

1 EXXON VALDEZ OIL SPILL  
2 TRUSTEE COUNCIL  
3 Public Meeting  
4 Thursday, May 1, 2008  
5 6:35 o'clock p.m.  
6 Cordova, Alaska  
7 TRUSTEE COUNCIL MEMBERS PRESENT:  
8 U.S. DEPARTMENT OF INTERIOR: MR. RANDALL LUTHI, Director  
9 (CHAIRMAN) U.S. Minerals Mgmt. Svc.  
10 U.S. DEPARTMENT OF AGRICULTURE, MR. STEVE ZEMKE for  
11 U.S. FOREST SERVICE MR. JOE MEADE  
12 Forest Supervisor  
13 Forest Service AK Region  
14 STATE OF ALASKA - DEPARTMENT MR. DENBY LLOYD  
15 OF FISH AND GAME: Commissioner  
16 STATE OF ALASKA - MR. TALIS COLBERG  
17 DEPARTMENT OF LAW: Attorney General  
18 STATE OF ALASKA - DEPARTMENT MR. LARRY HARTIG  
19 OF ENVIRONMENTAL CONSERVATION: Commissioner  
20 U.S. DEPARTMENT OF COMMERCE, MR. CRAIG O'CONNOR for  
21 National Marine Fisheries Svc: MR. JAMES W. BALSIGER  
22 Administrator, AK Region  
23 Proceedings electronically recorded, then transcribed by:  
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TRUSTEE COUNCIL STAFF PRESENT:

2

3 MICHAEL BAFFERY

Executive Director

4 CHERRI WOMAC

Administrative Officer

5 (Telephonic)

6 CATHERINE BOERNER

Science Director

7 JOELLEN LOTTSFELDT

Environmental Specialist

8 CRAIG TILLERY

Alaska Department of Law

9 ELISE HSIEH

Alaska Department of Law

10 PETE HAGEN

NOAA

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

2 (On record - 6:35 p.m.)

3 CHAIRMAN LUTHI: Well, first of all, let me  
4 thank the people of Cordova for an absolutely wonderful 24  
5 hour period that I've been here. And I know that you've  
6 extended a warm welcome to all of us, and we greatly  
7 appreciate that. Thank you so much for taking the time to  
8 come visit with us tonight, because that is the purpose of  
9 this meeting here tonight, is to listen to what you would  
10 have us do. And that's what we're looking forward to.  
11 That's what we want to hear. And we certainly appreciate  
12 the great turnout that is still coming in, in an effort to  
13 get in here tonight.

14 My name is Randall Luthi. I'm probably the  
15 newest member of the Trustee Council. I was appointed to  
16 take over, I think it was last July, somewhere in there, so  
17 I'm relatively new on the council. I'm going to -- first  
18 of all, I'll just take roll to see who is here.

19 Attorney General Colberg.

20 MR. COLBERG: Here.

21 CHAIRMAN LUTHI: Yeah. Commissioner  
22 Hartig.

23 MR. HARTIG: Here.

24 CHAIRMAN LUTHI: Commissioner Lloyd.

25 MR. LLOYD: Here.

1                   CHAIRMAN LUTHI: Oh, and who would be in  
2 place of Mr. Balsinger?

3                   MR. O'CONNOR: I'm not sure.

4                   CHAIRMAN LUTHI: Yeah, Craig O'Connor.  
5 Thank you. I'm here. And Joe Meade, in place of?

6                   MR. ZEMKE: Steve Zemke sitting in for Joe  
7 Meade. He extends his sincerest apologies for not being  
8 able to attend but is currently out of the country.

9                   CHAIRMAN LUTHI: All right. I appreciate  
10 that. He will be missed but I know that you'll more than  
11 fill his shoes. You've all -- hopefully those of you that  
12 wanted, you've seen a copy of the agenda tonight. And the  
13 first thing that we will do to -- actually, tonight, is ask  
14 for the trustee to approve the agenda.

15                  MR. LLOYD: I'll move to approve.

16                  CHAIRMAN LUTHI: Moved. And is there a  
17 second?

18                  MR. O'CONNOR: Second.

19                  CHAIRMAN LUTHI: Is there any discussion?

20                  (No audible responses)

21                  CHAIRMAN LUTHI: All those in favor, say  
22 aye.

23                  IN UNISON: Aye.

24                  CHAIRMAN LUTHI: Those opposed?

25                  (No audible responses)

1                   CHAIRMAN LUTHI: Seeing none, next order of  
2 business is approval of the March 17th notes.

3                   MR. BAFFREY: Randall?

4                   CHAIRMAN LUTHI: Yes.

5                   MR. BAFFREY: Speak up because they can't  
6 hear you in the back.

7                   CHAIRMAN LUTHI: All right. Next item of  
8 business is approval of the March 17th notes. Is there a  
9 motion?

10                  MR. O'CONNOR: So moved.

11                  CHAIRMAN LUTHI: Is there a second?

12                  MR. ZEMKE: Second.

13                  CHAIRMAN LUTHI: Is there any discussion or  
14 corrections?

15                  (No audible responses)

16                  CHAIRMAN LUTHI: Seeing none, all those in  
17 favor, say aye.

18                  IN UNISON: Aye.

19                  CHAIRMAN LUTHI: Those opposed, say no.

20                  (No audible responses)

21                  CHAIRMAN LUTHI: Seeing none, all those in  
22 favor, say aye.

23                  IN UNISON: Aye.

24                  CHAIRMAN LUTHI: Those opposed, say no.

25                  (No audible responses)

1                   CHAIRMAN LUTHI: The minutes are approved.  
2 Third item of business is the Public Advisory Committee  
3 comments. Who will we have speaking on behalf of the  
4 Public Advisory Committee?

