DR. FRENCH: Along those same lines, if we  
2 chose to have subgroup meetings as public hearings or whatever  
3 at various other locations, would we be bound by the 30-day  
4 public notice rule, or will we be bound by the two-week State  
5 rule, or which rule will we be bound by?

6 MR. MUTTER: Well, we -- we need to notify  
7 people in the Federal Register 15 days ahead of time, and I'm  
8 saying 30 days, because it just takes a little time to get  
9 things .....

10 DR. FRENCH: Right.

11 MR. MUTTER: ..... into the Federal Register and  
12 published and .....

13 DR. FRENCH: Right.

14 MR. MUTTER: ..... I think we're .....

15 DR. FRENCH: So realistically there's --  
16 there's very little way we'd be able to do anything before  
17 pretty close to this December 2nd date?

18 MR. MUTTER: Right. Right. How does that date  
19 look to everyone?

20 MS. FISCHER: I looks fine.

21 MR. MUTTER: Okay. What about the election of  
22 officers? Is it acceptable to wait until the second meeting to  
23 do that? What's your preference?

24 MS. FISCHER: I would recommend that be the  
25 first order of business at the second meeting, and it gives

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everybody a chance now to start getting acquainted.

1 MR. MUTTER: Okay. Then we'll -- we'll go  
2 ahead and advertise December 2nd in this room starting at 9:30  
3 for your second meeting. And does this agenda meet your  
4 satisfaction?

5 MR. KING: Are you going to take care of the  
6 officers before the meeting?

7 MR. MUTTER: We'll do a call to order and have  
8 an election of officers and then carry on with the meeting.

9 MR. PHILLIPS: Will there be some staff  
10 assistance at that time for -- at that meeting?

11 MR. MUTTER: For what purposes?

12 MR. PHILLIPS: Whatever purpose that you've  
13 got. If the group decides they want to do something, you  
14 should have somebody be able to do it. I'm just wondering -- I  
15 don't see a committee like this functioning forever without  
16 some kind of staff assistance. I just wondered if there would  
17 be anybody even on a temporary basis from one of the agencies  
18 that would be available?

19 MR. MUTTER: Right. We'll work that out.  
20 Okay.

21 Next I'd like to introduce Keith Goltz who's with the  
22 Department of the Interior, Solicitor's Office, to say a few  
23 words about ethics and serving on public advisory groups.  
24 Keith?

25 MR. GOLTZ: Okay. My name is Keith Goltz, I am

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an attorney. I heard the word "voluble" this morning though,<sup>85</sup>  
1 and I'm going to try to avoid being too voluble at this point,  
2 but I -- I was interested in Mr. King's story about meeting  
3 Charlie Cole in the 50s while he was chasing poachers. I can't  
4 really top that story, but I can say that I met Brad Phillips  
5 in the 60s while he was President of the Senate, and I was in  
6 the Department of Law. Since that time I've been with the  
7 Department of Justice, in private practice, and now for the  
8 last ten years with the Department of the Interior.

9           And it's in that capacity I want to talk to you today  
10 about Federal statutes, which is certainly going to be  
11 exciting. They've been described by Federal judges as  
12 authoritative writings done in haste by people of moderate  
13 ability. I don't know if that's entirely accurate, but it is  
14 true that most statutes have a core that is clear, and they  
15 have margins that are fuzzy and unclear.

16           And what I want to do today is talk to you a little bit  
17 about the core of the Federal Advisory Committee Act. That  
18 also has an acronym, FACA, like ANILCA, this is FACA. This Act  
19 is part of a cluster, a quartet of statutes that make up the  
20 Open Government Laws. Those laws together are the Sunshine in  
21 Government Act, the Administrative Procedures Act, the Freedom  
22 of Information Act, and FACA. And if you stay around this  
23 environment very long, you're probably going to want to get to  
24 know all four of them.

25           But today I think we'll introduce you to FACA,

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primarily because that's why you're here. You are a FACA  
1 committee. You have a FACA charter, and that charter sets out  
2 what you can and cannot do. Now, with the size of the pot  
3 involved, that's not a very restrictive covenant that you have.  
4 You are to give advice on the spending of \$900 million. But  
5 even though those are very broad parameters, you should  
6 recognize that those parameters are there, and there are rules  
7 as to how you conduct your business within those parameters.

8 Generally those rules require that your meetings be  
9 open meetings, available to the public, all of the documents  
10 that you have in front of you, all of your committee documents,  
11 are also available to the public, and as somebody pointed out  
12 this morning, you take minutes and those minutes, too, are  
13 available to the public. Those are the basic rules. There are  
14 more, but if you -- if you know those, you're going to be  
15 headed in the right direction.

16 There's also a specific rule that applies only to this  
17 particular committee. That rule says that you are  
18 representatives of larger groups, even the public-at-large  
19 members are representatives of a larger group. You're not  
20 appointed as individuals. Now, that distinction may cause you  
21 to yawn until you realize that individuals are subjects to the  
22 Federal Conflict of Interest laws. Federal Conflict of  
23 Interest Laws are criminal laws which prohibit anybody from  
24 giving advice on any matter in which he has a financial  
25 interest.

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Now, there is, as in most statutes, an exception. And  
1 that is -- it's called a waiver provision, and if anybody wants  
2 to make full financial disclosure to the decision-maker, in  
3 this case the Secretary of the Interior, he can -- he has the  
4 opportunity to determine that the individual's services  
5 outweigh the potential for a conflict of interest. And if  
6 anybody is interested in having our office pursue that for you,  
7 we will do that.

8 I should point out, however, that the Secretary is very  
9 reluctant to grant those waivers, primarily because of the  
10 perception that the granting of such a waiver reduces the  
11 credibility of the committee's actions.

12 We know we can't avoid all conflicts, nor do we want  
13 to. Some of the members here are chosen precisely because they  
14 have an interest in what happens in Prince William Sound. To  
15 avoid getting in conflict with any of the Federal laws  
16 regarding conflict of interest, we recommend two things:

17 Remember that you are representing a wider interest, so  
18 frame your discourse as representatives of that interest.

19 And then, secondly, participate in no decision that  
20 might have a direct impact on your financial well-being. If a  
21 topic comes before this committee that might have or might  
22 result in a direct financial impact, excuse yourself from the  
23 deliberations, and make sure, as you should do anyway, that  
24 there is a vote taken on the record, and that you're not one of  
25 the voters.

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Now, none of this is meant really to chill your participation in this group. It's only meant to warn you of a potential pitfall. And if all else fails, you're going to avoid that pitfall if you simply don't participate in matters that may have a direct financial impact. If you do that, you're going to stay in the center of the statute, and you're going to avoid all that muddle on the margins.

Now, we're going to be available either individually or in a group forum to help anybody that may have questions. I'll be here today. I'll be here at the future meetings if you want me. It's entirely up to you. You can call me directly if you have a personal question. It would probably be better though to go through Doug. Either way is -- is acceptable. If -- if you have any -- don't have any questions now, that's all I have at this time.

MR. McCUNE: Ah, shoot. How do you define that financial interest .....

MR. GOLTZ: All right. Okay.

MR. McCUNE: Let's say, for example, I'm a commercial fisherman, .....

MR. GOLTZ: Right.

MR. McCUNE: ..... and -- and I am for a restoration project that enhances fish in Prince William Sound. Well, that will benefit a whole group of people besides myself, but it also would benefit me if I went fishing in that area where those fish decide to come back. Is that -- is that

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a conflict of interest or not?

1                   MR. GOLTZ: We think not. We think that what  
2 we're talking about here is a direct financial interest. If  
3 you owned a piece of property on the Sound and one of the  
4 proposals was for purchasing that piece of property, you should  
5 get out of that deliberation. There probably will be some  
6 areas where it's simply not all that clear. Maybe an  
7 enhancement project in your district in a very confined area  
8 that you personally fish. I think that's the kind of case you  
9 might want to discuss on a one-to-one basis.

10                   You have to consider the -- the criminal code, I think  
11 you also have to consider in a more general sense how your  
12 participation is likely to be perceived by people who might not  
13 share your point of view.

14                   You're -- you're already getting me away from the  
15 center of the Statute, and I'm sure we're going to get there  
16 quickly. My number is 271-4131. You can call me, or I can  
17 come down here, or I can stay here.

18                   You might not -- I think until you actually sit down  
19 and look at a proposal, you aren't going to know whether you  
20 should excuse yourself or not. If it was me, and I saw a  
21 proposal that triggered a bell in my head, I probably wouldn't  
22 push that line very far. I'd probably excuse myself right  
23 away. It's a pretty disparate group, and I think that there's  
24 going to be enough discussion without you, and I -- frankly I  
25 wouldn't take much of a risk myself.

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MS. BRODIE: This is a similar question to  
1 Mr. McCune's, and that's it would seem to me that, for  
2 instance, for forest products and native landowner interests  
3 couldn't help but have some things come up that are potentially  
4 conflicts of interest to them, and so it's a question of how  
5 broadly it's interpreted. Does that mean that anything having  
6 to do with habitat acquisition would be a conflict, or is it  
7 only purchase of habitat where they own the land or the timber  
8 rights?

9 MR. GOLTZ: Well, I'm not -- I'm not going to  
10 be able to tell you exactly where that line is. The statute  
11 isn't that well drawn. The statute requires us to have a broad  
12 representation of all interests, and in this context, I would  
13 certainly argue that tourism and forest products and landowners  
14 and commercial fishing could hardly be excluded and still have  
15 a credible advisory committee.

16 As to the -- how you approach an individual project, I  
17 think you have to take a look at direct financial impact, and -  
18 - and how direct, I think is a matter of judgment and in large  
19 major -- measure, that's the individual's judgment. I'm  
20 certainly willing to assist in that, but I think that as the  
21 group evolves, you'll probably get a collective sense of when  
22 somebody should come in and when somebody should come out. And  
23 I think it would not be useful to set down very precisely rules  
24 at this point, because you want to start with the whole, and  
25 not start excluding people right at the very beginning. At

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least that's my personal opinion.

1 MS. FISCHER: The question that I have would be  
2 on the Open Meetings Act. I know in Fairbanks they ruled now  
3 where no more than one person can meet at a time. Are we  
4 included in that, or like if we come in the night before and  
5 decided to get together, would we be covered under the  
6 announcements, since we're going to have a meeting the next  
7 day?

8 MR. GOLTZ: I was hoping that the State  
9 Attorney would stick around.

10 MS. FISCHER: Because that's become a real  
11 sticky problem here in the State.

12 MR. GOLTZ: That's a State statute. You're  
13 probably subject to that, too, even though this is a Federal  
14 committee, it has State participants, and -- and they are  
15 bound.

16 I don't know the answer to that question.

17 MR. CLOUD: Well, wouldn't there be a  
18 distinction between the Trustees themselves holding a meeting  
19 and a public advisory group talking amongst each other?

20 MR. GOLTZ: There may be. I don't -- I don't  
21 want to speak for the State. I can find out. That may very  
22 well be the distinction. You aren't decision-makers. You are  
23 advisers.

24 Yeah?

25 DR. FRENCH: Yeah. We have what we call a

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Restoration Council in Kodiak, and both Rick and I are members  
1 of it, and it does go by both meetings.

2 But if we either volunteered to or -- or were asked to  
3 present information on the Public Advisory Group, and solicited  
4 input from that group, would be violating the Open Meetings  
5 Statute on that?

6 MR. GOLTZ: No, frankly I -- no, I don't think  
7 so. You're -- you're talking about meeting with a third  
8 entity, .....

9 DR. FRENCH: Yeah.

10 MR. GOLTZ: ..... and I think that's probably  
11 part of your charge, to communicate with a constituency.

12 DR. FRENCH: Okay. That -- I was -- I was  
13 hoping that would be the answer, but, yeah, good.

14 MR. GOLTZ: The one thing you do -- you want to  
15 avoid, start -- starting pos- -- creating a posture of you as  
16 expert, even though you may be, you're not here for that  
17 purpose. You're here to represent broader views. Hopefully,  
18 there's enough concentric circles here that by drawing them  
19 around all of these views, we've included the entire public.  
20 That's the idea of this. If there are any holes in it that  
21 show up, you should let us know that, because we -- we may want  
22 to broaden this and -- and re-do the charter.

23 This is -- and I think Charlie Cole gave a very  
24 incisive statement of -- of what this is. This is a funnel  
25 from the public into a relatively new group. It's democracy in

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action. I'm sure it's -- you're going to find it untidy, but  
1 democracy always has been.

2 MR. TOTEMOFF: As far as defining the edges on  
3 this, and not participating in any decision-making process,  
4 where -- where is that line drawn? When it comes times to vote  
5 or are we allowed to go out and do fact finding and actual --  
6 actually bringing in the projects and input from our respective  
7 interest groups?

8 MR. GOLTZ: I think what you want to avoid is  
9 the perception that you got this seat to enhance your personal  
10 well-being, your personal financial well-being. Anything that  
11 might add to that perception should be an alarm bell. Now, I -  
12 - frankly I don't think that alarm bell rings as long as you  
13 speak in tones that include all native landowners, or  
14 Mr. Phillips speaks in ways that include all commercial  
15 tourism. I don't think that's what these statutes were  
16 intended to avoid. They're really at bottom line intended to  
17 avoid tainting the decision-making process with personal  
18 financial motivations. The ball you want to keep your eye on  
19 is representing the group, and the ball you want to avoid is --  
20 is the green one in your pocket.

21 MR. MUTTER: Any other questions?

22 MR. GOLTZ: I don't think this is going to be a  
23 real large problem, except in a couple of cases maybe for you  
24 and maybe for forest products, as far as I know. I mean, I  
25 looked down at some of the projects, and I -- I think you have

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to be aware of it, you have to keep it in you mind, but it  
1 shouldn't become such a tumor that you can't do the work.

2 You're -- you're here to do the work and represent a group.

3 MR. MUTTER: One of the things you need to take  
4 a look at in the operating procedures, or the -- is the process  
5 for voting and how you want to do that, too, and that -- that  
6 should be on the agenda for the next meeting.

7 Any other questions of Keith?

8 MR. GOLTZ: If there aren't any others, I'm  
9 going to seek opportunities to be silent, but I will be in the  
10 back of the room.

11 MR. MUTTER: Yes?

12 MS. BRODIE: Is there an agenda for today's  
13 meeting? This is an agenda for the next meeting, correct?

14 MR. MUTTER: You should have one in your white  
15 -- didn't you get a -- did you get an agenda in the mail?

16 MR. CLOUD: It came in the mail.

17 MR. MUTTER: Here's one.

18 MS. BRODIE: No, I -- I didn't get that. This  
19 is -- this is an extra?

20 UNIDENTIFIED: There's -- there's some on the  
21 table. She's getting them.

22 MR. DIEHL: They're out on the table.

23 MR. MUTTER: There's some extra copies out on  
24 the table by the coffee.

25 UNIDENTIFIED: Yeah, she's getting them.

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MR. MUTTER: Okay.

1 MS. EVANS: Does anybody else need one?

2 MR. MUTTER: One -- one thing you ought to take  
3 a look at is make sure we've got telephone numbers, addresses  
4 and so on for each of you correct in your notebook. If -- if  
5 there's anything to be changed, why let me know and I'll take  
6 care of that.

7 MS. FISCHER: Yeah, should we let you know now  
8 or after the meeting or what?

9 MR. MUTTER: How about after the meeting?

10 MS. FISCHER: Okay.

11 MR. MUTTER: Okay. Well, at this time I wanted  
12 to turn the meeting over to Dave Gibbons, who's the interim  
13 Administrative Director of the Restoration Team, however I  
14 understand he got stuck in Yakutat or Juneau. He's been out  
15 moose hunting and couldn't make it in today. And I notice that  
16 his stand-in, Mr. Broderson, has conveniently stepped away from  
17 the table.

18 MS. RUTHERFORD: Mr. Broderson to -- to try to  
19 get ahold of Alex Swiderski from the Department of Law to try  
20 to determine an answer to your question about the State's Open  
21 Meetings Act, so .....

22 MR. MUTTER: Okay.

23 MS. RUTHERFORD: ..... we don't want to keep  
24 you holding until the next meeting, and then .....

25 MR. MUTTER: Well, at that -- at this time what

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I think would be appropriate to do would be for the Restoration  
1 Team to introduce themselves and give you a little information  
2 about their background. They're -- they're now at the table,  
3 so if we could start with you, Ken?