5                   (No audible responses)

6                   Not yet, unless you're on the Public  
7 Advisory Committee. Going once. Going twice. Public  
8 advisory comment period is closed.

9                   So that puts us a few minutes ahead of the  
10 scheduled agenda, which actually, you know, of course,  
11 gives the chairman a chance to talk some more, which is  
12 always rather dangerous. But I'll take advantage of that.

13

14                   First, do we have everyone in that wants to  
15 be in or is at least close?

16                   UNIDENTIFIED SPEAKER: I think that's about  
17 it.

18                   CHAIRMAN LUTHI: Okay. Well, again, thank  
19 you all very much. And before we start the public comment  
20 period of the meeting, I'd like to take a few moments as  
21 well to again offer my thank you to -- and it has been a  
22 great time. And the great hospitality that your community  
23 has shown to us. I will also give the opportunity for each  
24 of the council members, should they so choose, to offer a  
25 few comments to get us started on the public comment

1 period. But the bulk of the evening is reserved for you.

2                   There are a few things I would ask. We are  
3 asking that you attempt to limit your comments to five  
4 minutes a person. We will be timing that. I'll give you  
5 the evil eye when you get to that five minute point. And  
6 so when you get close to that, try and wrap them up as soon  
7 as you can. If it's possible, and someone may have said  
8 the same thing before you, just note that it's been said  
9 and move on to an item that you also will feel of interest  
10 to us as well.

11                   And above all, we're here to hear  
12 everyone's views. We'll be respectful of everyone. We  
13 certainly will be on the council. We hope that you will be  
14 as well as us, because we are very interested, again, in  
15 being here.

16                   To start this off, let me -- I have just a  
17 couple of comments. Again, I'm relatively new on the  
18 council. I'm learning a lot about what the council has  
19 done in the past. And I'm learning more and more of what  
20 we can and cannot do with those restoration funds. And  
21 what you will see and what we hope to hear about tonight,  
22 is that it is so important, and in fact it's under our  
23 consent decree that gave us these funds, that we have to  
24 have a direct and causal link with restoration or natural  
25 resources. That is the main purpose of what these funds

1 are to be used for.

2                   We also try and link it back -- we do link  
3 it back wherever we can, and that is necessary, to the  
4 original spill. And that original spill was actually --  
5 you know, it was quite awhile ago. As fresh as it is on  
6 all of our minds, particularly those of you here that have  
7 been effected by it, it's been quite awhile. So I would  
8 ask you to do as you're formulating your comments about how  
9 -- what the Trustee Council would do, keep in mind that  
10 we're required to have some kind of a linkage between  
11 restoration of natural resources and services and how we  
12 spend the money.

13                   I realize to some degree, and I'm going to  
14 hear more and we're all going to hear more tonight, more  
15 about those services that you were concerned about. And  
16 we're interested in hearing about that. And we ask for  
17 your help in your public comments, again, to give us ideas  
18 how we can make sure we have that linkage between loss of  
19 resources and restoration of those resources.

20                   I had the privilege of sitting through at  
21 least most of today's meetings with the herring restoration  
22 group. And what I kept hearing and kept hearing was do  
23 something. Do something. 1989 was a long time ago in some  
24 of our minds. Do something. And I trust that I'm going to  
25 hear quite a bit of that tonight and the council members

1 are wanting to hear some of that tonight. But again, give  
2 us ideas. How do we link it back to restoration.

3                   We also would welcome ideas -- we're going  
4 to hear probably quite a bit about the herring restoration,  
5 the loss of herring, the loss and the effect on the herring  
6 fishermen. Think about, again, tie it back to herring if  
7 it is so possible. Give us ideas on how to do that. Give  
8 us ideas on things like a harbor cleanup, if there are  
9 ideas that would work as well on that. Again, something  
10 back to restoring the resources that were lost.

11                   Give us an idea if there's a higher  
12 priority that you would like to see. If you would like to  
13 see more efforts into direct herring restoration, if you  
14 think that that is a better idea, than say maybe pollock  
15 restoration or additional pollock fishing, which is an area  
16 I know very little about, you tell us what we're looking  
17 for.

18                   And I trust we're going to hear something  
19 about the Cordova Citizen Center as well. Again, help us  
20 -- tell us how we'd link it with restoration of natural  
21 resources.

22                   So with that, again, I thank you all and  
23 remind you to try and be five minutes. I kept mine just  
24 about to five minutes. And I open it up first to the  
25 council if they have some opening remarks. I'll start over

1 here. Mr. Denby [sic].

2 MR. HARTIG: No.

3 MR. LLOYD: Larry.

4 CHAIRMAN LUTHI: Larry.

5 MR. HARTIG: Well, thanks, Randall.

6 CHAIRMAN LUTHI: I'm sorry. Larry.

7 MR. HARTIG: Thanks, Randall.

8 MR. LLOYD: Yeah.

9 CHAIRMAN LUTHI: I know who you are most of  
10 the time.

11 MR. HARTIG: Right. Well, the mayor has  
12 done a very good job and other people in this community of  
13 coming to various council meeting over the last year or so  
14 and talking about the Cordova Center. But one reason we  
15 wanted to come to Cordova was to find out directly from the  
16 community, you know, is this a project that you're  
17 interested in EVOS, you know, providing funds for or do you  
18 see other alternatives that would be a higher priority for  
19 this community. Because we are concerned that 20 years  
20 after the spill there's still open wounds here. You know,  
21 there's things that haven't been addressed, you know, and  
22 maybe can't be addressed. So maybe, you know, the Cordova  
23 Center or some other projects might be one way of, you  
24 know, start addressing some of those needs that we haven't  
25 otherwise been able to address.