4 MR. RICE: I'm Ken Rice. I'm the Department of  
5 Agriculture representative for Mike Barton. I'd like to pass  
6 on that Mike had to go to Washington, D.C. to talk with his  
7 boss today, and was unable to be here to welcome the Public  
8 Advisory Group into existence.

9 I have a background in -- in wildlife management and a  
10 number of years of experience in -- in resource management with  
11 the Forest Service. And I'm glad to meet you.

12 MS. RUTHERFORD: I'm Marty Rutherford. I'm --  
13 I am Charlie Cole's designate on the Restoration Team, however,  
14 I'm a strange duck in that I'm an employee of the Department of  
15 Natural Resources. Since the Department of Natural Resources  
16 is not present on the Trustee Council, I serve as that  
17 coordination for them. I have a background in political  
18 science; I was Deputy Commission of the Department of Community  
19 and Regional Affairs and Director there for nine years. I'm  
20 looking forward to working with you folks; I've only been a  
21 part of this project, myself, since December, unlike most of  
22 these folks who have been involved prior to the Settlement, so  
23 I'm still on somewhat of a learning curve myself.

24 MS. BERGMANN: Hi, my name is Pamela Bergmann,  
25 and I'm the Department of Interior representative to the

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Restoration Team, and I'd also like to welcome everyone, and  
1 indicate that we're looking forward to working with you. I,  
2 like Marty, am one of the newcomers to the group, I have just  
3 been in the Settlement since la- -- well, actually, the NRDA  
4 part of the Oil Spill since last October; however, I was  
5 involved in the response portion of the Spill since March 24th,  
6 1989. I work for an office called the Office of Environmental  
7 Affairs, which is part of the Office of the Secretary for the  
8 Department of Interior, which is located here in Anchorage. I  
9 have, also, been very active in the Alaska Regional Response  
10 Team, which is the group of federal and state agencies that do  
11 contingency planning for oil spills and oil spill response.  
12 I've been real active in developing guidelines for protecting  
13 wildlife resources following the Oil Spill. And my background  
14 is in social science, which is a little bit different than a  
15 lot of the other folks on the Trustee Council and the  
16 Restoration Team.

17 DR. MONTAGUE: Thanks, Pam. My name is Jerome  
18 Montague, I represent Carl Rosier and the Alaska Department of  
19 Fish & Game on the Restoration Team. My background is an  
20 ecologist, until recently, I was Director of the Oil Spill  
21 Impact Assessment & Restoration Division, which is combined,  
22 recently, with our Habitat Division and a new division is about  
23 to be named; the Habitat & Restoration Division, and I'll be  
24 chief of Restoration in that new division. And since we all  
25 read the Settlement in October, the development of the Public

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Advisory Group, last year, has been on our minds frequently,  
1 and it's been a long process getting you here, and as I'm sure  
2 you'll find, everything we do is a pretty long process. But  
3 welcome and it's nice to have the litigation bans lifted and  
4 have the public involved.

5 MR. MORRIS: I'm Byron Morris, I represent  
6 Steve Pennoyer from the National Fishery Service and NOAA on  
7 the Restoration Team. My background on biology-- Ph.D. in  
8 biological oceanography. Prior to the Spill, I worked in OCS  
9 Oil & Gas leasing programs for NOAA, and prior to that, the  
10 environmental studies programming the Bureau of Land Management  
11 conducted in the State in '77 through '80 is when I was with  
12 them. I'm the old man of the group, I've been on this job  
13 since -- in more ways than one -- since April of '89, and I've  
14 been partly responsible for the Yellow Book, Pink Book, Buff  
15 Book, Green Book and now the Periwinkle Book.

16 MR. BRODERSON: My turn?

17 UNIDENTIFIED VOICE: Okay.

18 MR. BRODERSON: I'm Mark Broderon with  
19 Environmental Conservation. Excuse me for dropping out there,  
20 though, when I went to talk to the State lawyers to find out  
21 about the Open Meetings Act and see if we could get some  
22 clarification. So, before I get into myself, I'd like to do  
23 that one. Craig Tillery from the Department of Law suggests  
24 that what you all do in terms of conduct between now and the  
25 next meeting is that it's fine to talk to each other, but don't

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1 come to any decisions amongst yourselves out of the public  
2 arena here, no vote trading, et cetera, and that you should be  
3 fine. That he will give you a better guidance than that at  
4 either the next meeting or prior to that via mailing, and that  
5 should all -- keep all of you out of trouble on that issue.  
6 He's not sure if it applies or not, and we'll let you know  
7 formally soon.

8 Now, back to me, I've spent some time with DEC in the  
9 '70s. I'm an oceanographer by trade, got tired of government,  
10 went commercial fishing for 11 years, had a friend of mine at  
11 DEC call me up one day and said I wasn't doing my bit for the  
12 State of Alaska, the Oil Spill had occurred, and I needed to  
13 come back and work on it, so that's what I've been doing for  
14 the last two and a half years, and I plan to go back to fishing  
15 as soon as this over. So .....

16 MS. BRODIE: In another 10 years.

17 MR. BRODERSON: In another 10 years, yes, God  
18 forbid; but although, there is money coming in for the year  
19 2001, which we'll get into shortly. I guess that's enough  
20 about me.

21 MR. MUTTER: Mark, I'm going to turn the agenda  
22 over to you.

23 MR. BRODERSON: Okay.

24 MR. MUTTER: Have at it.

25 MR. BRODERSON: I guess you all heard that Dave  
26 Gibbons, unfortunately, was unable to be here, and I consider

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100  
that unfortunate, also, since I now get to run the meeting. He  
1 extends his apologies, he spent most of yesterday trying to get  
2 into Juneau to get up here today, and finally got into Juneau  
3 today and figured the heck with all of this, he was going to  
4 stay there since he couldn't get here in time today to help.  
5 Since we're running a little behind and we do want to get into  
6 the meat of this, I thought we could skip over the brief  
7 history and the Court agreement since the Attorney General  
8 basically covered that this morning. If there are any  
9 questions, we could certainly come back to it, but we'll skip  
10 over that and get down to the part that I'm sure is near and  
11 dear to everyone's heart, which is money; and that's my one  
12 section which I will try and get out of the way quickly, and  
13 then we get onto the other parts of it. I have a couple of  
14 handouts here for folks that I created late last night, so it's  
15 not in your books and you'll all need to put it in your books,  
16 if you don't mind. Pass some that way and the majority of it  
17 this way.

18 UNIDENTIFIED VOICE: Where does it go in the  
19 booklet?

20 MR. BRODERSON: Pardon?

21 UNIDENTIFIED VOICE: Where does it go in the  
22 book?

23 MR. BRODERSON: I looked and I couldn't figure  
24 it out, so hopefully, somebody else is smarter than I am.

25 (Off record comments)

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MR. BRODERSON: The first one you see is a nice

1 stair-step, which is intended to give you an idea of when the  
2 money comes in and the amounts that we receive, and it's, more  
3 or less, self-explanatory. We're coming up on the 150 million  
4 dollar payment to be paid December 1st of 1992. The next  
5 payment, in September 1st of '93, is 100 million dollars; and  
6 then, every year after that, on September 1st, we pick up 70  
7 million through the year 2001, which comes up to a nice round  
8 number of 900 million.

9 The other page here is an attempt to show, roughly,  
10 where we are now with the cash on-hand. The first line up  
11 there in 12/9/91, Exxon made its first payment of 100 million  
12 dollars. I'm used to thinking in thousands, but this  
13 particular table is in millions. It gives an idea of the  
14 magnitude of this whole project, that one does use millions  
15 rather than thousands. In 12/9 of '91, part of the 100 million  
16 went for reimbursements, as the Attorney General talked about  
17 this morning; that was 54.5 million. The '92 Work Plan was  
18 19.3 million, that has not all been expended, but I, for  
19 purposes of this discussion, will assume it is. The next  
20 payment coming in from Exxon on December 1st is 150 million,  
21 out of that monies, Exxon gets part of it back; actually, they  
22 never pay us. The estimates that I have heard have ranged from  
23 40 to 50 million dollars, this is for cleanup both this summer  
24 and last summer. And so for purposes of discussion, to give  
25 you some idea of the money we're talking about, I've just put

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45 million down here; it could be more, it could be less, but  
1 it's in that ballpark.

2           The Blue Book, I'm unfortunately not an artist and so  
3 periwinkle just leaves me cold. The Blue Book there is  
4 currently at a value of 37.8 million dollars, that's not been  
5 approved by the Trustee Council, but again, I was trying to get  
6 some order of magnitude down here for you all to look at to see  
7 the cash on-hand. Let's see, where are we on this? Which  
8 leaves 93.4 in the account balance in the court registry at  
9 this point. There will be some reimbursement probably comes  
10 out of this this year, also, on the December 1st payment. It  
11 has not been determined yet, to the best of my knowledge, if  
12 you want to draw your own conclusion, I'd use the 54.5 number  
13 again this year as last year, at least that's what I heard the  
14 Attorney General say this morning, for purposes of discussion.  
15 If -- my understanding is is that if we find we need more  
16 money than that, then we won't take that full amount of  
17 reimbursement, but that's a decision that has not yet been  
18 made. And so, I've put a question mark there, it's idle  
19 speculation on my part to go any farther than I have on that.

20           The next payment -- so, basically, what we have here,  
21 after you've paid for the '93 Work Plan, and if you assume  
22 54.5, you've still got in the neighborhood of 40 million  
23 dollars sitting in the Joint Trust Fund. So, there's the money  
24 that we have in-hand now. A year from now, we'll get another  
25 100 million from Exxon, and then 70 million dollars every year

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after that through 2001.

1 Any questions on that?

2 MS. BENTON: Are we ever going to know a total  
3 figure for the question mark for what's actually been spent by  
4 the Agencies that needs to be reimbursed?

5 MR. BRODERSON: Yeah. The question mark for  
6 this year will be determined shortly.

7 MS. BENTON: I understand that. But what's  
8 really owed .....

9 MR. BRODERSON: In terms of the total  
10 reimbursement, there's actually a little footnote down here  
11 where I tried not to get into it 'cause I was trying to save  
12 time, but if folks want to, we can go into that and spend a  
13 little time on that, and I'll wave my hands and you'll realize  
14 I haven't told you any more than when I started. But there are  
15 two solid numbers, one in the Settlement is 67 million for the  
16 Federal Government and 75 million for the State Government  
17 through -- well, there's two different time periods -- but  
18 essentially, through January 1st, 1991 -- or is it -- yeah,  
19 January 1st, 1991 for the litigation, for cleanup and for  
20 damage assessment and restoration up through that time. The  
21 periods that are fuzzy are the periods since then to now.

22 The damage assessment and restoration is a fixed  
23 period, we'll have a handle on that one in the next few months.  
24 The litigation is ongoing, it's got a cap on it of a million  
25 dollars a month, it can't exceed that under terms of the

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Settlement and it cannot exceed 40 million dollars total. I --

1 closer than that, I just flat out don't know.

2 On cleanup costs, cleanup is, essentially, over.

3 Another one of my tasks is to close that one out on the State  
4 side, we're down to two people full-time and two people part-  
5 time currently still working on cleanup; so, we're not spending  
6 very much money there any more. We'll have a number on that  
7 one , I suspect, in about six months. So, it's coming, we just  
8 don't have it right now. And in terms of spending out of the  
9 Settlement, there's very little being expended any more, it's  
10 strictly past expenditures that have already occurred.

11 Yeah, Pam.

12 MS. BRODIE: Has there been any kind of  
13 auditing of the money already spend; and if not, will that  
14 happen automatically or how does it happen; how is that  
15 decision made?

16 MR. BRODERSON: On the monies that Exxon has  
17 spent, the Coast Guard is about two days away from finishing an  
18 audit of that; they've been back in Houston for about three  
19 months doing a very careful audit of that one. The monies on  
20 the State side have been audited through a contractor that we  
21 have down in Seattle, and that's how we're taking care of our  
22 costs. And I don't know how they're being done on the Federal  
23 side. Does anybody know on the Federal side, in terms of  
24 pulling together the State -- or the Federal reimbursement  
25 charges?

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So, on the numbers, the 67 million and the 75 million  
1 dollars, on those two numbers, auditing is not necessary; that  
2 was done as part of the Settlement, that the two sides -- the  
3 two governments satisfied themselves that the other government  
4 was giving them a valid number. And so, my understanding is is  
5 that there will not be further auditing of those amounts.

6 The amounts since the 1st of January, '91, I believe  
7 that there is negotiations going on as to what type of auditing  
8 should be done on that to satisfy each other's curiosity about  
9 the other's numbers. But that's the extent of my knowledge on  
10 that subject.

11 MS. BRODIE: How can we or other members of the  
12 public get more information about how that 67 million and 75  
13 million dollars was, in fact, spent?

14 MR. BRODERSON: It's -- yeah, it's a negotiated  
15 figure between the two governments, and I think that's .....

16 MS. BRODIE: Because the reason I push  
17 this .....

18 MR. BRODERSON: Um-hum.

19 MS. BRODIE: ..... is because it is money that  
20 comes out of the Settlement.

21 MR. BRODERSON: Right.

22 MS. BRODIE: And so, it's money that can't be  
23 spent on restoration.

24 MR. BRODERSON: Well, except when the  
25 Settlement amount -- total Settlement amount was determined,

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these two numbers were taken into account to make the  
1 Settlement number high enough to account for those numbers.  
2 And they're negotiated amounts, and I don't think that there's  
3 any more information available on it, but I could certainly ask  
4 and try and find out.

5 MS. BRODIE: Our objection, ever since the  
6 Settlement, has been that we didn't feel it really was a  
7 billion dollars, it's called a billion dollars. But because  
8 there were these automatic -- for several reasons, including  
9 the fact that these things were automatically taken out, we  
10 didn't feel that that should be counted as part of the  
11 Settlement. And there's -- we've never felt we had a handle on  
12 what happened to that money.

13 MR. BRODERSON: Well, it's part of the  
14 Settlement, it's not, necessarily, going to restoration. The  
15 Settlement was to pay for both restoration and the cleanup  
16 costs and damage assessment costs that the governments  
17 incurred. For these monies to be let go and not collected by  
18 the governments is injurious to taxpayers outside of the Spill  
19 .....

20 MS. BRODIE: No.

21 MR. BRODERSON: ..... affected area, so .....

22 MS. BRODIE: No. I didn't mean to imply that,  
23 but just that there's a difference between court costs and what  
24 you're getting as compensation for your damages. So, that  
25 these were part of our court costs rather than -- I don't want

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to get into this too much, it's just that we're looking for  
1 more information on that.

2 MR. BRODERSON: I think the answer -- .....

3 MS. BRODIE: Yeah.

4 MR. BRODERSON: I don't know how to get you  
5 more information on that one, I don't have it.

6 MS. BRODIE: Okay.

7 UNIDENTIFIED VOICE: Walt Jerrad (ph) may know  
8 the Federal procedures for accounting on this.

9 UNIDENTIFIED VOICE: Well, the Federal  
10 Government now is in the process of trying to collect all its  
11 costs, and we're hoping to have that pulled together by some  
12 time early '93 of what those costs are going to be for that  
13 second period of time.

14 MR. BRODERSON: Back on -- one thing I should  
15 mention on the 75 million, it's not an automatic thing that the  
16 Government has to take it. The numbers that I've been hearing  
17 lately on the State side is that we're, actually, only going to  
18 request about 72 rather than the 75. That whomever is doing  
19 the accounting, as I say, we have a private contractor doing it  
20 for us, we're only going to take the amount that we actually  
21 expend, that is opposed to the amount that we actually could  
22 take. And the number that I was given about three days ago is  
23 that it will be somewhere in the neighborhood of 72 million not  
24 75 million.

25 Yeah, Pam.

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MS. BERGMANN: On the response side for those  
1 costs, those all ended up going through the Coast Guard for  
2 approval and verification. And there had to be approval ahead  
3 of time before any expenditures were made, that you couldn't  
4 just go out and do whatever, and then go to the Coast Guard and  
5 say by the way, here's a bill for this. So, those were all  
6 pre-approved ahead of time, and then all of that financial  
7 information went through one office within the Coast Guard,  
8 through their own accounting people to make sure that they  
9 agreed that those were fair costs for reimbursement for  
10 response. So, I recall, somewhere along the way, that there  
11 was some sort of OMB or someone was working on an audit of  
12 those costs. I can't speak to the costs that were incurred on  
13 the NRDA studies, and that was before I was really part of this  
14 group, and I don't know how that piece was handled. But at  
15 least, on the response side, there was a requirement that the  
16 Coast Guard put forward the people -- you know, hoops that the  
17 people had to jump through or agencies had to jump through in  
18 order get those costs approved.

19 MR. BRODERSON: For the .....

20 DR. MONTAGUE: The damage assessment studies,  
21 the costs are very straightforward, they're all in the Work  
22 Plan books, the actual budgets that were approved for each  
23 agency to spend. They can be reimbursed up to the amount they  
24 were authorized, not for over-expenditures. But we don't know,  
25 until we do the accounting, whether they spent the full amount

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they were authorized to spend. But the authorized budgets for  
1 the damage assessment effort are contained in each of those  
2 year's study plans.

3 MR. BRODERSON: I should mention that what Pam  
4 was talking about there in terms of the Coast Guard authorizing  
5 those for the Federal side, the State had a similar person, in  
6 terms of the State on-scene coordinator, that had to approve  
7 all State expenditures.

8 MS. BRODIE: What I'm trying to get at with  
9 these questions is that I get anecdotal remarks from people,  
10 and I don't know how to judge them; that say well, some of  
11 these studies are costing more than they should, they could be  
12 done more cheaply than this, and maybe that's not true, I don't  
13 know. But if I look at a study and it says so much for  
14 personnel and so much for travel, I don't know how to interpret  
15 that. I don't think the Trustees know how to interpret whether  
16 these are appropriate costs. And even if you give us all the  
17 information, it doesn't mean we're going to be able to be able  
18 to judge it. And I'm hoping we can have some people who do  
19 know how to compare these with what is normally spent for this  
20 kind of study to give us some judgment. And what's past, you  
21 know, we can't really get that money back, but in terms of the  
22 1993 study, we look at this Work Plan, it says it's going to  
23 cost so much, and I'd like some expert, outside the agency  
24 expert, input into whether these studies can be done  
25 competently for less money.

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MR. BRODERSON: Should I try that or does  
1 somebody else want to answer it?

2 DR. MONTAGUE: In terms of studies, and that  
3 was the example you gave, Dr. Spies and the peer reviewers are  
4 research experts outside the agency. They comment to us on,  
5 you know, the cost effectiveness of a project, and I'm sure  
6 they would give you their opinions on them. And they may not -  
7 - you know, they may not agree with what's in the Blue Book at  
8 the moment, but they'll give you their opinion.

9 MR. BRODERSON: As valuable as this  
10 conversation is, we are getting off of the agenda, and perhaps,  
11 we need to save this for the next session. Hello? Do you want  
12 to ask one more question after I've said that?

13 DR. FRENCH: No. I just wanted to present the  
14 opposite side of the issue, and that is that, of course, you're  
15 probably all very well aware that when you force the University  
16 to under-recover the actual costs on projects that .....

17 MR. BRODERSON: They have (ph) 50%, I don't see  
18 what the problem is.

19 DR. FRENCH: You're putting forward a position  
20 of under-recovery of several million dollars, and you're well  
21 aware of it, and those costs are being passed on and borne by  
22 the students and the users of the University system when those  
23 monies cannot be recovered.

24 MR. BRODERSON: Yes. Excuse me for being so  
25 flip there, I'm sorry. So, anyway, we probably should get back

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to the .....

1 DR. FRENCH: ONR has audited those under those  
2 numbers, by the way.

3 MR. BRODERSON: Yeah. We probably should get  
4 back to the agenda here to get through and try and put all of  
5 this in some kind of context in terms of the Restoration Plan  
6 and the Environmental Impact Statement, et cetera; and then,  
7 perhaps, the questions could be asked either at the end of this  
8 or at the next session.

9 I sus- -- let's see, according to the agenda here,  
10 we're supposed to drop on to Public Involvement here, which  
11 Marty Rutherford's going to address.

12 MS. RUTHERFORD: I apologize for not being here  
13 this morning, I was pulled into a meeting with the Governor,  
14 but Doug allowed me to roll the role of the Public Advisory  
15 Group and the public participation discussion together. I  
16 understand that the Trustees did spend some time talking about  
17 the role, but I think it's worthwhile to just briefly go  
18 through it one more time.

19 The role of the Public Advisory Group -- and if it's  
20 all right with you, I think I'll use the acronym, the PAG,  
21 because pretty soon -- in fact, you're going to hear a lot of  
22 acronyms, we're going to -- RT, Restoration Team; NRDA, which I  
23 heard several people say, Natural Resource Damage Assessment.  
24 It took me six months to figure it out, I think we probably  
25 should give you guys a list of them, it'll help in the long

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run.

1 But the role of the PAG is laid out in the Charter that  
2 was approved by the Trustee Council and signed by the Secretary  
3 of Interior this month; it was actually amended and resigned.  
4 By the way, the Charter is located in your Volume Number 1,  
5 Section 4(B). Doug Mutter, your designated Federal officer,  
6 has also provided some of the very same information in that  
7 document that's called Background & Guidelines; it's also in  
8 Section 4(C); and where it talks about duties, it's on Page 6.

9 And the Duty Statement is pretty straightforward; it indicates  
10 that the Public Advisory Group shall advise the Trustee Council  
11 on all decisions relating to injury assessment, restoration  
12 activities or other use of natural resource damage recoveries,  
13 including the planning for, the evaluation of and allocation of  
14 available funds; the planning for, evaluation of and conduct of  
15 injury assessments; the planning for, evaluation of and conduct  
16 of restoration activities and the coordination of all those  
17 three.

18 Of these four tasks, the -- by far and away the most  
19 important in our opinion is the planning for, evaluation of and  
20 conduct of restoration activities. It's through working  
21 together on this task that we'll find a way to make Alaska  
22 whole, to make the affected areas as much like they were prior  
23 to March 24th, 1989 as is humanly possible. The other duties  
24 should be subordinate to this primary concern, and I believe  
25 that's probably true for all of us.

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1 Towards this goal, the Public Advisory Group itself  
2 will be involved with the development of the Draft Restoration  
3 Plan, and eventually, the Final Restoration Plan; as well,  
4 secondarily, as the review of the '93 Work Plan, the  
5 development and review of the '94 Work Plan, the monitoring  
6 program for the damage resources. You will also -- and I think  
7 this is equally as important, you will facilitate, and as  
8 Charlie says, you'll be the funnel; you'll facilitate the  
9 process of working with your constituencies in insuring that  
10 they understand, and participate and have input to all of these  
11 products.

12 However, your responsibilities of working with the  
13 public are shared ones. The Trustee Council itself and the  
14 Restoration Team will also continue to hold public meetings and  
15 hearings concerning the very same issues that I mentioned  
16 before. It's through this combined effort that we hope to  
17 develop an excellent public participation program, I don't  
18 think anyone would argue that we haven't had one to date. It  
19 will, however, require very good coordination, and we're really  
20 committed to that; in fact, we're really excited about you're  
21 being seated today. We're looking for some significant  
22 improvement in this area.

23 I, also, want to tell you a little bit about what's  
24 been happening to date concerning public involvement, and a bit  
25 about the group that's called the Public Participation Work  
26 Group and its tasks. As you're all aware, the Trustee Council

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has held many public meetings itself, beginning with its  
1 December 5th, 1991 organizational meeting which set up the  
2 operating structure for the post-Settlement activities. I,  
3 also, know that you were informed that with the exception of  
4 some discussions on confidential personnel matters, all of  
5 these meetings have been open meetings, and that practice has  
6 now been formalized in Alaska Statute; I think it's S.B. 478.  
7 Most of these meetings have utilized the State Legislative  
8 teleconference facilities which allows you to participate with  
9 all the remote sites, and I'm sure you'll probably want to  
10 consider that yourselves, in the future.

11 In addition, since December of '91, two series of  
12 statewide public hearing have been conducted by the Restoration  
13 Team on behalf of the Trustee Council. The purpose of the  
14 first series, which was held in January and February of this  
15 year, was to solicit comments regarding the public  
16 participation in the injury assessment and restoration process.  
17 These meetings were held throughout the affected area, and it  
18 was Anchorage, Juneau, Chenega Bay, Cordova, Fairbanks,  
19 Tatitlek, Homer, Seward and so forth; all throughout the  
20 affected area, including Juneau, Anchorage and Fairbanks. The  
21 comments from these meetings were then evaluated, and  
22 recommendations were provided to the Trustee Council regarding  
23 the role, the structure and the operating procedures for the  
24 Public Advisory Group.

25 The second series of meetings were held in April and

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May of this year, and provided the public with an opportunity  
 1 to comment on the Restoration Framework. It also included an  
 2 opportunity for them to comment on the '92 Draft Work Plan;  
 3 however, they had just received it, so that was a little bit of  
 4 sharing of what was in and some response back; we got most of  
 5 those through the mails, however. And finally, the last thing  
 6 we dealt with as part of that series was the composition of the  
 7 Public Advisory Group. Again, the hearings were held  
 8 throughout the affected area and in Anchorage, Fairbanks and  
 9 Juneau.

10 As a bit of general information, all the papers that  
 11 are discussed during the Trustee Council meetings are provided  
 12 to the public either at the meetings or through the Oil Spill  
 13 Public Information Center, which we call OSPIC, another  
 14 acronym; it's located right across the hall here in this  
 15 building. A transcript of each meeting is made and is also  
 16 publicly available. In addition, in early June of this year,  
 17 the Trustee Council decided to make available to the public,  
 18 through, again, OSPIC, the Natural Resource Damage Assessment,  
 19 again NRDA, scientific studies, including their interim and  
 20 final reports and their detailed study plans. I think  
 21 additional copies of these were provided to libraries  
 22 throughout the State and, I believe, around the country. As  
 23 new study information or as new reports are made available from  
 24 ongoing studies, these will also be added to OSPIC and made  
 25 available.

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Now, a little bit about who and what the Public Participation Work Group is. This is a work group that was set up through the administrative function and consists of five people; Ken Rice of the Forest Service, and is on the Restoration Team, is on it; Peg Carrer (ph) with the Alaska Department of Fish & Game; L.J. Evans, who's seated right back there in the green, who you probably all have met or I'm sure you will get to know well, she serves as the Public Outreach person working for Dave Gibbons as part of this administrative function; Sandra Rabinowich (ph), who's seated right next to her is with the National Park Service and is also part of the restoration process; and I serve as Chair.

This group had the task of developing the structure and the process for advertising and choosing the Public Advisory Group members. We developed the Draft Public Advisory Group Operating Procedures. We assisted the Restoration Team with the two sets of public hearings that were held to date. And we helped develop the handouts and text describing the issues that were provided at those meetings.

The Work Group will continue on and end its function, hopefully, in March of this year. This year's tasks, which are in -- noted in the Blue Book, as all the Work Group tasks are noted in the Periwinkle Blue '94 Work -- '93 Work Plan Work Group Book. This year's tasks include coordination with you, the Public Advisory Group, concerning public hearings that will be held by yourselves, the Restoration Team and the Trustee

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Council. We are to assist the Restoration Team and the Trustee  
 1 Council with organizing their public hearings; review the  
 2 public information or public participation element of the Draft  
 3 Restoration Plan, once it's developed; define the goals,  
 4 objectives and strategies of public participation, which we'll,  
 5 hopefully, look to you for some fairly significant guidance;  
 6 facilitate and review public information materials and to  
 7 define new public informational products and processes which  
 8 need to be created to improve the whole process of  
 9 communicating with the public.

10 I think that wraps up everything I want to say. I just  
 11 want to, once again, say I'm really glad you're seated and  
 12 going to be part of this, and if you have any questions about  
 13 this, I'll be glad to try to answer them.

14 MR. BRODERSON: In theory, we're supposed to  
 15 take a break now, would folks object if we pushed on for a  
 16 while, considering we got kind of a late start after lunch?  
 17 Okay. The next topic is the Restoration Plan, which is really  
 18 the reason we're all here, and without further ado, I'll turn  
 19 it over to John Strand and Bob Loffler.

20 (Off record comments)

21 MS. BRODIE: I'm sorry, I have one question  
 22 going back to the funds, and that was I think the first payment  
 23 was 90 million dollars and, yet, this says 100 million?

24 MR. BRODERSON: Did I screw it up?  
 25 (Indiscernible) about 2:00 o'clock yesterday when I did this,

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in the morning.

1 MS. BRODIE: So, I think this would change,  
2 also, the bottomline of what's available.

3 MR. BRODERSON: Okay. Yeah. I got  
4 (indiscernible - microphone off).

5 MR. STRAND: Well, thank you, Mark. I'm sure I  
6 can speak for everybody on the Restoration Planning Working  
7 Group, we're very pleased that the Public Advisory Group has  
8 been formed, and we welcome the opportunity to brief you today,  
9 and look forward to working with you in the future. Like many  
10 of the other work groups, some of which Marty spoke about just  
11 recently, each of the Trustee agencies sends a representative  
12 to the Restoration Planning Working Group. I represent the  
13 National Oceanic & Atmospheric Administration; Bob, to my left,  
14 Bob Loffler represents the Alaska Department of Environmental  
15 Conservation. Sandy Rabinowich is in the back, representing  
16 the Park Service, Department of the Interior. Art Weiner has  
17 been a long-time member of our group, representing DNR; he has  
18 now been, I think, sent to Habitats & Lands. Veronica Gilbert  
19 is not here, but she represents Department of Natural  
20 Resources. Carol Gorbicks (ph), Fish & Wildlife Service,  
21 Department of the Interior. Ray Thompson from Park Service --  
22 excuse me, from Forest Service. And Mark Fraeker (ph) from the  
23 Alaska Department of Fish & Game adds to the group.

24 As a working group, we've been in existence since, I  
25 think, January of 1990; although, we were not fully manned,

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1 that is every Trustee Council -- or every Trustee Agency having  
2 a member until about June of 1990. We've been working for two  
3 -- two and a half years there, therefore, with one goal in  
4 sight, and that's to produce the Draft Restoration Plan. And  
5 as you might expect, we're hard at work on that task at  
6 present.

7 Pending completion of a rigorous internal review of  
8 that document, I believe it's still the intent of the Trustees  
9 to publish this document in March of 1993. We, internally,  
10 will have a working draft for review sometime in December;  
11 certainly, key elements of that Restoration Plan will be  
12 available to the Public Advisory Group; perhaps, some of those  
13 will be available at your next meeting on December 2nd.

14 The presentation today will largely focus on how our  
15 planning group has approached the task of developing the  
16 Restoration Plan, with special emphasis on our current  
17 activities. Today's presentation will, also, discuss the very  
18 important role that the Public Advisory Group can play in the  
19 restoration planning process. While we only have 20 minutes  
20 today, I would ask that you consider this just an introduction  
21 to the topic of restoration planning. I know that we are,  
22 again, on your agenda for December 2nd, and we'll get into much  
23 more of the details of our efforts at that time.

24 Before I ask Bob Loffler to continue with today's  
25 presentation, I thought I would call to your attention,  
26 however, two very important documents that our group has put

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together on behalf of the Trustee Council and the Trustee  
1 Agencies. I think that each of these will provide you a good  
2 review of our planning group's activities to date, and give you  
3 a better understanding of the logic that we adopted to approach  
4 this task of producing the Draft Restoration Plan.

5 The first of these documents is the Restoration  
6 Planning Work Group summary report produced in 1990, we call  
7 this the Blue Book. It may not be in your folders just yet,  
8 but I'll make sure that Doug gets copies for your folder. This  
9 document highlights the approach that our working group took to  
10 collect ideas and concepts for how one could restore injured  
11 resources and services. And it provides, I think, a good  
12 account of the results of the workshops, and symposia and  
13 public scoping meetings that were held for that purposes.

14 The second document, I know this is in your folders, is  
15 the Restoration Framework document, produced, I believe, in  
16 April of 1992. And this will serve us -- providing a process  
17 and structure to guide the restoration of injured resources and  
18 services. It's really the blueprint and the guidebook for how  
19 we are approaching the development of the Restoration Plan.  
20 Many of the ideas and concepts that were put forth first time  
21 in this book are further developed, evaluated and better  
22 described in the Restoration Planning -- the Restoration  
23 Framework document.

24 I'll, now, ask Bob to continue today's briefing.  
25 Again, I welcome the opportunity to work with you, and we'll

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see you again on the 2nd of December. Bob.