1                   And of course we're also very concerned  
2 about the herring and the -- despite the efforts -- the  
3 inability to get back to where it was before. And so, you  
4 know, if there's better ideas you have, suggestions you  
5 have, on how we approach that, we're very interested in  
6 hearing that too.

7                   CHAIRMAN LUTHI: Thank you. Steve.

8                   MR. ZEMKE: I'd like to echo what everybody  
9 has said and the idea about coming here to gather your  
10 local and traditional knowledge is very valuable to us.  
11 Tim and some of the other folks have come in to Anchorage  
12 to try to explain that and he's done a commendable job, but  
13 looking out here, you can see that there's 200 well-versed  
14 people that are going to give us their opinions on that and  
15 I think we're going to try to soak that in and come and be  
16 able to understand the full impact of the situation. And I  
17 think being here, sitting in front of you all, helps us to  
18 understand that true impact. Thank you.

19                   CHAIRMAN LUTHI: Thank you. Denby.

20                   MR. LLOYD: Thanks, Randall. I'm going to  
21 take your admonition to not repeat things that have already  
22 been said, so I'll echo the comments and I'm very happy to  
23 be here. I'm looking forward to hearing comments from the  
24 community. Thanks.

25                   CHAIRMAN LUTHI: Thank you. Talis.

1                   MR. COLBERG: Thank you for the opportunity  
2 to be here. I've been to Cordova twice before as a  
3 tourist. The first time I wasn't a very well-informed  
4 tourist. About seven years ago I brought my family here in  
5 March to go out to see the Child's Glacier. And after I  
6 brought them here and questions -- I had introduced it as  
7 we're going to the beach, and they interpreted it as Hawaii  
8 or something. And when it became clear that the main  
9 purpose was going to be foiled when I took my car on the  
10 ferry and got here and realized only then they don't plow  
11 the road all the way to the glacier. And I tried to drive  
12 through the snow. I was making progress and then  
13 apparently it drifts heavily near the river and there was  
14 no way that I was going to get through that.

15                   But we had four wonderful days in town and  
16 I came to realize we may have been the only tourists in  
17 town that day. And when we went to eat out, people kind of  
18 said, well, you're not really from here. So I know this is  
19 a small town. I'm from Palmer and I know that, six years  
20 on the borough assembly, that even in our most contentious  
21 issues in an area that has now about 85,000 people, we  
22 didn't get a crowd this big. So I know this is important  
23 to you when you get this kind of a turnout in a town this  
24 size. And so I look forward to listening to you. Two  
25 hundred times five minutes though means this is going to be

1 well into tomorrow if you all.....

2 (Laughter)

3 MR. COLBERG: Thank you.

4 CHAIRMAN LUTHI: Thank you. Craig.

5 MR. O'CONNOR: I pass, Mr. Chairman. It's  
6 all been said.

7 CHAIRMAN LUTHI: Thank you very much. The  
8 floor is now yours. Mayor, did you.....

9 MR. BAFFREY: Can I make a suggestion in  
10 terms of structure?

11 CHAIRMAN LUTHI: Michael. Yes.

12 MR. BAFFREY: Because we have -- the agenda  
13 has two items, and one is to talk about the herring  
14 restoration plan which was recently released. They'll be  
15 comments on that and then there will be a presentation by  
16 the mayor on the Cordova Center, and then comments on that.  
17 So I would suggest that we allow the three technical  
18 writers for the herring restoration plan to make their  
19 presentations, take comments specific to that plan, and  
20 then separate that from the Cordova Center discussion.

21 CHAIRMAN LUTHI: Council members, we just  
22 approved the agenda. Do you wish to revise it?

23 MR. HARTIG: Well, the one question I would  
24 is if people are here to -- here talk on both, that would  
25 be fine, but if a majority of the people are here for one

1 or the other, it seems like to put that first would be a  
2 good idea. And I don't have a feel for that.

3 MR. BAFFREY: Okay.

4 CHAIRMAN LUTHI: Any other thoughts,  
5 council members? Any objection?

6 MR. COLBERG: I guess I would question  
7 separating them just in case -- I mean, if it is five  
8 minutes each and you have only testimony for two or three  
9 hours on herring and then you don't get any testimony  
10 because it approaches midnight when you are starting to get  
11 to the other topic, I think it's better to intersperse it  
12 back and forth and get us the flavor of whatever anyone  
13 wants to come up, so we're here on both topics rather than  
14 load it up with one or the other and not get to the other  
15 topic, just by the number of people.

16 CHAIRMAN LUTHI: So Michael, then it would  
17 be your suggestion we have a brief introduction of the plan  
18 first?

19 MR. BAFFREY: Well, what I would do, if  
20 that's the case, I would let the mayor give his  
21 presentation on the Cordova Center and let the three  
22 primary authors give their presentations on the herring  
23 restoration plan, and then follow that with public comment.

24 CHAIRMAN LUTHI: Is that agreeable?

25 IN UNISON: (Affirmative responses).

1                   CHAIRMAN LUTHI: All right. Thank you.

2 Mr. Mayor.

3                   MAYOR JOYCE: Okay. Let me blind you for a

4 minute here. You may want to move your seat just a second.

5                   UNIDENTIFIED SPEAKER: Are those

6 microphones on?

7                   UNIDENTIFIED SPEAKER: No.

8                   MR. COLBERG: These aren't microphones for

9 amplification, they're microphones for recording.

10                  REPORTER: For recording.

11                  MAYOR JOYCE: Okay. If it so pleases the

12 council, I'll introduce myself. I'm Mayor Tim Joyce and I

13 have a presentation on the Cordova Center that I will start

14 with then. And this will take just a few minutes more than

15 five minutes, but probably not more than 10, so I'll try to

16 be quick.

17                  Okay. Welcome to Cordova and this is a

18 view of what we think the Cordova Center will look like

19 after its construction, from Main Street, looking towards

20 that building. This is an opportunity for us to remember

21 our past, as well as embrace the future. I don't know if

22 everyone can hear me in the back so I'll -- I'm speaking to

23 the front, so if I can, I'll try to speak up so you can

24 hear me. Maybe I should just stand.

25                  Injured human resources from the EVOS, just

1 to give you an example, herring, which is a topic you'll be  
2 talking about tonight as well, if you'll look, you can see  
3 that the number of Cordova residents that owned herring  
4 permits in Prince William Sound varied from over 80 percent  
5 in gill net and around 80 food and bait, down to just over  
6 -- around 20 percent for the hand harvest, which was rakes,  
7 et cetera, and seiners and then the pounders. Those people  
8 were all affected by herring. They no longer can do that  
9 in Prince William Sound.

10                   Injured human resources from the EVOS, in  
11 the last 12 years, that fishing for herring has not  
12 occurred, approximately, we have lost at least 45 million  
13 dollars in economic revenue to this community. Not only  
14 from the sale -- or the revenue from sales tax and raw fish  
15 tax, but just the economic opportunity for people to work.  
16 The processors, the processors that went out of business,  
17 the employees of those processors.

18                   We are struggling right now to bring back a  
19 budding tourist economy that was lost during the EVOS. We  
20 had people that were coming here but no longer do or didn't  
21 because of the fact that they felt that the Sound was  
22 spoiled. They're now starting to come back. People are  
23 starting to want to come back and see.

24                   We also had, in 1989, just bonded for a new  
25 school. This school right here. We had bonded to build a

1 new school. But because of the oil spill, the city never  
2 pursued those bonds. We did not go out and sell those  
3 bonds because no one knew what the economy was going to  
4 being doing in the future. So those bonds, we ended up  
5 lapsing those bonds because of the fact that the fisheries  
6 were impacted so hard. We are now in the process  
7 of coming back and looking at remodeling this school, which  
8 is going to be potentially another 12 to 14 million dollars  
9 to do the remodel on this school.

10 So far we've -- looking on the EVOS  
11 website, I looked up that here just yesterday to see what  
12 the expenditures have been from EVOS -- you've had a little  
13 over 900 million dollars that you've had to allocate. Out  
14 of that, 43.3 percent went to habitat acquisition. 21.6 of  
15 that went to reimbursements to the state and federal  
16 government and Exxon by law from the court decree. You've  
17 had 14.7 went into your restoration reserve. You had 3.1  
18 percent of that was in overhead. And you have roughly 17  
19 percent of that was in research, monitoring, and  
20 restoration, of which I tried to pull out how much of that  
21 was related to tourism, but it's very difficult to do  
22 because on your website, tourism is classified but every  
23 one of the projects had multiple things with it. It wasn't  
24 just a tourism type project. So I tried to kind of  
25 guesstimate what it was. Roughly two million dollars, and

1 that's two-tenths of one percent.

2                   So for our project polls, the primary goal  
3 is to provide economic diversification to promote the long  
4 term sustainability and stabilization of the community  
5 after lost or reduced fisheries, salmon and herring  
6 primarily. We want to provide a means for the education of  
7 the citizens, students, scientists, resource managers, and  
8 stakeholders about EVOS and the recovery of the Prince  
9 William Sound ecosystem. And we want to be able to provide  
10 a vital supply, training, and dispatch center for oil spill  
11 response. These are some of our goals.

12                   Now how do we get to this? The design of  
13 this facility is a multi-use design. This is a multi-use  
14 design. We have our library, museum, museum storage,  
15 performing arts theater, conference rooms, education rooms,  
16 catering kitchen, and administrative offices. It was  
17 planned this way from the community. This was many, many  
18 public meetings with which we had the community involved to  
19 come up with how we wanted this building to be. That's why  
20 there's many, many people here tonight. Same kind of deal.

21                   The site selection was done, again, through  
22 a community process. We have nine -- or seven different  
23 sites that were looked at and we came to the conclusion of  
24 which site was preferred, again, through the community  
25 process. And the city purchased those lots in 2005 for

1 \$140,000.

2                   In our business plan, we have new  
3 construction, which offers the opportunity to utilize low  
4 maintenance, high quality materials with a 50 year life.  
5 This is a long term investment. We are trying to combine  
6 the city facilities so that we can create efficiencies for  
7 utilities in our operations. And with the efficient  
8 design, this is also going to lower our long term utility  
9 costs.

10                   In the library, we are going to be  
11 providing access to this -- this EVOS information. This  
12 access is going to be generated by the -- from the -- by  
13 the EVOS projects will be for members of the public to be  
14 able to come in and access through -- via computer  
15 terminals to ARLIS, or they'll be able to look at our local  
16 material that we have here available in Cordova. And by  
17 providing that easy access to this well-organized material  
18 at our library, this will increase the long term value of  
19 those EVOS project research.