1 MR. LOFFLER: Okay. What I would like to do is  
2 three things. I'd like to give you an introduction in the  
3 basics of the Restoration Plan, sort of what the concepts are,  
4 the mechanics, the steps. Then, I'd like to talk about  
5 involvement by the Public Advisory Group; that is, where we'd  
6 like your help, where we think you can be the most effective.  
7 And finally, give you sort of a brief schedule so you'll know,  
8 like, when you can expect to see us again, and what we'll be  
9 carrying under our arms.

10 So, with that, let me start with sort of the basics.  
11 Well, conceptually, the Restoration Plan, in concept, isn't all  
12 too complicated. It's really -- the information base for it is  
13 really three questions. Was it injured by the Spill? Is it  
14 recovering? What, if anything, can we do to help; that is,  
15 what restoration techniques exist, how effective are they?

16 Those simple questions, of course, hide a lot of  
17 complexity. And was it injured by the Spill, some places where  
18 -- some places, the information's quite good; some places, the  
19 information is not particularly good. Is it recovering? It's  
20 helpful to know if the population is declining, stable,  
21 recovering, mostly recovered or if they're continuing some  
22 lethal injuries. And on what, if anything, can we do to help  
23 is a complex question. What I'd like to do is spend on a  
24 second on this question and tell you where we came with -- how  
25 the techniques were developed that we're analyzing so far.

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Back in 1990, there was a variety of scientific and  
1 public symposia, feasibility studies, literature support,  
2 agency ideas, and they culminated in this book. This book is -  
3 - portions of it are listing of ideas for restoration. We,  
4 then -- the group, then, went out for public review. On the  
5 basis of public comments, staff evaluation. They distilled  
6 some of those ideas into categories, which are listed in here.  
7 Now, we use the term "restoration option" to be a category of  
8 techniques. So, you could list everything we could possibly do  
9 for the Spill area, but my life's too short to think of them  
10 all now; that is, they'll all come up. So, what they are is  
11 they're grouped into categories; and we use the name "options"  
12 just as a category of techniques.

13 Well, those options, some of them -- most of them are  
14 in here, they went out for public comment. There has been  
15 public comment, some staff evaluation, and they're further  
16 distilled (ph), and that's what we're looking at now. So,  
17 we're, right now, in the process of getting our information  
18 base together, being was it injured by the Spill, the status of  
19 recovery and what techniques are available the injury. And I'm  
20 including techniques to prevent further degradation,  
21 replacement techniques, the whole range. Well, in the best of  
22 all worlds, what we do is we take all the things that we wanted  
23 to do and then we'd go do them, and you wouldn't need a  
24 Restoration Plan. Unfortunately, even with quite a wealthy  
25 settlement, there's not enough money to buy all the land we

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want, to do all the techniques we want, some choices are  
1 required. The plan is the way we make those -- is both the  
2 information base and it's the way we make those choices.

3 We're, now, in the process of putting together groups  
4 of alternatives. So, let me talk for a second about what that  
5 means. And those alternatives are being sort of different  
6 combinations of choices. Since that's where we're going, let  
7 me give that a minute. We do that as a way to show the public  
8 and yourselves the choices facing the Trustees. It's to focus  
9 the public review and comment on a reasonable range of viable  
10 choices. Now, what an alternative is is it's some policies,  
11 it's a way to approach restoration, and then what techniques we  
12 should use. So, it's techniques, what we call options, groups  
13 of things that correspond to some policies needing approach.  
14 That's -- for example, it's possible to put together an  
15 alternative where most of the funding emphasizes protection;  
16 things like habitat acquisition, other protection techniques.  
17 It's possible to put together another them or another series of  
18 policies which would, of course, be more detailed when they go  
19 out to the public, certainly, after your review, that emphasize  
20 other things. But those are approaches we can use, and they're  
21 a way of showing the public the choices.

22 Some simple concepts, when we build them, are that  
23 alternatives should represent the range of significant agency  
24 and public opinion. That we want to represent that range, but  
25 don't multiply them so great as to cause confusion, that is

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shoot the three to five alternatives, and don't do things that  
 1 are dumb, which means if there's no controversy, don't create a  
 2 strong-man alternative, one that creates controversy. If  
 3 there's general agreement on some things, it's a good idea, we  
 4 might put it in awe (ph). But in any case, we have the  
 5 information base, injury, status of recovery, the effective  
 6 techniques, we're going to alternatives, different approaches,  
 7 different ways to combine them. And finally, in the future,  
 8 one will be selected, and that will be the long-range plan with  
 9 updates.

10 So, that's, I won't say Restoration Planning 101, it's  
 11 maybe Restoration Planning 1 or a half or something. But the  
 12 next portion of this is where we think where we would like your  
 13 help, where we think you can be the most effective. Well, the  
 14 first part is to help review our information base. While  
 15 believe there has been a great amount of scientific inquiry and  
 16 bright minds that have put together a lot of our information,  
 17 many of the fishermen know parts of the Spill area quite well  
 18 and may have something to add. Certainly, a lot of people  
 19 living in the villages, the kayakers, people who run tour  
 20 boats, may have ideas that weren't thought up. So, what we'd  
 21 like, is through you, to get a review of our information basis.  
 22 What we will be putting out to you is a summary of the injury  
 23 recovery and techniques. And we'd like you to take that back  
 24 and give us comments; that is comments as individuals, not  
 25 necessarily as a group; this is if someone has a good idea,

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we'd like to know it. And it's not necessary at that point for  
1 -- or it helps us to get the variety of ideas. The next part  
2 is before they go to the public to review the alternatives, and  
3 we'll like your comments on those before we decide that these  
4 are the right ones to give the public.

5 So, that's where we think you can be the most help and  
6 what we'd like your help on. The last portion of my talk is  
7 when that'll happen. Well, part of it, we're hoping to happen  
8 in December; so, in mid-December, we're hoping to have that  
9 information base as running as we can, or at least, a  
10 preliminary version. So, we'll have summaries of this to give  
11 you. If -- as my grandmother used to say, from your lips to  
12 God's ears, which is to say, we hope it'll be December 2nd, at  
13 your next meeting, we present it to you, but I can't guarantee  
14 it. We're aiming for December. And then, we'd like you to  
15 review it for -- I'm not sure, but at least a month and give  
16 your comments back. And when we'll have alternatives, I'm not  
17 quite sure, but it's got to be within the next couple of  
18 months, because we're going to put the alternatives out to the  
19 public; we're shooting for late March with public meetings in  
20 April, that's our goal.

21 So, that's where we're going, where I would like your  
22 help or where we'd like your help, and what we're going to give  
23 you. Are there questions, comments? Sure.

24 DR. FRENCH: Yeah. I have the same problem  
25 that I had this morning with Attorney General Cole's comments

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in terms of damage, finding damage. Most of your damage  
1 assessment, most of the parameters you have to deal with are  
2 those defined by the NRDA framework; those that we're allowed  
3 to measure clear, discernible damage. Take, for example, the  
4 many resources out there that we couldn't define specific  
5 damage to that we didn't really have the tools to look at the  
6 specific damage to; not we didn't know the background levels.

7 Now, as a specific example, let's take halibut. In the  
8 years since the Oil Spill, we've got a pretty good idea what  
9 the distribution and what the location of zero through three  
10 year old halibut are; and they're in fairly shallow waters,  
11 generally up in the heads of the bays where they where they  
12 were fairly effec- -- could have been fairly affected by the  
13 Oil Spill. However, the only project I know that was under the  
14 NRDA guidelines that would have attempted to was shot down  
15 before it got through the process, but that's neither here nor  
16 there. The fact is that those fish aren't going to show up as  
17 recruits in the commercial fishery or a significant  
18 contribution to the recreational fishery for at least seven  
19 more years. And, we may, 1999, come up with another  
20 undetermined and unexpected injury assessment.

21 However, before that, there should be ways that somehow  
22 we, either in the Restoration Framework, or at least, in the  
23 work plans for the upcoming years, that we might be able to  
24 look at that basis and get a better idea of whether or not  
25 we're seeing a change occurring before it actually comes to

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1 that crunch that my God, we've only got half the recruits we  
2 expected or whatever. We just don't have a lot of the  
3 background data, and you're building a Restoration Framework on  
4 sand.

5 DR. MONTAGUE: Dr. French, could I comment upon  
6 that?

7 DR. FRENCH: Yeah.

8 DR. MONTAGUE: First of all, if you're -- I  
9 mean if the only time the information could have been collected  
10 is in the past, then we're never going to get it, so we'll just  
11 have to live with not having it. If chronic injuries need  
12 effort that they're not getting now, new projects need to  
13 investigate injuries that we did not use to look at; it's open,  
14 you know, get in there.

15 DR. FRENCH: Yeah. Exactly, that's all I'm  
16 trying to get towards, that we need to keep our minds open as  
17 to what might be other areas of injuries. We don't want to get  
18 tunnel vision as to what is an established damaged resource,  
19 those do need restoration, I don't question that. But there  
20 are good possibilities that there are areas that there were  
21 damage, either chronic or, in this case, it could have even  
22 been acute, and it would have been undetected. And so we need  
23 to keep a fairly broad scope is all I'm saying. We don't want  
24 to build a Restoration Framework that -- I heard you saying  
25 and, at least, I read this Blue Book as saying, you know, we  
need a definitive definition of injury before we can even start

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on a restoration frame (ph).

1 MR. LOFFLER: I think what you're saying is not  
2 inconsistent with what we need to do. And I think part of the  
3 idea of getting your review before going to the public is  
4 finding out those glitches. But I think that would not (ph)  
5 study therefore doesn't exist is not necessarily, anyway, the  
6 model of the plan.

7 DR. FRENCH: Okay.

8 MR. STRAND: You know, in the -- as we write  
9 the plan for review, in the part of the plan that deals with  
10 implementation, I think you will see a section that captured  
11 what you're concerned about; that if new information is derived  
12 that suggests that there is injury that's not been disclosed  
13 previously, that then that becomes fair game or warrants  
14 consideration of future restoration. I think that caveat, that  
15 entree will be there, it's my understanding it will.

16 DR. FRENCH: Yeah. Okay. And with response to  
17 this past study/not study, I mean part of my whole reason --  
18 part of my whole interest in this process is attempting to get  
19 to a position where if an when another oil spill occurs, we're  
20 not back to trying to build it on exactly the same data base,  
21 that we're in the same position of having great difficulty in  
22 assessing damage. And I'm not saying you can only do it by  
23 going backwards, but I am saying if we broaden the scope of our  
24 studies and look at a broader base, we'll be in a better  
25 position next time.

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MR. STRAND: As we evolve the more  
1 comprehensive and integrated monitoring program, I think we  
2 need to capture the essence of that to look beyond just  
3 monitoring the injured -- the obviously injured species, but  
4 look more at the ecological relationships to these species to  
5 have a broader base for looking at change and a response to a  
6 disturbance in the future. I think that's possible if one  
7 properly designs the monitoring program.

8 MR. BRODERSON: Any other questions?

9 MR. KING: I'm not clear exactly on whether  
10 you're saying we need to be thinking about commenting on  
11 something that's here or something that you're going to present  
12 us in December.

13 MR. LOFFLER: I will present it. No, no. I'll  
14 present -- it will either be available at the meeting in  
15 December or we'll have to mail it to you afterwards. Actually,  
16 one quick comment is that you bring up a good -- a larger  
17 issue, which is the amount of uncertainty. And there is a  
18 large amount of uncertainty in both the damage recovery and in  
19 the effectiveness of the options of even things that were  
20 studied. And part of the challenge of the plan is making  
21 choices in the face of uncertainty.

22 MR. BRODERSON: The more -- to add to that, the  
23 more money we spend becoming certain, the less we have to  
24 repair it; and so, it's a trade-off figuring out how soon can  
25 you be comfortable with the level of information you have to go

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out and respond. It's one of the major policy questions that  
1 faces the Trustee Council, and it's one of the things that you  
2 all can be very helpful in giving them some input on when do we  
3 feel comfortable enough to expend the dollars. And it's  
4 probably a different answer for each alternative or option that  
5 we have.

6 One other, though, minor thing, some questions were  
7 asked this morning about definitions on such as equivalent  
8 resources, injury, et cetera, and draft attempts at those  
9 definitions were attempted in the framework. And for those of  
10 you who are interested in the thinking at that time, you might  
11 want to go back and look at those definitions, that we spent  
12 several months trying to come to something that was definitive.  
13 But as I say, they are still in the draft stage, but that  
14 would be a good place to start in wanting to know what  
15 constitutes direct restoration, what constitutes replacement,  
16 what constitutes acquisition of equivalent resources, is to go  
17 back and look at the Framework document.

18 Let's see, any additional or are we -- should we move  
19 on?

20 MR. STRAND: Thank you, Mark.

21 DR. FRENCH: Thank you.

22 MR. BRODERSON: Okay. If we're going to take a  
23 break, now is the time, otherwise we'll keep pushing ahead;  
24 what's the pleasure of the group?

25 UNIDENTIFIED VOICE: Let's take a break.

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MS. BERGMANN: A short break.

1 MR. BRODERSON: Should we try to take a short  
2 break, five or ten minutes, and get back to .....

3 (Off record)

4 (On record)

5 MR. BRODERSON: Well, let's see. Now, I think  
6 what we're going to try and go to next is the Environmental  
7 Impact Statement that needs to go along with the Restoration  
8 Plan. As with any good government process, there's a lot of  
9 NEPA compliance that has to go along with it to make sure that  
10 the government does it right. Ken Rice with the Forest Service  
11 will address the subject.

12 MR. RICE: Some of you are probably familiar  
13 with what NEPA stands for and what it is, and others of you may  
14 consider it to be just another delay tactic or justification  
15 statement that agencies put together. Basically, as you're  
16 aware, the Trustee Council is made of three State and three  
17 Federal Council members. The Federal Council members are bound  
18 by the National Environmental Policy Act of 1969 as amended,  
19 NEPA or another acronym for those of you who need to learn more  
20 than half a dozen acronyms today.

21 MR. BRODERSON: I didn't say that 'cause I  
22 didn't know what it stood for, but I'm sure that he did get it  
23 right (ph).

24 MR. RICE: This Act, in its most basic terms,  
25 requires Federal agencies to disclose and consider the affects

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of their actions in an Environmental Impact Statement when such  
 1 actions may have a significant affect on the human environment.  
 2 If you don't know whether you're going to have a significant  
 3 affect, you can do something less than a full-blown  
 4 Environmental Impact Statement, and I can talk to you  
 5 individually, or if you have questions about that, we can get  
 6 into all the written up (ph) cases of it. But anyway, let me  
 7 leave it at that for now. The Restoration Plan will be -- will  
 8 have an Environmental Impact Statement at the February 4th and  
 9 5th, I think were the dates, anyway, the Trustee Council  
 10 meeting in early February. The Trustee Council agreed that  
 11 because the Settlement funds are joint funds and decisions have  
 12 to be made by all six members, that the Trustee Council would  
 13 be bound by the National Environmental Policy Act.

14 Decisions in the Restoration Plan will set the basis  
 15 for future restoration activities. The Trustee Council will be  
 16 analyzing alternative approaches to restoring the resources and  
 17 services injured by the Oil Spill, as Bob and John discussed  
 18 just before our break. These will be displayed in a broad,  
 19 general way, and in a very broad, general way, we will be  
 20 looking at the impacts of these alternatives in the  
 21 Environmental Impact Statement. We hope to publish -- we will  
 22 be publishing the EIS concurrently with the Restoration Plan,  
 23 so that both documents will be stand-alone document. In other  
 24 words, you can pick up the Restoration Plan and look at all the  
 25 various ways or various themes and approaches that restoration

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could be accomplished. It will have some additional  
1 information in there. The Environmental Impact Statement will  
2 analyze those exact same alternatives, have -- disclose the  
3 affects of implementing those. In other words, estimates of  
4 what changes would occur to the environment out there over the  
5 course of the 10 year period as the Restoration Plan is  
6 implemented.

7 A contractor, Walkoff & Associates (ph), has been  
8 chosen to conduct the analysis and write the EIS. Walkoff &  
9 Associates have been involved with the oil spill process for  
10 several years; they were under contract with the Justice  
11 Department. They had people that were familiar with what was  
12 going on and could step into the project without a long delay  
13 between being able to get up to speed and get this going. They  
14 are currently collecting background material, determining the  
15 scope of the analysis that will be performed. All of you  
16 should have received a letter inviting you to the last, early  
17 stage of the scoping meetings that we're going to have as this  
18 EIS is being developed. Now, we've set up this last scoping  
19 meeting to be, basically, an open-house. In other words, there  
20 will be several of us available in this room to take comments  
21 from agencies interested, individuals knowledgeable, people --  
22 anybody who has some interest in the restoration planning  
23 process. Now, if you decide to do this, here's what concerns  
24 me about that; what are the issues, what's important to  
25 individuals, what are the values that you bring that you want

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to be displayed and information gathered on -- in this EIS  
1 process. We'll be doing that next -- the 4th of November,  
2 which I think is Wednesday, the day after -- yeah, the 4th of  
3 November, anyway, on Wednesday.