20                   The designed library is going to take up  
21 -- approximately 23 percent of the library activities will  
22 be related to EVOS restoration goals and objectives. Now  
23 one of the questions that's been asked many times is how  
24 much of this building is going to be related to EVOS. And  
25 our calculations and what we have looked at through our

1 engineers and our architects, we've come up with this  
2 number of approximately 23 percent of the library, would be  
3 related to these EVOS activities.

4                   And our conference center, this is going to  
5 be a venue for sharing EVOS research. This is going to  
6 facilitate communication between the scientific community  
7 and the stakeholder user groups. So those people that were  
8 affected are going to be right here, be able to attend a  
9 meeting like this or attend a meeting, like your herring  
10 workshop group, they'll be able to do that right here and  
11 you'll have a venue where you can actually sit down and  
12 talk in a reasonable manner with the proper sound system  
13 and the proper video systems, et cetera.

14                   We're going to provide -- this will also  
15 provide, which is also a key point here, a venue for small  
16 conferences to be able to come to Cordova. These people  
17 would be able to come here in our winter season, when there  
18 is very little activity, very little economic stimulus  
19 that's happening. They could then participate in that  
20 economic activity by being in rooms, using our restaurants,  
21 the bed and breakfasts. So we would have actually the  
22 reason for restaurants to stay open. We'd have a reason  
23 for hotels to stay open. We would have employment through  
24 the winter for those people that now leave and go somewhere  
25 else because there is no employment here in the wintertime

1 for many, many people. So that, which by doing, will help  
2 offset that lost economy from the damaged fisheries and  
3 services, which have not recovered or are still recovering.  
4 For example, herring.

5                   The conference center would take up -- we  
6 estimate about 62 percent of the conference will be used  
7 for EVOS related. And you're probably wondering, well, how  
8 can that be? Sixty-two percent of the time we're not going  
9 to be down here for an EVOS meeting 62 percent of the time.  
10 But we are substituting some of that space in that  
11 conference center for the diversified economic activity to  
12 make up for those lost things, those lost fisheries, the  
13 harm that was done, which is addressed in your management  
14 plan -- or your restoration plan.

15                   We're going to have an emergency response  
16 center. This is going to be a place where we will have the  
17 first responders be able to come in and be trained. We  
18 will be able to educate the community members in our oil  
19 spill prevention and cleanup techniques. And we're going  
20 to have modern, state-of-the-art command and control  
21 capabilities. We're going to have all the communication  
22 systems there. They'll be ready to be used. And we're  
23 going to provide -- this will also provide an opportunity  
24 to build partnerships with our state, local, and federal  
25 agencies that are going to be involved in this emergency

1 response. This emergency response center is going -- is a  
2 small portion of the building but it's going to be  
3 estimated at 100 percent for EVOS use.

4                   The historical museum. This is the place  
5 where many uses are going to be occurring. This is going  
6 to be where public exhibits are going to be on display  
7 regarding EVOS. One of the key questions that gets asked  
8 by tourists that come here in the summertime is what do you  
9 have for display on the Exxon Valdez oil spill? Where do  
10 you have that? And we don't have one. We simply don't  
11 have the room or the space. We have a very good display,  
12 but we can't display it because we don't have the ability  
13 to. So -- but that is our number one question by tourists.  
14 Tell us about Exxon Valdez.

15                   What we would like to do is be able to talk  
16 about those advances that have been made in the technology  
17 and -- since that oil spill, and also the changes that have  
18 been made to the industry that will ensure that it doesn't  
19 happen again. We want to be able to put those things out  
20 there. It happened, yes, but here's the things that have  
21 happened since that time so it won't happen again.

22                   These exhibits are going to encompass the  
23 expansion and enrichment of scientific research since 1989,  
24 land purchases, restoration efforts, recovering resources,  
25 and recovered resources. The museum, we estimate

1 approximately 28 percent of the museum floor space will be  
2 used for exhibits and activities related to EVOS.

3                   The visitor's center. This is going to  
4 provide information and promote opportunities for the  
5 recreation in Prince William Sound and tourism in Prince  
6 William Sound. This is going to be utilized in some of the  
7 information that you're going to generate from your Prince  
8 William Sound framework project. This is also going to be  
9 a spot where we can provide seafood marketing availability  
10 and information in a kiosk that's going to be located in  
11 the center of the building. And we're also -- will be a  
12 place to welcome and answer questions by visitors. We  
13 figured that approximately 40 percent of this kiosk used,  
14 will be used for EVOS related topics.

15                   The Discovery Room. This is a building --  
16 this is the room where we'll be having education for our  
17 young people and we're going to be having many projects  
18 that we -- learning about ecosystems. They'll be learning  
19 about a lot of the science that goes along -- in Prince  
20 William Sound. They will be learning about the oil spill,  
21 what happened, what went wrong, what we're doing right now.  
22 This is going to be 100 percent -- again, it's a small  
23 room, an education room, but it's going to be there and we  
24 figure 100 percent of that activity would be related to  
25 EVOS.

1                   City administration. This is a multi-use  
2 facility. This is what a lot of the funders that we are  
3 talking to would like to see. They want to see multi-use  
4 in their buildings. The reason we're using multi-use is  
5 because we can consolidate our buildings, our offices from  
6 the city into one place and we we're able to get rid of at  
7 least one of our other buildings and consolidate some of  
8 those things for our utilities and costs. We are not  
9 asking for any EVOS funding for this portion of the  
10 building. This will be paid for completely by the city or  
11 other funders.

12                   Operation and maintenance. This is another  
13 big question. What happens after this is built? This is  
14 going to be borne by the city completely. The purpose of  
15 this multi-use facility is to provide the ability to  
16 combine the funds used currently in existing operation and  
17 maintenance into the new structure and surplus at least one  
18 of the old buildings. So we will be combining things into  
19 one place, new, modern, that will be less on -- or more  
20 efficient on our utilities and it eventually will probably  
21 be less to operate.

22                   Funding. This was a new one. We went back  
23 to the engineers. You all know what the cost has gone --  
24 done in the last few years with inflation, with steel in  
25 particular. We went back to our engineers in March and

1 said, okay, using the design you have, we had a previous  
2 price of around 14, 15, 16 million dollars. What is it  
3 today? This is their new price: 21 million dollars. I  
4 came to you several years ago, four or five years ago, and  
5 we said, you know, it will probably cost 10, 12 million  
6 dollars. Now it's 21. Same building, same structure, no  
7 change.

8                   We have a public and private funding plan  
9 that's been implemented with primary funding coming from  
10 the federal and state appropriations and government  
11 agencies and foundations and corporations. We know that  
12 these costs of materials are rising rapidly but our request  
13 to you is remaining the same. We're not asking for any  
14 more than we had asked the last time. We will try to make  
15 up the difference in other funders.

16                   Here's our committed and potential funding.  
17 We have EVOS listed at -- this is the actual dollars that  
18 we request from you for construction, is 6.9 million  
19 dollars. You will -- I know that the Trustee Council has  
20 an automatic or a required overhead that you put onto these  
21 requests. That would be in addition to the 6.9. So  
22 approximately 7.3, 7.4 million I think is what the bottom  
23 line number would be for the Trustee Council. We have two  
24 and a half million dollars of federal funds in hand. We  
25 have \$1,025,000 in state funds in hand. The city has

1 committed 1.7 million dollars between the amount we have  
2 that we will commit to spend if the Trustee Council and  
3 others are going to commit to do this. We've already  
4 bought the property. We have the foundations that are  
5 waiting for you. They're waiting for someone to put this  
6 construction over the halfway point and the foundations and  
7 the corporations and the Denali commission will come back  
8 then at that point, and be involved in our project.

9                   We have a local fund raising effort that  
10 has collected a little over \$22,000 but we have stopped  
11 doing local collections until we get to that halfway point,  
12 because if this does not happen, we have to refund the  
13 money. What's left, we refund, and to try to find each  
14 individual local donor will be difficult. So we suspended  
15 that activity until we are sure that we're going to  
16 proceed.

17                   Funding strategy. The Cordova Center use,  
18 this is the uses that I gave you just a little bit ago,  
19 comes to about 48 percent of the building based upon the  
20 numbers that we were given and talked with our architect  
21 and engineers. The funding, the amount of money that we're  
22 asking right now compared to what this building is expected  
23 to cost, is 32 percent. So even if you don't quite agree  
24 with the percentages of the floor space that I just talked  
25 about, there's a lot of room to maneuver there before we

1 actually downed the amount that would actually -- we're  
2 asking you for. We're asking for 32 percent of the dollars  
3 it's going to cost to build this building.

4                   We have a lot of people that are involved  
5 within the community. There's just a list of some of them.  
6 The list keeps growing. A lot of support within the  
7 community to do this project.

8                   And finally, this is a model of what the  
9 Cordova Center would look like in its location. This  
10 presents the opportunity for the Exxon Valdez Oil Spill  
11 Trustee Council to create a legacy of their restoration  
12 accomplishments in the community most affected by the oil  
13 spill. In 25 years residents and visitors will be able to  
14 see and touch what the EVOS Trustee Council was all about.  
15 This project will also help in the closure process from the  
16 Exxon Valdez oil spill.

17                   So with that, that's kind of my kick-off  
18 presentation. I appreciate you giving me the time and I  
19 know this is more than the five minutes that you're  
20 allowed, but that's it for the Cordova Center and I  
21 appreciate it. Thank you very much.

22                   (Applause)

23                   CHAIRMAN LUTHI: Thank you, Mayor. That  
24 was an excellent presentation. Thank you very much. I  
25 will now proceed with the explanation, three presenters of

1 the herring plan. Is that also a PowerPoint?

2 MR. MOFFITT: Yes. Sorry about that.

3 CHAIRMAN LUTHI: It's good exercise for me.

4 (Pause - setting up presentation)

5 MR. MOFFITT: So it will be a tough act to  
6 follow and I'm going to do my best here. So my name is  
7 Steve Moffitt and I'm the area research biologist for the  
8 commercial fisheries division of the Alaska Department of  
9 Fish and Game here in Cordova. And I authored the  
10 management chapter for the herring restoration plan.

11 And let's see, just to give you a quick  
12 chapter outline, the management chapter reviewed the  
13 current stock status, and then the current regulatory  
14 management plan as outlined and used by the Department of  
15 Fish and Game. And then also discussed historical  
16 management strategies used by the department for the sac  
17 roe fisheries since they developed in the late sixties.  
18 And then also discussed threshold and exploitation rate  
19 policy and how that plays into our management strategies.  
20 And then some short discussion of the possible recovery  
21 criteria and how they would be applied. And then lastly,  
22 management changes, both regulatory and operational that  
23 could be used to assist the restoration process.

24 So I'm going to try and restrict this to  
25 just a few issues though and first I'm going to review the

1 current stock status quickly, and then the modern fisheries  
2 time line for the sac roe fishery and the value. And then  
3 also discuss some management options that could be used to  
4 assist the restoration process.