4 UNIDENTIFIED VOICE: The day after the  
5 election.

6 MR. RICE: The day after the election, that's  
7 right; the election's on Tuesday. And you're invited to come  
8 and sit down with us on a one-on-one basis and give us some  
9 feedback; we'll be recording those, making sure we understand  
10 what it is that people are bringing to the table, and then  
11 using that to help define the range of things that we're going  
12 to have to look at. Scoping is sort of a narrowing down  
13 process, you look at it as trying to focus in on what's  
14 important, what do you have to analyze that's important; throw  
15 out the extraneous stuff, the stuff that doesn't really mean  
16 anything, and focus in on what's really critical there.

17 As I mentioned, because the Restoration Plan will not  
18 be making site specific decision about where and when  
19 restoration options would be applied, the EIS will not be able  
20 to disclose site specific impact. It will, however, look at  
21 the cumulative impacts of conducting a large number of  
22 restoration options over the next 10 or more years. Individual  
23 projects, as the work plans are being developed, may require  
24 site specific NEPA analysis and documentation. And some of  
25 those projects may be large enough that they would require a

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stand-alone Environmental Impact Statement; some of them may  
1 only require an environmental analysis of the environmental  
2 assessment, that doesn't go quite as far as a full-blown  
3 Environmental Impact Statement. Others of them, studies for  
4 example, probably don't require any further NEPA analysis and  
5 documentation.

6 Are there any questions? Yes, Chuck.

7 MR. TOTEMOFF: Under our 1993 Work Plan, and I  
8 realize it's a couple of other agenda items ahead here, but if  
9 we're -- you know, there's a lot of talk about evident threat  
10 for habitat, namely timber. But -- and no where do I see a  
11 concentrated effort, if I may speak on the subsistence part for  
12 a minute, do I see a concentrated effort to address the chronic  
13 subsistence problems expressed, especially, in the rural areas.  
14 There is one project identified in the '93 Work Plan, but  
15 that's just to begin the process of identifying those resources  
16 that were injured or damaged or irreparably harmed. Is -- will  
17 there be any suggestions to try to meet, the immediate need for  
18 those people that depend heavily on subsistence resources in  
19 the form of replacement or harvesting in other areas?

20 MR. RICE: As you mentioned, one of the  
21 projects, I think it's 93017 addresses some of the res- -- the  
22 subsistence resources needs. I think we've had a lot of  
23 discussion as we were developing the '93 Work Plan on how to  
24 deal with subsistence -- the subsistence service or resource.  
25 And we'd gotten some advice from our legal counsel as to what

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we could or couldn't do within that, and some of that is reflected in the recommendations we have made to the Trustee Council. In other areas, it's still a little -- in my mind, at least, it may not be as gray in some other people's mind as it is in mine, but in my mind, it's still a gray area that needs further refinement and further clarification. And I would see that clarification coming out of the Restoration Plan that would more clearly define just what kinds of activities could be conducted towards the subsistence service.

9           Anybody want to add anything to that?

10                   MS. RUTHERFORD: I would, if I could.

11                   MR. RICE: Sure.

12                   MS. RUTHERFORD: The legal advice that Ken just referred to was from the Federal legal counsel, and the State legal counsel has not yet produced their comments on -- along the same -- addressing the same questions. And in fact, we were talking to them about it last week, and they hope to have their information out to us here in the near future. And I think that there may be some differences on that issue, and it may allow for -- once it's resolved, it may allow for a little more flexible approach to some of the subsistence issues, and hopefully, that'll be well resolved before the Draft Restoration Plan and, also, before the '94 Work Plan development. But it is a little unclear right now, Chuck; but 93017 does provide for some of that. I think there's \$53,000.00 in there for trying to harvest resources or gather

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resources from a different area. Maybe Jerome could go into  
1 some detail on that particular project.

2 MR. BRODERSON: Maybe what we should do on  
3 these questions, can we wait on further elaboration on this  
4 until we get down to the Work Plan part of the agenda, .....

5 MR. TOTEMOFF: Sure.

6 MR. BRODERSON: ..... is that okay? Is there  
7 any other questions on the Environmental Impact Statement, any  
8 questions for Ken? No. Okay. If not, moving right along  
9 into .....

10 MR. GOLTZ: Well, maybe I'll just  
11 take -- .....

12 MR. BRODERSON: Okay.

13 MR. GOLTZ: ..... it'll just take a second.  
14 You've drawn a two edge sword. And I think the edge you were  
15 focusing on was what are we doing for the subsistence  
16 resources. There's another aspect to it, and it fits in with  
17 the NEPA process. On Federal lands, there's the 810 (ph)  
18 process, which I'm sure you're familiar with, but some of you  
19 may not be, and that may apply to some of these projects. And  
20 in a nutshell, what that says is do no harm; or if you're going  
21 to do harm to subsistence resources, these are the steps and  
22 the ways that you get that done. But the 810 process will be  
23 part of, at least, some of this, maybe most of it. It is  
24 folded into the NEPA process, and subsistence resources are  
25 considered in that way on Federal lands.

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MR. BRODERSON: Any other questions on this?

1 Okay. Well, onto the next section here there, Habitat  
 2 Protection. It's come to my attention that I was remiss in not  
 3 explaining a little bit on the structure of the process here.  
 4 And that I believe it was Charlie Cole, this morning, touched  
 5 on there's a Restoration Team that works for the Trustee  
 6 Council, and then under the Restoration Team there are a number  
 7 of work groups; RPWG, the Restoration Planning Work Group,  
 8 you've already from; the Environmental Compliance Work Group  
 9 headed up by Ken; another group is the Habitat Protection Work  
 10 Group, which is chaired by Marty and Dave Gibbons, and she's  
 11 now going to talk about habitat protection.

12 MS. RUTHERFORD: Actually, I handed this one  
 13 off to Ken, so Ken is going to talk about it.

14 MR. RICE: Habitat protection for injured  
 15 resources and services is an idea that first surfaced during  
 16 the first Restoration Planning Work Group scoping meetings in  
 17 1990. And if you look at the August 1990 progress report, you  
 18 can see where those ideas were captured. And we've, basically,  
 19 been in the process of evaluating that. Several resources  
 20 injured by the Oil Spill utilize uplands; marbled murrlets,  
 21 bald eagles, harlequin ducks, salmon, dolly vardon, char, cut-  
 22 throat (ph) trout are examples of resources that were injured  
 23 by the Oil Spill that are linked to the uplands. Services  
 24 would include recreation for pleasure boating, sport hunting,  
 25 fishing, subsistence, wilderness values and intrinsic values.

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Public concern over potential logging and general  
1 support for habitat protection has convinced the Trustee  
2 Council that they need to accelerate the evaluation and  
3 possible implementation of this option ahead of the Restoration  
4 Plan. In order to do this, the Restoration Team has proposed  
5 an interim process for Trustee Council approval that will  
6 provide the Trustee Council some initial information in late  
7 December or early January.

8 This past July, we published the Restoration Framework  
9 Supplement, which is in your handouts, in your Black binder, in  
10 Volume 1; it's affectionately known as Ugly Book.

11 MS. RUTHERFORD: Volume 2.

12 MR. RICE: Volume 2, excuse me. Well, Tab 1.  
13 It's about the same color as this building, I think. Most of  
14 you have probably already looked at this document, I won't go  
15 into it here. Elements of this supplement, hopefully, in a  
16 more understandable format and where necessary, modified will  
17 go into the Draft Restoration Plan. It has several flow charts  
18 in it and discussions of fairly -- the steps that we think need  
19 to go -- that we need to go through in order to implement a  
20 habitat protection or acquisition option.

21 We have asked the scientists involved in the damage  
22 assessment and restoration studies to provide us with some  
23 information that will be useful in our evaluation. At the  
24 start of the meeting this morning, you should have received  
25 four tables; these tables, I think, are supposed to go in

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Volume 2, Tab 5. Table 4 in there is a summary of some of the  
 1 information we have received back from the scientists. In  
 2 other words, we sent out a questionnaire and said what do you  
 3 know about the injured resources, what do you know about their  
 4 habitats, what are the limiting factors affecting those, what  
 5 information would we need in order to further understand the  
 6 processes going on with these resource and their linkage to  
 7 upland habitats, and we summarized some of the comments in  
 8 there.

9 We have entered into a contract with the Nature  
 10 Conservancy, as Attorney General Cole mentioned this morning,  
 11 to build on the information that's been provided in Table 4 by  
 12 interviewing key users, scientists, residents and other  
 13 knowledgeable people about the resources and their habitats and  
 14 services injured by the Oil Spill. This information will be  
 15 available to us by mid-November and will be used to identify  
 16 and evaluate the suite of proposals we have received this year  
 17 for habitat protection and acquisition. We're going to be --  
 18 we started out calling it a workshop, we're going to,  
 19 basically, be calling people, conducting in-depth interviews  
 20 with them, trying to draw out those key elements of information  
 21 that's going to help us identify specific habitat, specific  
 22 resource needs throughout the Spill area. They're going to be  
 23 doing that the week of November 9th, and be summarizing that --  
 24 getting that back to us so we can use that information.

25 Table 1 in the handouts in Tab 5 shows all the lands

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have been identified by the public and willing sellers for  
1 habitat protection. As you can see, it covers a lot of land  
2 within the Spill affected area. On the wall here, we have put  
3 a map, which unfortunately, is not very large. Basically, the  
4 green area -- the dark green and the light green are Federal  
5 and State lands. And what is this, a peach color, salmon  
6 color?

7 UNIDENTIFIED VOICE: Peach.

8 MR. RICE: Anyway, peach colored lands are all  
9 the private lands within the Spill affected area. By looking  
10 at all the proposals that are in Table 1, it covers -- one  
11 proposal or another covers the vast majority of the peach  
12 colored land there.

13 Table 2, which is stapled to that, to Table 1,  
14 summarizes some of the information we have on imminent threat  
15 on some of the recent or projected timber harvested lands  
16 within the Spill affected area. This information was gathered,  
17 primarily, from State permitting requirements and reflects what  
18 the State has for information on where proposed activities  
19 would go. The acreage figures in there probably are fairly  
20 gross; in other words, they cover all of the area that might be  
21 under permit, specific logging operations would not necessarily  
22 impact all of those acres. It may occur over the course of two  
23 or three years, probably in 1993, not all of these lands -- not  
24 all of this 14,000 acres at the bottom of the estimate acres  
25 there would be harvested. But certainly, over the course of a

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couple of years, most of that may be.

1           Table 3 summarizes some additional information of all  
2 the permits that are out there in terms of any kind of land  
3 disturbing activity that we, at least, have information on now.  
4 And some of Table 3 was used to -- was summarized forward into  
5 Table 2.

6           We plan to use this information, as well as other  
7 available information, in evaluating imminent threat lands for  
8 inclusion in an interim protection process. As I said earlier,  
9 the interim protection process is the process the Trustee  
10 Council intends to use until the Restoration Plan is in place.  
11 The 1993 Draft Work Plan contains several other projects that  
12 will provide necessary information for the interim and  
13 comprehensive habitat protection process. These projects are  
14 designed to provide the Trustee Council the information they  
15 need to understand the resources and how implementing habitat  
16 protection or any other restoration option will benefit the  
17 resources and services injured by the Oil Spill. One of those  
18 projects is another contract with the Nature Conservancy to go  
19 out and identify -- basically, go around to all the agencies  
20 and any non-government organizations that might have  
21 information and say what information do you have that might be  
22 relevant, what form is it in, what's the accuracy of that  
23 information, what's the precision of that information, what's  
24 the scale; just what is it that you've got. We're pulling that  
25 all together, and hopefully, going to be able to use that to

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1 further determine what additional information may be important  
2 for fully understanding the linkage between the injured  
3 resources and their habitat so that we can further identify  
4 where those habitats are, which ones of them are most important  
5 and what protection mechanisms may be applied to that.

6 We hope to go to the Trustee Council, as I said, in  
7 December of January with the information we've been able to  
8 pull together very recently with, hopefully, some  
9 recommendations for movement on that. We're also working on  
10 how to not just look at imminent threat lands but also those  
11 lands where opportunities are being provided to us to enter  
12 into some kind of agreements. Chenega Corporation has  
13 indicated that they are willing to work with us, and we just  
14 need to look at those landowners who said they're also willing  
15 to work with us and not just the ones where we think logging is  
16 going to occur today or tomorrow; but we also have other  
17 willing sellers out there, or willing players I should say, and  
18 we're going to be evaluating those lands as well.

19 Are there any questions. Chuck. Yes, sir.

20 DR. FRENCH: On Table 2, things that are listed  
21 as harvested are harvested already, right?

22 MR. RICE: I think that's correct.

23 DR. FRENCH: So, I mean, the Afognak Joint  
24 Venture is trying to sell us -- or sell whatever entity is  
25 buying 14,000 acres of which 12,000's already been harvested?

MR. RICE: I don't think they're -- they're not

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the same acres. The Afognak Joint Venture has some lands where  
1 they are going in and logging it, but what they've approached  
2 us with for entering into this protection process are lands are  
3 that they may ultimately go in and harvest over the next three  
4 or five years, especially if they can't see some movement  
5 towards providing revenue for that land. But it's not lands  
6 that have already been harvested.

7 DR. FRENCH: Well, as I understood it, they  
8 were trying to sell all their holdings on Afognak Island, when  
9 there's two listings on the bottom of Table 2 here, one at  
10 12,000 acres, which is listed as harvested, one at 2,500 which  
11 is listed as projected harvest. And the projected harvest is  
12 clearly projectable, but it doesn't seem to me that the other  
13 12,000 is really protecting any trees, even for the people that  
14 want to protect trees.

15 MR. BRODERSON: I don't believe that Afognak is  
16 attempting to sell all of their holdings, it's only a fraction  
17 of that. You might be able to shed some light on that?

18 DR. FRENCH: Well .....

19 MS. BENTON: If I can answer that at all. The  
20 Afognak Joint Venture holdings that have not been harvested are  
21 separate from Concor Forest Products holdings that have been  
22 harvested. And on Afognak Island, Concor Forest Products is  
23 not a willing seller, nor have they ever been. So, you're  
24 dealing with two separate entities.

25 DR. FRENCH: Okay. 'Cause I know Jim

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Carmichael has told me they're willing to sell everything  
1 they've got.

2 MS. BENTON: Right, but that's separate  
3 from the other holdings.

4 DR. FRENCH: Okay.

5 MS. RUTHERFORD: I might note on Table 2, also,  
6 where it says harvested, I think what that -- the 12,000  
7 they're referring to here, it's a portion of it is being  
8 harvested, it's not totally harvested yet.

9 DR. FRENCH: Yeah, that's what I was wondering  
10 is whether there was any time critical element there.

11 MS. RUTHERFORD: Yeah. That's not really an  
12 accurate status.

13 MR. RICE: Pam.

14 MS. BRODIE: I'm confused about .....

15 DR. FRENCH: That's what it said, and I didn't  
16 think that much had been logged yet.

17 MS. BRODIE: ..... the -- some of the numbers,  
18 because, for example, Afognak Joint Venture, I thought they had  
19 150,000 acres.

20 MR. RICE: Which table are you looking at?

21 MS. BRODIE: Table 2.

22 MR. RICE: Okay. Table 2 is just those acres  
23 where, basically, there are State permits for harvesting.

24 MS. BRODIE: I see, okay. I'm sorry.

25 MR. RICE: And it's just the stuff that's under

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1 permit now, it doesn't -- they could come in next week with  
2 another permit or, you know, application and say that they're  
3 going to be moving into another 10,000 acres. But basically,  
4 this is what as -- actually, it's about a month and a half old,  
5 the information we had at the time, those areas where it was  
6 identified some activity would be occurring.

7 MS. BRODIE: Okay. Thank you.

8 MR. RICE: Yes, Gerald.

9 MR. McCUNE: I was a part of this process but,  
10 you know, I've forgotten about how are you going to -- how long  
11 was the purchase for on -- if you purchased those timber rights  
12 for land, how long is that for anyway (ph)?