5                   So the current stock status, I've got  
6 biomass in tons along the left vertical axis, and then  
7 calendar year along the X axis. And the solid white line  
8 is the fishery threshold. Currently by regulation, no  
9 fishery can occur unless the biomass is forecast to be  
10 above the 22,000 ton spawning biomass threshold. And the  
11 other item of note is our age structured assessment model  
12 output. And that model essentially takes all of the  
13 relevant information and provides a best fit to the biomass  
14 backwards through time and also allows us to forecast one  
15 year ahead.

16                   So we can note that in 1980, where the  
17 maroon line starts, the biomass was estimated to be about  
18 60,000 tons. And then it increased to approximately  
19 100,000 plus in the late 1980's and early 1990's. And then  
20 subsequently declined precipitously in the winter of 1992  
21 to the spring of 1993. And then we had a small recovery in  
22 1997, 1998, where there were commercial fisheries again.  
23 And since 1999, it's been below the threshold level and  
24 there have been no fisheries, no harvests whatsoever since  
25 1999.

1                   So that's our current status, is that we've  
2 been below the threshold since 1999, and based on the  
3 information we have so far this year from aerial surveys  
4 and acoustic surveys, we'll likely be below the threshold  
5 next year and possibly the year after also.

6                   So next, I just wanted to talk a little bit  
7 about the fisheries in Prince William Sound. The demand  
8 for sac roe increased in the late 1960's and the first  
9 fishery in Prince William Sound for sac roe was in 1969.  
10 And that was a per seine sac roe harvest. And then the  
11 fisheries have developed, the other fisheries, the gill net  
12 sac roe, the wild spawn on kelp, and the pound spawn on  
13 kelp, also developed and by 1980, we had all five fisheries  
14 harvesting fish. And on the vertical axis of this graph,  
15 you can see the X vessel dollar value for those fisheries.  
16 And the peaks in the late 1980's and early 1990's, the X  
17 vessel value exceeded 12 million dollars to the community.  
18 And the average value over all years when all fisheries  
19 were open was approximately six million dollars per year.

20                   So lastly, I just wanted to talk about some  
21 of the possible management changes, both regulatory and  
22 operational that could be used to assist the restoration  
23 effort. First, one possibility is to reduce fleet size or  
24 efficiency. Currently fleet size that would have to be a  
25 commercial fisheries entry commission process. And

1 efficiency would be -- could be a Board of Fisheries  
2 process or that could be done through operational means by  
3 the department.

4                   So currently there is over a hundred purse  
5 seine permits and for any of you that have seen what  
6 happened in Sitka this year, you know that purse seines  
7 could be very efficient. And so any implementation error  
8 by the management staff could lead to exceeding your  
9 guideline harvest level by a large amount.

10                   Next, we could encourage cooperative  
11 fisheries. Currently in Sitka. There is a lot more  
12 cooperative fishery efforts than occurs in Prince William  
13 Sound and fewer boats in the water, fewer boats setting  
14 nets. There's less stress to fish. And we have had  
15 disease transmission problems and epizootics that have led  
16 to declines in the biomass within Prince William Sound  
17 stocks.

18                   So another thing the department could do  
19 managerially is to reduce disease transmission probability.  
20 And once again, cooperative fisheries could help with that.  
21 And also there could be changes to the pound management  
22 that could assist with the restoration effort. For  
23 example, research done in the late 1990's indicated that  
24 concentrating herring into pounds could cause them to  
25 express one of the viruses, viral hemorrhagic septicemia

1 virus and viral particles were found within the water.

2                   So changes that could be made to the pound  
3 fishery, for example, would be to reduce introduction of  
4 fish into pounds in years when the biomass was mostly young  
5 fish, since age three and four fish are more susceptible.  
6 And another option would be to reduce the density of  
7 loading, possibly increase the size of pounds so that there  
8 wasn't the stress with fish being concentrated in a small  
9 area.

10                   And the last item I wanted to mention is  
11 that we could review the fishery threshold as set in  
12 regulation right now. Currently the department has  
13 regulatory threshold that is based on methods similar to  
14 that that have been used in all other herring fisheries  
15 coast-wide. But most other fisheries coast-wide are not  
16 having the disease impact problem that the Prince William  
17 Sound stock has had. So it may be that the fishery  
18 threshold that's been developed here is not appropriate for  
19 those stocks.

20                   And the last caveat I should mention is  
21 that any of these management changes really would have no  
22 effect until the biomass has increased, till it's above our  
23 threshold, so -- and that's all I wanted to present on the  
24 management chapter and I'd be willing to take any  
25 questions.

1 CHAIRMAN LUTHI: Trustees, any questions?

2 (Applause)

3 CHAIRMAN LUTHI: Trustees, any questions  
4 for either the mayor or Steve?

5 (No audible responses)

6 CHAIRMAN LUTHI: Seeing none, we'll proceed  
7 with -- no, we still have two more presenters, correct? My  
8 apologies. Another PowerPoint?

9 DR. RICE: Yeah.

10 CHAIRMAN LUTHI: Oh, good.

11 (Laughter)

12 (Pause - setting up presentation)

13 DR. RICE: Thank you. I'm Jeep Rice. I'm  
14 from the Auke Bay fisheries lab. First time I passed  
15 through Cordova was 1971, so I go back a little ways. I  
16 certainly have a long history with EVOS. Our lab has done  
17 a lot of oil persistence work and we continue to do work  
18 here relative to the oil spill. Specifically, they still  
19 have herring studies, still have a high interest in that.

20 So my role here is really to talk about the  
21 plan. You just heard from Steve about we still have a  
22 problem. Something you all know, but you saw the real  
23 numbers or whatnot. My role here now is talk real -- begin  
24 the first of two parts talking about the plan. Okay. So  
25 we need to have restoration plan and it's really driven by

1 two questions. What's the limited factor, or what is  
2 limiting the recovery of Prince William Sound herring,  
3 something that we really don't know. And then, what can we  
4 do about it. And there's a couple of options there maybe  
5 and Doug Hay will talk more about the enhancement type  
6 options that may be available to us in the future.