13 MR. RICE: Well, it would vary, I guess. You  
14 could do a fee simple, in other words, buy all the land -- buy  
15 all the bundle of rights to the land; it's also possible to  
16 enter into other agreements, conservation easements, various  
17 buffers around streams, for example, that would not result in  
18 complete transfer of rights. If you bought just the timber  
19 rights, I guess it would depend on the negotiations, whether  
20 you were buying it for 10 years for a hundred years. And the  
21 Nature Conservancy, in -- last winter, gave us a book on all  
22 the various tools that could be used for protecting habitat.  
23 And certain, fee simple is just one of those tools.

24 MR. McCUNE: So, if we were looking at habitat  
25 acquisition here, then everyone of these things would most  
likely be different.

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MR. RICE: They could be different.

1 MR. McCUNE: Some kind of a different  
2 arrangement.

3 MR. RICE: They could be.

4 MS. RUTHERFORD: Could I add something here?  
5 During this, what we're calling the interim process or where  
6 we're dealing with imminent threat lands, lands that may be  
7 logged, what we're going to aim for is moratoriums. Now, I say  
8 aim for, what we're looking for is an opportunity to do further  
9 investigation on the lands. The information we'll be applying  
10 to these imminent threat parcels between now and January is  
11 somewhat limited, and -- but if the Trustees want to move on  
12 it, they -- you know, they'll say okay. But at that point in  
13 time, we're looking for just an opportunity to provide time, an  
14 opportunity to find -- apply more information as it becomes  
15 available to us, and determine if within those lands, those  
16 imminently threatened lands, there are particular parcels we  
17 want to eventually purchase long-term protections for.

18 Now, I say we would like to because it very well may be  
19 that the landowners aren't willing to consider that. So, it  
20 probably will vary from parcel to parcel. And to some degree,  
21 there will be some competition based upon what the landowner's  
22 willing to consider. But again, the Trustees may very well not  
23 be willing to do fee simple purchasing when they don't know the  
24 in-depth information about the specific parcels that we'll know  
25 by January. Does that make sense, Gerry.

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MR. McCUNE: Sort of, except of the moratorium  
1 part of it, it could be very controversial.

2 MS. RUTHERFORD: Absolutely, we recognize that,  
3 and that's why I say right now, that's something we're talking  
4 about but we're not -- you know, we're not at all sure that  
5 that's what will occur once, you know, we start negotiations  
6 with landowners.

7 MR. McCUNE: Thank you.

8 MR. RICE: Any other questions? Pam.

9 MS. BRODIE: Yeah. Excuse me if I ask  
10 something that you've already explained, 'cause I'm getting to  
11 the point where it's hard to absorb everything. What kind of  
12 negotiations have you had so far with landowners; for instance,  
13 there are stars here for willing sellers, and yet, I don't  
14 think that means that other landowners have said no if they  
15 don't have a star. Does it mean that they haven't come forward  
16 -- they haven't made the initiative to come forward to you?

17 MR. RICE: Yeah, basically, that's it. If we  
18 received a proposal as part of the '93 Work Plan ideas where,  
19 for example, yeah, the AJV or Concor .....

20 MS. RUTHERFORD: Just the AJV.

21 MR. RICE: Or the AJV, for example, came  
22 forward to us -- or Koniag is what I was -- not Concor, I  
23 always mix the two up, so catch me on it. Koniag, for example,  
24 said that they have these lands that they would be willing to  
25 enter into the process with us, then we identified it as a

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willing seller. We haven't taken it any farther than that.

1 We're trying to gather as much information about those lands as  
2 we can. But we haven't -- it's premature to enter into any  
3 negotiations at this time.

4 MS. RUTHERFORD: And it doesn't mean that the  
5 rest of them are not willing sellers, this is just -- the  
6 indication here of willing sellers just has to do with whether  
7 or not a proposal was received as part of the '93 ideas effort.

8 MS. BRODIE: And when in the process would you  
9 anticipate contacting some corporation that has not been  
10 participating at all, but that some of us may say we'd like to  
11 acquire?

12 MR. RICE: When would we approach those that  
13 have not identified themselves as willing sellers?

14 MS. BRODIE: Yes. Yes.

15 MR. RICE: Well, I think .....

16 MS. BRODIE: Those who haven't come forward.

17 MR. RICE: ..... for the interim process, we've  
18 probably got enough on the table right now to deal with in  
19 terms of gathering information about those lands where we do  
20 have identified willing sellers and possible imminent threat on  
21 those. In terms of identifying those where maybe the public  
22 has identified some lands in going out and contacting those  
23 owners, it would be -- it may be as early as January, but I  
24 wouldn't -- I'd hate to be quoted on that.

25 MS. RUTHERFORD: To be real frank, we're not

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real sure on that, the answer to that question, Pam. I mean,  
 1 it's -- we know we have to move real quickly into what we're  
 2 calling the comprehensive effort. But -- and that is sort of  
 3 where we go out and begin talking to the people that haven't  
 4 already come forward, but we just aren't there yet. And it's  
 5 of concern to us because we don't want to preclude them, we  
 6 don't want to, you know, just be considering places where, you  
 7 know, the chainsaw is running. Like Chenega has come forward  
 8 and said we're willing to work with you, yet, they're not  
 9 saying we have any imminent threat activities, they're just  
 10 saying we want to work with you. We want to enter into some  
 11 kind of agreement with them, and we, certainly, will want to do  
 12 that with others, too, we just aren't there yet. And I really  
 13 can't -- I mean, the honest answer is we don't know yet.

14 MR. BRODERSON: As soon as possible.

15 MS. RUTHERFORD: Yeah.

16 MR. RICE: Trust us, we're from the Government.

17 MS. RUTHERFORD: We even make ourselves  
 18 nervous.

19 MR. BRODERSON: The check's in the mail.

20 MR. RICE: Any other questions? Yes.

21 MS. BENTON: Will the study from the Nature  
 22 Conservancy be available before the Trustee Council meeting on  
 23 December 11th to the public?

24 MR. RICE: The information from the workshops?

25 MS. BENTON: Yes.

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MR. RICE: Probably, yeah.

1 MS. BENTON: Okay.

2 MR. RICE: Yeah. I don't -- we haven't  
3 discussed about making it public before then or not, but I'm  
4 sure we can arrive at some workable solutions here. The Nature  
5 Conservancy Handbook is a very useful document. Some of you  
6 probably have copies, we're out of our first printing. And if  
7 any of you would like to have copies, let me know and we'll try  
8 and get some additional copies printed up for you. Okay. It  
9 sounds like most people want a copy.

10 MS. BENTON: Um-hum.

11 MR. RICE: Okay. We'll have enough copies made  
12 up and probably can do that in fairly short order.

13 DR. FRENCH: How many of us already have  
14 copies? It looks like you could make at least three less than  
15 you might otherwise. They're a big book.

16 MR. RICE: Okay. Well, I need to make more  
17 than just enough for here, because we do get periodic, other  
18 needs for it.

19 DR. FRENCH: That's a lot of pages in that.

20 MR. RICE: Yeah.

21 MS. BENTON: A little more light reading.

22 MR. RICE: Yes.

23 MS. RUTHERFORD: Tell them about the 20 million  
24 dollars.

25 MR. RICE: Okay. We do have one project in the

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'93 Work Plan that identifies up to 20 million dollars. The  
1 Trustee Coun- -- we're asking the Trustee Council to basically  
2 go to the court registry, pull that money out and then as they  
3 identify specific parcels of lands where they want to enter  
4 into negotiation and agreement with landowners, then they would  
5 be able to access that money to use that. It's sort of, you  
6 might say, a good faith -- showing good faith that we are  
7 moving forward with the process and that we do have money  
8 identified to move if we feel that it's to the resources  
9 benefit and the landowners are willing.

10 MR. BRODERSON: And that's not to say that the  
11 Trustee Council is just limited to 20 million dollars either,  
12 they can go back to the court for the additional money that is  
13 shown on that incorrectly calculated numbers that I gave you  
14 earlier. This 20 million just makes it easily accessible  
15 without having to go back into court, but that other money is  
16 there for Trustee Council discretion to spend as they see fit  
17 with your input.

18 MS. RUTHERFORD: In fact, the Trustees had  
19 fairly significant discussions when they first reviewed the '93  
20 Work Plan about that amount, because -- and they wanted it to  
21 be made very clear that that was just an indication of their  
22 commitment to it, but it in no way indicated a prescribed  
23 amount, a cap or anything like that.

24 MR. BRODERSON: Shall we push on to the '93  
25 Work Plan? Any other questions about this? Pam.

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MS. BRODIE: Speaking of that 20 million, it  
1 was divided 10 million to a State agency and 10 million to a  
2 Federal agency, which surprised me. Does that mean that there  
3 is some sense that the money needs to be divided 50/50?

MR. RICE: No. It was just to show that it  
4 would either go to the Feds or the State. It could go into  
5 both accounts, and then, depending on who the logical land  
6 manager would be, then the money could come out of that fund.  
7 But there was no prejudgment as to what lands would be going  
8 where, it's a topic the Trustee Council needs to wrestle with  
9 just to figure out how they're going to determine the  
10 appropriate land manager for anything that is acquired  
11 (indiscernible - voice lowers) .....

MS. RUTHERFORD: An important fact, it's  
13 something the Habitat Protection Work Group is wrestling with  
14 is to try to give the Trustees some information and guidance on  
15 how the -- once the lands are acquired for some type of  
16 protection on how they will decide to hold it. So, it is  
17 something, also, that we're working on (ph).

MS. BRODIE: It's something that worries me a  
19 lot since the Federal Government appears to be the more logical  
20 landowner for most of the land, and I'm afraid that that might  
21 cause problems.

MS. RUTHERFORD: There's been really no  
23 significant discussion on it really, no substantive discussion  
24 on it.  
25

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MR. BRODERSON: Just a minute here. We're  
1 thinking -- we request your indulgence to switch the '93 Work  
2 Plan and the Oil Spill Symposium to make sure that the  
3 symposium doesn't slighted. We could very easily spend the  
4 rest of the time talking about the '93 Work Plan, so if you all  
5 don't mind, we'll have the brief discussion of the symposium by  
6 Dr. Morris, and then we'll drop into the '93 Work Plan.

7 DR. MORRIS: It'll be real quick, I just want  
8 to make sure. I just want you to know that we have an Oil  
9 Spill Symposium scheduled for next February, the 2nd through  
10 5th, we hope you'll all attend. It will be the first time  
11 we'll be presenting the comprehensive results of the damage  
12 assessment studies and other studies that were conducted on the  
13 Oil Spill. It will be at the Egan Convention Center, here in  
14 Anchorage. You will have to put pressure on Doug Mutter to  
15 approve travel, otherwise I hope you'll come on your own to  
16 this; at least for the first day, which will be summary prese-  
17 -- sort of more general public oriented summary presentations  
18 of the various types of studies that were conducted. The final  
19 three days will be the individual presentations by principal  
20 investigators, more technical, on individual topics. So,  
21 there'll be something for everybody, it'll range from marine  
22 birds to archeology to subsistence impacts to the state (ph) of  
23 the oil, marine and terrestrial mammals, marine anadromous  
24 fish, a number of other things which I haven't thought of right  
25 now. The registration fee is set at \$95.00 for the technical

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1 sessions; the preliminary session the first day is free. The  
2 registration forms should be out within the next couple of  
3 weeks (indiscernible) -- that you can respond to. We'll make  
4 sure you all get copies individually as well.

5 But there's a fact sheet there that kind of summarizes  
6 the who, what, when, where and why of the symposium and the  
7 initial announcement that went out about a month and a half or  
8 so ago. And I think you'll all find it of interest to learn  
9 the extent of some of the injuries that we've documented,  
10 resources and services, in a more detailed fashion that you  
11 maybe have seen so far.

12 Any questions?

13 MR. TOTEMOFF: Yeah, I've got one.

14 DR. MORRIS: Yes.

15 MR. TOTEMOFF: I understand the Exxon  
16 scientists are not going to be here?

17 DR. MORRIS: No, they aren't. They chose not  
18 to use our forum to present their side of the story.

19 MR. BRODERSON: Those of you who are .....

20 DR. MORRIS: We invited them.

21 MR. BRODERSON: Yeah, we made the effort to  
22 have them come. Those of you who are interested to hear from  
23 the Exxon scientists can journey down to Atlanta in late April  
24 where they will be having a symposium of their information.

25 DR. MORRIS: They chose a better climate.

MR. BRODERSON: Moving on to the '93 Work Plan

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now. Jerome Montague will discuss this, it's another one of  
1 our work groups; we had a '92 Work Group, it died when '92  
2 stopped; the '94 Work Group will start up shortly. So, with  
3 that .....

4 DR. MONTAGUE: Okay. This is the Blue handout,  
5 unfortunately, I didn't follow our procedures and get holes  
6 punched; I will leave a hole puncher by the door. This should  
7 go under Volume 2, Tab 4, between the '92 and '93 Work Plan.  
8 And this isn't, for the most part, I don't know is any new  
9 information, but it's, more or less, just to organize the  
10 presentation here and prevent -- present some key items that  
11 you can find by digging, but we'll bring them to the front  
12 here.

13 The schedule for the work plan process, the annual work  
14 plan process is very consuming, and the Restoration Team is  
15 fully involved, I would say, more in the development of the  
16 annual work plans than most any other work group activity. And  
17 it really is all consuming, and for some behavioral quirk, I do  
18 enjoy the development of these plans. And I've appreciated you  
19 all's interest throughout the day in the '93 Work Plan, and I  
20 will do my best to help you get consumed with it and by it,  
21 too, because there's a lot to grab ahold of here.

22 Briefly, going over the schedule, you know, there was  
23 the Spill, there was an '89/'90 Work Plan, and then '91, it was  
24 approved in April of '91, the Settlement in October of '91.  
25 May of this year, we solicited ideas for the '93 Work Plan. In

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June of this year, the '92 Work Plan was approved. In October  
 1 of this year, we completed the Blue Book, and you know, during  
 2 -- the printing process took a few weeks, and it was issued the  
 3 20th of October. The 23rd of October, I believe that's the  
 4 correct date, you all were established. On the 20th of  
 5 November, the public comment period ends, and I don't believe  
 6 that that is necessarily the PAG comment end on that day, I  
 7 think, and you know, you all can carry on beyond that.  
 8 December 11th, the Trustee Council approves the projects for  
 9 the '93 Work Plan. Some time soon after that, we would request  
 10 funds from the court. A few weeks after the decisions, we will  
 11 probably finalize the Blue Book either into a new book or just  
 12 some modifications to its current makeup. And then, between  
 13 the 1st of January and the 1st of March, most projects would  
 14 begin.

15 One point I want to bring to your attention on the  
 16 schedule is from '91 to '92, there was 14 months, from April of  
 17 '91 to June of '92, till the '92 Plan was approved. But the  
 18 '93 is being done in six months, so it's a very accelerated  
 19 process, and I really don't think we've cut any corners, we've  
 20 just had to work a lot harder. And the reason for that is that  
 21 we're attempting to go from an oil year, which is March 1st to  
 22 February 28th, to the Federal fiscal year. And this was our  
 23 first attempt to do that, and in all future years, we hope the  
 24 annual work plans are completed in August instead of December.

25 We developed a number of assumptions to help the

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Restoration Team in developing the work plan, and we took these  
 1 assumptions to the Council, they rejected many, added a few and  
 2 modified the ones we kept or the ones they kept, and this is  
 3 sort of a summary of the assumptions that they sort of turned  
 4 us loose with on how to develop the plan. And the first point,  
 5 as I've kind of mentioned, we wanted to have, at least, a draft  
 6 of the budgets done by the end of August; you know, we missed  
 7 it by a couple of weeks. But the need for that was to have  
 8 budgets, at least for the Federal agencies, to the Federal  
 9 Office of Management & Budget before October 1st.

10 Another major point is since the Restoration Plan,  
 11 which we heard talked about earlier here, is not done, that we  
 12 should take a conservative approach, meaning we shouldn't have  
 13 as big a program as we may have after we have the Restoration  
 14 Plan. And there's a lot of other elements that kind of fall  
 15 into what a conservative approach is. But one of the main ones  
 16 was that the project should be time critical and that delaying  
 17 them until after the plan's developed and the public and the  
 18 EIS and all those kinds of things are done, be delayed; and  
 19 those that really couldn't be delayed, to consider for this  
 20 year.

21 Okay. And we divided the projects into various  
 22 categories, and we kind of had some moderate direction on what  
 23 we should try to achieve in those categories. And under the  
 24 damage assessment projects or damage assessment closeout  
 25 projects, 1992 closed out, I believe, something on the order of

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35 or 40 injury assessment projects. So, any injury assessment  
 1 that we have proposed to carry on from '92, there was a high  
 2 priority to close it out this year. And they weren't  
 3 considered, if they were supposed to closeout in '92, they were  
 4 immediately rejected if they showed up as a '93 idea. Damage  
 5 assessment was only considered if there was reason to believe  
 6 that injury was continuing and not fully elucidated or there  
 7 was some strong evidence of -- at least circumstantial evidence  
 8 of injury that would indicate that we need to start a new  
 9 injury assessment investigation. In any case, it was to be  
 10 much smaller than what we had in '92.

11 The restoration monitoring, many of the projects that  
 12 were proposed in '92 were deferred as monitoring is -- I think  
 13 we all agree, we need to monitor, the amounts you need to  
 14 monitor and whether it needs to be every year. We're working  
 15 on developing a schedule for that, but in any case, we  
 16 anticipated more monitoring projects in '93 than '92.

17 Restoration manipulation and enhancement projects,  
 18 these are such things as putting in fish ladders and other  
 19 active manipulation. We only had one such project in '92, we  
 20 anticipated to have more than that in '93.

21 For habitat protection and acquisition, we had guidance  
 22 to try to wrap the three information gathering projects that w  
 23 had from '92, and to develop some processes -- or develop some  
 24 projects to develop the processes for protecting habitats. And  
 25 the Council did recognize there is strong public support for

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1 that, and that, indeed, in '93, they may protect habitats,  
2 which will be a first step. It hasn't been done in a previous  
3 year.

4 Restoration management actions was a large category for  
5 '92, and we also expected it to be large for '93.

6 Technical support projects, depending upon which other  
7 projects went, there, indeed, would be technical support  
8 projects. And we anticipated that while a conservative  
9 approach would be taken, the plan may be somewhat bigger in '93  
10 than it was in '92. The Blue Book was to -- or the '93 Work  
11 Plan was to include administrative director, Restoration Team  
12 and other budgets associated with the process. And endowments  
13 should be considered.

14 And those were sort of the -- that was the guidance we  
15 had from the Council on what kind of a plan to develop. So,  
16 our first step, after that, was the litigation band had just  
17 been lifted, the public could get involved, so we immediately  
18 opened it up to the public, and we came up with a one-page idea  
19 format and solicited ideas far and wide from the public and the  
20 agencies. And the reason we went with a one-page idea is we  
21 didn't want to people to spend a lot of effort developing  
22 something that would likely be rejected. We just wanted to get  
23 an idea. And well, let's see. Those are the ideas that we  
24 received. There was 463.

25 Mid-June, we received 463 of these ideas, approximately  
two-thirds from the agencies and a third from the public.

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After duplicates and other comments were -- duplicates and  
1 ideas that were more accurately categorized as comments, once  
2 those had been removed, there were 358 ideas that remained.  
3 And to get some idea of the scope of what these 463 projects  
4 would do, discounting one idea, which was to spend the entire  
5 billion on removing the Alaska Pipeline. The remain ideas  
6 would have amount to about 6 or 700 million dollars. So, with  
7 the guidance the Council had given us and with the number of  
8 ideas and the size of the program that these ideas warranted,  
9 we had a big job ahead of us to pare it down.

10           And on the -- I'm sure you're thinking, you know, why  
11 two-thirds agencies and a third public, and you know, we  
12 thought a lot about that, too, as the ideas came in, why that  
13 was. And you know, the agencies have been involved intimately  
14 with it for three and a half years; you know, they've had ideas  
15 on what to do running around in their heads, and all they  
16 needed was the word go to start putting them in. I imagine  
17 that as the public gets a lot more involved and they understand  
18 the injuries more, the public participation and ideas is bound  
19 to go up.

20           Okay. Then, we developed a process of -- approved by  
21 the Council of how we were going to go through all these ideas  
22 and try to actually develop some sort of a work plan. So,  
23 before we went any further in terms of further developing an  
24 idea, we applied all these criteria here. And we had three key  
25 criteria, or so-called killer criteria, that any idea had to

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pass all three of those before it was considered further. And  
 1 the first one was compliance with the terms of the Settlement.  
 2 There's a lot of ways they need to comply, but the one that  
 3 usually affected a project or not is whether there was a link  
 4 to injury. Two, whether it was technically feasible. And  
 5 three, whether it complied with laws, regulations and policies.  
 6 And in terms of Criteria 3, although we looked at, legal  
 7 counsel further looked at our decisions and, in many cases,  
 8 reversed them or added new ones.

9 As I've kind of covered under damage assessment  
 10 projects, if they were a '92 closeout project, they were  
 11 rejected. New and continuing projects only if the injury  
 12 wasn't well enough identified to carry our restorative actions.  
 13 And under restoration, the idea had to have a definable  
 14 restoration end point, and it had to be time critical, meaning  
 15 there would be significant loss to not do it this year, and/or  
 16 it could have a lost opportunity. And what that means is, for  
 17 instance, the \$50,000 data gathering project may be able to get  
 18 a free ride on a \$300,000.00 oceanographic ship in '93 that  
 19 they wouldn't have in future years; and that's what we meant by  
 20 lost opportunity. And that we not go with a restoration  
 21 project that involved a long-term commitment, but we waive that  
 22 on occasion if the time criticalness or lost opportunity  
 23 aspects seem very noteworthy.

24 After they had gone through all of that, then the  
 25 Restoration Team and the Chief Scientist looked at all the

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ideas that remained and combined any of those that seemed to be  
1 logically combined, and had a lot of discussion on whether in  
2 spite of having these 463 ideas, were there any major areas  
3 that weren't addressed; so, we tried to fill in any gaps.  
4 After all that was done, we had 55 projects that remained. And  
5 of those 55, I don't have it written here, but I think it  
6 actually represents about 120 ideas when you count the  
7 combinations.

8           And once we made it as far as which 55 they wanted to  
9 be developed further, we assigned the project to one of the six  
10 Trustee agencies to be the lead, and it was their  
11 responsibility to have a brief project description written and  
12 a detailed budget. And the -- what's in the Blue Book is,  
13 basically, the three-page text description, and then there is a  
14 much larger -- this Red Book, the detailed budgets, which  
15 Charlie Cole was talking about earlier, and this is available  
16 to look at. But Mark and his people are correcting it on some  
17 errors, so until he's done, there's no point in really looking  
18 in that. But it will be a document of a similar size.

19           Once these three-page descriptions and detailed budgets  
20 were received, peer review was conducted under auspices of the  
21 Chief Scientist. So, the Chief Scientist and a few selected  
22 peer reviewers looked over what we had. Then the Restoration  
23 Team, based on that review, made changes to the projects, and  
24 then voted on the individual merits of the projects. Again,  
25 the projects were revised, the Chief Scientist alone commented

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on the package, and the Restoration Team voted on the projects  
 1 again in terms of their priorities. And they used -- we used  
 2 our best professional judgment based upon a number of factors,  
 3 and I'll read one of them to you. I know several of you asked  
 4 what -- you know, aside from the criteria I've just gone over,  
 5 there was additional criteria at this voting stage.

6 And for example, for a injury assessment project, there  
 7 was eight things that we were considering when we made our  
 8 votes, and for each category, we have a different set of  
 9 evaluation factors; I won't read them all, they're here for you  
 10 to look at. Just for injury assessment, what are the affects  
 11 of any other actual or planned actions, the potential to  
 12 improve the rate or degree of recovery, potential adverse  
 13 impacts on health and safety, relationship of expected costs to  
 14 expected benefits, cost effectiveness, potential for additional  
 15 injury resulting from the action, importance of starting the  
 16 project the next year, and reason to believe the injury was  
 17 continuing or not fully understood. And there is a record of  
 18 all this for you all to review if you choose to.

19 Then, all the original 55 were presented to the Trustee  
 20 Council. And with our recommendations and our -- by our  
 21 operating procedures, the Restoration Team's recommendations  
 22 are based upon five or six yes votes. So, those projects that  
 23 had five or six yes votes became the Restoration Team's  
 24 recommendation to the Council. And then, the Chief Scientist  
 25 presented an independent recommendation to the Council, which

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didn't necessarily -- or didn't match ours. And that's

1 included in the back of the Blue Book.

2 During that Trustee Council meeting, five of the 55  
3 projects were removed, and the remaining 50 make up Blue Book.

4 And the Trustee Council -- you know, our recommendations and  
5 Spies' recommendations are there, the Council has no  
6 recommendation at this point; all 50 are in there. And to --  
7 here on this page, to give you sort of a snapshot of what's in  
8 there now, of the 50 projects under injury assessment, there's  
9 2 projects restoration monitoring, 11 projects management  
10 actions, 13 projects restoration manipulation, enhancement 12,  
11 habitat protection 7, and technical support 5. And the  
12 technical support includes things like computer support and  
13 hydrocarbon analysis. And then, we also presented a spread  
14 here by resource type, fish, shellfish, birds, mammals,  
15 intertidal, subtidal, human resources, habitat protection and  
16 technical support. The second list has a larger number, 55  
17 instead of 50, the reason for that is if a project was a bird  
18 and sea otter survey, then it would appear both under birds and  
19 mammals; but still, we're talking about 50 projects.

20 Okay. Where do we go from here, other than what I've  
21 just pointed out and a few other statistics or status of what  
22 is represented in Blue Book, is that as we talked about, some  
23 of the projects -- or all the projects are really assigned to a  
24 lead agency. Currently, the way Blue Book is set up, 36 of  
25 these projects would be conducted primarily by agencies, 14

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conducted primarily outside of agencies. And of the funding,  
 1 approximately 50% in Blue Book, which isn't an approved book,  
 2 would be agencies and about 50% to the private sector. The  
 3 Draft Plan of the projects only is about 40 million dollars,  
 4 and that includes the 20 million dollars set aside for habitat  
 5 protection actions. That's the whole plan or the whole Blue  
 6 Book. The Restoration Team recommended a portion of Blue Book  
 7 as 35 million, including the 20 million for habitat protection  
 8 action.

9 At their December 11th meeting, the Trustee Council  
 10 will consider public comments, the Public Advisory Group's  
 11 advice and the recommendations of us, the Restoration Team and  
 12 the Chief Scientist before they make their decision.

13 The next step, after they approve the work plan, will  
 14 be our job will be to develop detailed project descriptions for  
 15 an agency project or requests for proposals for an outside  
 16 agency project. We receive funds from the court, we'll either  
 17 issue contracts or initiate agency projects, and monitor  
 18 performance and carry out mid-course corrections and changes to  
 19 projects as is necessary.

20 And then, last, I've noted the documents here that are  
 21 available. I know you had a lot of questions on the Work Plan,  
 22 there's more information here than you can shake a stick at if  
 23 you -- you know, the Blue Book summarizes it well, but this is  
 24 all -- will lead up to Blue Book. So, you know, particularly,  
 25 if you're interested in recommending some new project that's

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not in there, it's probably valuable to see if it wasn't  
1 already suggested and why it wasn't carried further. You know,  
2 since there are that many ideas that didn't get carried  
3 further, there's a lot of good projects that will probably be  
4 considered in the future.

5 Is there any questions?

6 MR. PHILLIPS: In regard to that last  
7 suggestion, is there an easy way to find out whether or not the  
8 idea was offered and rejected rather than reading through 400  
9 and some .....

10 DR. MONTAGUE: Yes, there is, and I should have  
11 just gone through these documents that I talked about, and I'll  
12 do that now because it answers your question. Okay. What we  
13 have is a notebook -- notebooks, three notebooks of all the  
14 original ideas. The notebooks -- or notebook of the project  
15 evaluation sheets and the voting record of the Restoration  
16 Team, the detailed budgets of which Mark Broderson's soon going  
17 to have revised. The Blue Book, what we call the fate of ideas  
18 table, in that, you know, through a number of approaches,  
19 either by the title of the project, by the proposer's name, you  
20 can find out what happened to it. And there is this table, and  
21 it'll tell you, you know, rejected and it'll give the reasons  
22 why it was rejected, so on and so forth. So, I'm glad .....

23 MR. PHILLIPS: Could I just call you and ask  
24 you?

25 MR. RICE: That would be easier.

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DR. MONTAGUE: That's fine.

1 MR. PHILLIPS: Okay.

2 DR. MONTAGUE: That's fine. But this isn't as  
3 -- I mean it is pretty complicated, but it's there, it's all  
4 there.

UNIDENTIFIED VOICE: Do you want a  
5 copy?

6 MR. PHILLIPS: No, I don't want a copy.

7 MR. MOFFIT: By the way, Jerome's phone number  
8 is in there (ph).

9 MR. RICE: And call only Jerome.

10 MR. BRODERSON: His number is 555-1212.

11 DR. MONTAGUE: And there's one other document I  
12 didn't mention there.

13 UNIDENTIFIED VOICE: Please don't.

14 DR. MONTAGUE: But it's the status of the 1992  
15 projects which the Council will have in hand to help them  
16 decide on what to do in '93. Pam.

17 MS. BRODIE: You said of the 358 ideas that you  
18 considered, that approximately two-thirds were proposed by  
19 agencies and one-third was proposed by the public?

20 DR. MONTAGUE: Not necessarily 358, of the 463,  
21 it was two-thirds and one-third.

22 MS. BRODIE: Okay. Of the final 55 that appear  
23 in the workbook, how many of those were proposed by the public?

24 DR. MONTAGUE: Well, as I mentioned the 55  
25 represent something like 117 ideas, and those 117 have roughly

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the same breakdown of one third public and two-thirds agency,  
1 which we didn't have any mandate to do; I was surprised to see  
2 that's that what happened. Other .....

3 MS. BRODIE: Is that clear in the descriptions  
4 of them, where it initially came from?

5 DR. MONTAGUE: No. It's clear in those tables  
6 that I just -- you know, that you can look up all the ideas in.  
7 And it does say that Project 9317 is made up of these ideas;  
8 it doesn't say it in the project description but it says it in  
9 these look-up tables, the fate of the ideas table. I know  
10 there's a lot to digest there, and I'm sure you'll enjoy .....

11 MR. TOTEMOFF: I've got one question.

12 MR. PHILLIPS: I wish they were all this  
13 succinct.

14 DR. MONTAGUE: Thank you.

15 MR. PHILLIPS: That's excellent.

16 MR. TOTEMOFF: You mentioned there's a 50%  
17 agency money allocated and a 50% private sector, how -- is it  
18 in any of these volumes?

19 DR. MONTAGUE: Well, basically, how that is  
20 determined is if you -- Line 300, which is contract funds, if  
21 you add up all the Line 300s, it amounts to about half the  
22 program, and that wasn't even considering -- I'm glad you  
23 brought that up -- wasn't even considering the habitat  
24 acquisition. If you add the 20 million for habitat  
25 acquisition, assuming that's what we did, it would skew it to

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170  
like 15% agency and the rest outside the agencies. I'm glad I  
1 made that point, because with the 20 million, it really  
2 wouldn't be 50/50, it'd be much less to the agencies.

3 Other questions?

4 MR. BRODERSON: Do you want to take it back  
5 over, Doug?

6 MR. MUTTER: I might mention, before we  
7 adjourn, that the library across the hall will be open till  
8 6:00 o'clock tonight, so after we adjourn, if you'd like to  
9 step in there, why Carrie will show you around and show you  
10 what kind of resource materials that we have available. At  
11 this time, I think it might be useful just to go around the  
12 table and see if any of the Public Advisory Group members have  
13 any comments or anything they'd like to say with regard to  
14 where we're at and where they think we're going. Pam, shall we  
15 start with you, do you .....

16 MS. BRODIE: Yes. First, I have a question.  
17 And that is do we have specific terms that we serve for? This  
18 may be in the Charter, but are we appointed for one year or  
19 does it vary depending on who we are?

20 MR. MUTTER: It's a two year term.

21 MS. BRODIE: Two year. We all have a two year  
22 term.

23 MR. MUTTER: At this point. The Charter of the  
24 group is, by law, for two years. One of the items that you may  
25 want to discuss is setting up staggered terms for members.

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MS. RUTHERFORD: Doug, could I add something to  
1 that?

2 MR. MUTTER: Um-hum.

3 MS. RUTHERFORD: Yeah. The Public  
4 Participation Work Group had actually suggested that they do be  
5 staggered terms because we didn't want to see the potential for  
6 a total turnover, should the Trustee Council ever get to that  
7 point. And -- but given the way you were appointed, which was  
8 two years terms, it would be have to be like after that. So, I  
9 would suggest that maybe you consider that when you look to  
10 making the suggestions on your operating procedures to the  
11 Trustee Council, because I don't think a total turnover is a  
12 good option.

13 MS. BRODIE: Also, is there something -- maybe  
14 we already have it -- something that lists the working groups,  
15 the names of the working groups and who's on them; is that  
16 something that we could be provided .....

17 MS. RUTHERFORD: Yeah, the .....

18 MS. BRODIE: ..... without causing too much  
19 trouble?

20 MR. MUTTER: Sure. There is a tab in your  
21 notebook for that, .....

22 MS. BRODIE: Okay.

23 MR. MUTTER: ..... and we're preparing those  
24 materials, so we'll get those in the mail to you. Yes.

25 MS. BRODIE: Okay. Great.

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MS. BERGMANN: A follow-up comment on your  
1 question. The terms of the PAG members are two years, but  
2 those members can be reappointed for additional two year terms,  
3 if after serving two years you wish to subject yourself to  
4 that; and of course, if the Trustees would like to continue the  
5 appointment. So, even under the present situation, it doesn't  
6 mean that we're going to have a hundred percent turnover at the  
7 end of two years.

8 MR. MUTTER: Jim.

9 MR. CLOUD: Is there a budget for the  
10 administrative costs of the Council separate from -- what I saw  
11 was there seemed to be an administrative cost for each project  
12 that was .....

13 DR. MONTAGUE: Okay. That's -- .....

14 MR. CLOUD: ..... sort of assigned to it.

15 DR. MONTAGUE: ..... that's overhead that's  
16 assigned to the project, but the administrative costs are also  
17 shown here, too; there's the '93 administrative director, '93  
18 Restoration Team represented in two categories. One, that  
19 portion of the funds that really supports the project, and that  
20 portion of the funds that really do not support any project,  
21 per se. And I think this is Page 18 and 19 of Blue Book.

22 MS. BERGMANN: Also, if you're interested in  
23 more detail on that budget, all the way down to individual  
24 working groups, that will be contained in the document that  
25 we've alluding to all day that will be produced in about .....

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MR. BRODERSON: About a week.

1 MS. BERGMANN: ..... another week.

2 MR. BRODERSON: It's 400 plus pages, so it's  
3 good nighttime reading.

4 MS. BERGMANN: It's about this thick, but it  
5 does break down the administrative budget in a great amount of  
6 detail, .....

7 UNIDENTIFIED VOICE: And the amount of .....

8 MS. BERGMANN: ..... as well as the project  
9 budgets.

10 MS. RUTHERFORD: I might note, too, in the Blue  
11 Book that they do have lists of all the work groups and their  
12 tasks for this coming year; they don't name the -- which -- who  
13 -- the names of the people that are on that work group. And  
14 then, you know, there's no specific detail beyond just the  
15 tasks.

16 UNIDENTIFIED VOICE: Okay.

17 MR. MUTTER: Jim.

18 MR. DIEHL: Just rules of the PAG meetings, I  
19 guess, that's kind of a concern; like, what's going to  
20 constitute a quorum, it's not in the Charter is it?

21 MR. MUTTER: No. But it's in the draft  
22 background and guidelines, and .....

23 MR. DIEHL: To public groups (ph)?

24 MR. MUTTER: ..... in the handout. Yeah, so  
25 take a look at that. And that's one of the items to go over at

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the next meeting.

1 Mr. DIEHL: Okay. I'll find that.

2 MR. MUTTER: Okay. Donna.

3 MS. FISHER: We have received a lot of material  
4 today, and these books are quite thick to be carrying back and  
5 forth on the plane; is there one particular -- probably this  
6 one that we should continue to bring back and forth or both of  
7 them or what?

8 MR. MUTTER: Well, you may want to pull  
9 materials out of the book. At the next meeting, we'll look at  
10 the operating procedures and the 1993 Periwinkle Book. Okay.

11 MS. FISHER: Okay.

12 MR. MUTTER: So, those will be the two key  
13 items at that point.

14 MS. FISHER: That we should bring. Okay.

15 MR. CLOUD: And there'll probably be more.

16 MS. FISHER: I'm sure there will.

17 MR. MUTTER: Bring an empty suitcase. John.

18 DR. FRENCH: I don't have too much in terms of  
19 specific comments. I'm a little disappointed to see this  
20 process starting as late as it did, but I can, somewhat,  
21 understand the reasons why. I wish there were some ideas we  
22 could get to facilitate public input between now and December  
23 2nd, but it looks like we're pretty much hamstrung by the  
24 public meeting process. So, if anyone has any ideas, I'd be  
25 happy to hear them. But, yeah, I'm real concerned about

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getting enough public feedback, because I don't think the  
1 public process to date has really reflected the entirety of  
2 opinion throughout the Spill area.

3 MR. MUTTER: Paul.

4 MR. GAVORA: Well, kind of following on what  
5 John says, is I would like to see us to get organized, budget  
6 it so we can function as a body. If we're going to be sitting  
7 here for too long, you know, just being kind of a response  
8 team, I don't think we're going to get our job done. So, I  
9 think the sooner we go and develop a budget, the sooner we get  
10 this thing organized and take on these functions, the better  
11 off we will be. To me, it was a very informative session  
12 today. I came in very cold on the subject, and I appreciate  
13 it, but in order to step forward, I think we need to go and  
14 expedite the formal setting up so people can go to work and we  
15 can accomplish something.

16 MR. MUTTER: Jim.

17 MR. KING: Well, I think I'm a little  
18 overwhelmed by the material you've presented us, and I'm  
19 impressed by the work that's already been done. And I probably  
20 will have comments after I digest all of this material, but at  
21 this time, I think I'd just like to say thanks for some good  
22 presentations today. I know a lot of you have worked very hard  
23 for this meeting, and I think it went well.

24 MR. MUTTER: We hope no one wants to quit after  
25 today. Gerald.

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MR. McCUNE: Well, I don't have too much to  
1 say, except for, you know, at least we got started; we had some  
2 pretty overwhelming stuff here. But although, I'm familiar  
3 with a lot of this process already, one concern I have is that  
4 some people aren't familiar with this process and haven't been  
5 part of this process. I don't know why John wasn't here today,  
6 but you know, there's some reason why he wasn't. So I suggest  
7 that we try to get the minutes of this meeting out to these  
8 members that aren't present so they can see what has been done  
9 so far, because they're going to be way behind from where we're  
10 at, I can see that right now. So -- and I wouldn't want to sit  
11 through this again.

12 MR. MUTTER: We'll get a meeting summary out.  
13 Brad.

14 MR. PHILLIPS: It seems to me that if our input  
15 is going to be meaningful and really be helpful to the  
16 Committee, that I feel very much like Paul Gavora does, that  
17 we've got to get organized in a hurry. And the only other  
18 admonition I have is that I hope that the members of the PAG  
19 can be here at each meeting, and have, if not a full group, as  
20 close to it as possible, because it'll really hurt our progress  
21 if we've got to bring everybody up to speed every time there's  
22 another meeting. I'm looking forward to it, but I'll tell you  
23 there's got to be a fast learning curve to catch up with you  
24 guys that have been at it for two years or three years. And  
25 I'm going to do my very best, but I hope we get organized and

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our budget going, and a direction as quickly as possible.

1 MR. MUTTER: Kim.

2 MS. BENTON: I guess I'll follow it up with the  
3 missing member, I know that John wished that he could be here,  
4 and unfortunately, December 2nd, he's going to be in Japan, so  
5 you'll be stuck with me again. And I appreciate you allowing  
6 me to be here, and I'll do everything that I can to make sure  
7 that when John can attend, he is fully aware of what's going  
8 on. I know he regrets not being able to here, but I appreciate  
9 your opportunity to allow me to sit at the table.

10 MR. MUTTER: Chuck.

11 MR. TOTEMOFF: Kind of closing comments, I  
12 think it's rather more a concern. I am very concerned about  
13 the conflict of issues -- conflict of interest issues that the  
14 lawyer over here, the solicited officer (ph), bring up, that  
15 this brings to mind to a lot of problems. All of us in here  
16 have our own interests, and if we're disallowed to participate  
17 at some point in time, I think our interests, or whoever we  
18 represent in our interest groups, is going to suffer. And I  
19 would just like to get a definition of where the line will be  
20 drawn. And it seems like it's case by case issue. But I  
21 certainly don't want to get myself in trouble, you know, by  
22 going too far, and I'm sure nobody else does either. That I'd  
23 just like some follow-up before the next PAG meeting or  
24 discussions anyway.

25 MR. GOLTZ: Okay. Well, you or anybody else

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can feel free to call me, and in addition, I'll be here next  
1 time, so if we meet any of these problems, we can deal with it.

2 I think they will be -- have to be handled on a case by case  
3 basis.

4 MR. MUTTER: Okay. One of the requirements of  
5 the Public Advisory Group in their meeting is that they allow  
6 time for members of the public who are sitting in the audience  
7 to say a few brief words. Do we have anyone?

8 SENATOR STURGULEWSKI: Yes.

9 MR. MUTTER: Senator Sturgulewski. There's a  
10 microphone right here.

11 SENATOR STURGULEWSKI: Thank you very much.  
12 I'm Senator Sturgulewski. I am here as an individual, and wish  
13 to congratulate you when I see that you're a success because  
14 you already have an acronym; so, therefore, you are alive and  
15 well. I just wanted to tell you that there has been, I  
16 believe, some frustration in that there has not been a lot of  
17 opportunity for public comment, and so I've tried to attend as  
18 many meetings as I can, and certainly to make comment. I do  
19 want to, and am passing around, you're getting a tremendous  
20 amount of information, but something about which I feel very,  
21 very strongly, and that is for the creation of an Exxon Valdez  
22 Marine Sciences Endowment that will allow for ongoing  
23 scientific effort. And have -- this came about, I'm an advisor  
24 to the International North Pacific Fisheries Commission, I had  
25 fellow colleagues, Senator Zharoff and Senator Cotten, on that

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particular advisory group. And we've been very interested and  
1 did quite a lot of background work in finding out just who's  
2 doing scientific work in our marine environment. And out of a  
3 whole lot of discussions, this proposal has involved -- or  
4 revolved and involved. You will see on the back of this  
5 particular thing, letters of support that we have received;  
6 there have also been many other letters that have gone into the  
7 staff. And you'll notice in the work that you have, that there  
8 was -- the Trustees did ask that there be, under the  
9 Restoration Plan, the consideration of an endowment.

10 So, my purpose here today is really to encourage you to  
11 take a look at this and to consider the longer term interest in  
12 getting knowledge about our marine environment. It was very  
13 interesting. One proposal that came before the Trustees, I  
14 believe, is in the fiscal year '93 Plan, called for a study to  
15 be done. And after the study had been, more or less, agreed  
16 upon, it was for around 100,000 plus, and made a part of the  
17 plan, after the meeting was over and comments of the Trustees,  
18 it was indicated that to really be successful, that should be,  
19 in fact, a 10 year study utilizing something like a million  
20 dollars. So, we need, I think, in this whole issue of getting  
21 baseline information and monitoring, to take the longer view.  
22 This has strong support from the University of Alaska, you will  
23 find a letter by Dr. Komasar (ph) there. I am going on the  
24 statewide board for the -- as an advisor to the Fisheries &  
25 Marine Science for the University.

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So, I hope you will take a close look at this. I do  
 1 not want it to be seen as being in conflict, and we've talked  
 2 about that, with the purchasing of trees to protect the  
 3 environment. But this is a separate part, and it's just with  
 4 that that every opportunity I have, I'd just like to advance  
 5 that proposal. And so far, it's stayed out there as a part of  
 6 a restoration plan, but I really would like to see it  
 7 activated. I would have no -- I hasten to add, I would have no  
 8 role in it other than having brought together the idea, met  
 9 with members of the scientific and other community, and have  
 10 been actively involved in trying to see that it gets a place in  
 11 the whole proposal.

12 With that, I thank you very much and wish you well.  
 13 You're going to develop curvature of the back just by carrying  
 14 things about, but it's time that you were appointed, and I look  
 15 forward to further participation. Thank you.

16 MR. MUTTER: Thank you. Does anyone else care  
 17 to speak?

18 MR. McKEE: My name's Charles McKee. And I  
 19 haven't digested any of your material to the extent that some  
 20 of you people at this board have. I have other information  
 21 that I want to dispense, and I'll just -- here's -- I don't  
 22 have enough, I only printed 11 for this side, I guess I didn't  
 23 know that -- yeah, pass it, you can make copies, there you go.

24 I'm here today not to embellish on emotionalism or  
 25 prejudice, I'm here to talk about facts. I would also like to

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bring to your attention today's newspaper by -- in a letter to  
1 the Editor by Michael O'Callahan, talking about our local  
2 politicians and their endeavor. And what I'm handing you on --  
3 within that document, you've got "League Hires New Director.  
4 Now, this individual represents Alaska Municipal League, he  
5 presides over what you would call the Governor of the State of  
6 Alaska, which is not (ph).

7 I mentioned earlier, moments ago, that I'm not here to  
8 embellish into emotionalism and prejudice, I have a book here  
9 "Money, Banking and the Fed" which is what you're looking at  
10 right now, as private currency, it's illegal (ph) currency when  
11 you're talking about how to spend the restitution of same, this  
12 money that you receive from this Oil Spill or you're  
13 contemplating.

14 Now, I have another book, "Paper Money in the United  
15 States" which also included this; private money is included in  
16 this, but it's also illegal currency.

17 Now, another thing is Congress gave up the right to  
18 issue currency in 19- -- I mean 1913. So, the court is now  
19 delegating settlement of illegal currencies. So, what I'm  
20 trying to say to you people is I suggested a settlement of 3.5  
21 billion dollars in a letter to Judge Holland, I've stated this  
22 many times before. I have now found out that there's an  
23 organization within the Masonic that is behind this process to  
24 monopolize on the currency. And what I have done is researched  
25 and found out what the original Treasury seal is and copywrited

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that in conclusion with the math that I have got a copyright  
1 of, and its redemption coupon. I will be making out a  
2 redemption coupon to the Treasury for the issuance of United  
3 States note, what they call legal tender issue, and that's  
4 called customer and community currency. Now, it's not the type  
5 of currency that you use in a safety deposit -- I mean a  
6 savings account, it won't draw interest, but you can use it to  
7 spend on restoration of the damage done in Prince William  
8 Sound, which is what your focus is, but it could be used for  
9 anything.

10           The question is is to what bank, what bank account  
11 should I make that out to, of the 3.5 billion. Lloyds of  
12 London actually made out a payment of 3.6 to the Crown, we  
13 didn't see any of that. And I'm out of the loop, you people  
14 are not considering me at all. I signed on that application  
15 for speaking representing people of King. You can find the  
16 word and the definition of the word in the dictionary in that  
17 library that says a people of a sovereign. Not any of you  
18 people are representing me or the people that that word  
19 signifies. That's what this currency signifies, though.

20           And so, I'm also trying to get this case brought before  
21 the Supreme Court -- Claims Court Legal Service Corporation and  
22 with this Robert Hinkerson (ph) at Alaska Legal Service  
23 Corporation, people are dragging their feet because of their  
24 premier occult organization that's behind this private monetary  
25 monopoly situation which is entirely illegal on our

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constitutional grounds. So, I haven't even delved into the  
1 reason why this organization would even want to cause a oil  
2 spill in Prince William Sound, but the likelihood that they  
3 were instrumental in that decision is possible, very possible.

4 MR. MUTTER: Thank you, Mr. McKee, and thank  
5 you for your handouts, appreciate it.

6 MR. McKEE: Again, what decision would you like  
7 to render and which bank shall I make request of this money  
8 transfer?

9 MR. MUTTER: I don't think we can answer that  
10 right now.

11 MR. McKEE: Well, you have my address, please  
12 keep me in touch.

13 MR. MUTTER: Is there anyone else in the  
14 audience who would like to speak? Carrie, why don't you raise  
15 your hand back there, if anybody wants to tour the library  
16 facilities, she's the gal that'll take you through. With that,  
17 I'll adjourn the meeting until December 2nd, 9:30, same room.

18 (Off record)

19 (END OF PROCEEDINGS)

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