7                   Trying to talk about a herring plan is  
8 really a daunting task. It's a very complex species that  
9 can hammer on it. We often speak of it as there are  
10 factors that are top down, such as predation and disease,  
11 and there's factors from the bottom up, such as water  
12 temperature, prey if you're feeding life stage. For eggs,  
13 for example, very significant to them is the temperature of  
14 development and also birds maybe predating on those eggs.  
15 Larvae are hammered from the top down also, from lots of  
16 different things, bigger fish, zooplankton, those sorts of  
17 things. But they need to start feeding pretty soon after  
18 they hatch and develop. They got a few days of -- five,  
19 six, seven days of yolk to feed on and then they need to  
20 convert over to feeding.

21                   As the juveniles grow through the first  
22 summer, they need to be building up their body, growing,  
23 and also storing some fat for the upcoming starvation  
24 period in the winter. But they're still being hammered  
25 from the top down by predators, usually larger fish.

1 Walleyed pollock being probably one of the bigger ones that  
2 impact the juveniles. Then they have to get through that  
3 very first winter. And that winter is a starvation period  
4 for them. Not much food, if any, coming to them. And so  
5 they're bottom up problems are kind of sealed off, you  
6 might say.

7                                 Nevertheless, there's a water temperature  
8 issue. On warm winters, they're actually going to consume  
9 more energy, even if there's no food there. Top down, they  
10 still got predators coming on them, this is the time,  
11 bigger fish. And a little later, as we get into the  
12 adults, whales and certainly other marine mammals, birds,  
13 et cetera, are starting to hammer on those adults of  
14 various sizes, so.

15                                 When we build a plan and try to figure out  
16 what are the limiting factors, we kind of know, literally I  
17 think, just about all the factors, okay. But what we don't  
18 know is which ones are more important at which life stages.  
19 For example, the limiting factor for herring may be, the  
20 adults, may be the predation by humpback whales when  
21 they're all balled up in the winter. It's pretty efficient  
22 feeding for the whales when they're all schooled up and  
23 pretty tight. Another early life stage is walleyed pollock  
24 may be hammering those juveniles. So different life stages  
25 have different problems and we often don't know which is

1 more important.

2                   The other little minor details that we go  
3 across time, whatever the worst limiting factors last year  
4 may not really be the same limiting factors as the coming  
5 year. They may switch around. So these are some of the  
6 issues we try to fight, scientists, and try to figure out  
7 how a plan should look. And so we have invested a fair  
8 amount of effort into trying to sort this out, but we're  
9 really talking about a very large problem.

10                   The catch to all this is that we really  
11 would like to know that if we're going to build some sort  
12 of enhancement strategy. Now there are a couple of  
13 complicating issues that people like to discuss relative to  
14 the herring. One of the first is, was it oil? Well, maybe  
15 it was and maybe it wasn't. There's certainly an honest  
16 debate about that. It certainly can be debated both ways,  
17 but nevertheless, the real driving question is, what is  
18 limiting recovery now. And the one thing that we are  
19 fairly certain about is that it's probably not oil now.  
20 Oil may have been a cause, a very large contributor, or  
21 maybe not, but in any rate, it's not a significant factor  
22 today.

23                   Another discussion item is should we let  
24 nature take its course, and that would certainly, I think,  
25 be the first choice. Okay. Or should we take a chance and

1 start going down the enhancement pathway? Well, nature's  
2 had her chance for some 10, 12 years, 15 years maybe, some  
3 would argue. And so now we're probably thinking a little  
4 bit stronger, now that we are thinking. We are, we are  
5 thinking more strongly about enhancement potentials, okay.  
6 And I think that a few years ago, you know, we really  
7 weren't. We were still trying to -- wrapped up with the  
8 concept of just what is the limiting factor and what can we  
9 do about that. But now I think we are starting to think a  
10 lot more strongly about the enhancement options.

11                   Okay. So any future plan that we have, and  
12 I'd say we're someplace about halfway through the process,  
13 is, like I say, it's a daunting task. One thing that we'll  
14 have very basically is that we will still have to monitor  
15 the populations and stuff that Steve was just talking about  
16 there. We can't know whether they're recovering or not,  
17 obviously, unless we continue that long time series of  
18 population monitoring. And in fact, we probably need to  
19 enhance it some. We probably need to start looking at  
20 what's the population or what's the level of juveniles, for  
21 example. So it's not just maintaining the old data sets  
22 that we have, we'll probably need a few more.

23                   The second thing is, we need a mix of what  
24 we call bottom up and top down type studies that are going  
25 to compliment this effort so that we can try and figure out

1 why things are happening, predict what the next year or two  
2 or three will look like. And if we can, for example, get a  
3 handle on what the recruitment is of say, age zeros, after  
4 the first winter when they become ones, if we can get a  
5 handle on that, that will give us a much better opportunity  
6 to predict the future, we hope. That's assuming we have a  
7 better understanding. Certainly there will be some modeling  
8 that tracks all these studies and plus there are just  
9 things that we can't do, so that will help.

10                   The fourth area is that we'll have to have  
11 some what I call enhancement support activities. If we are  
12 going to go down the enhancement pathway and either dump  
13 juvenile herring, for example, into a bay, we need to know  
14 what the carrying capacity of that bay is. It doesn't make  
15 any sense to dump fish into a bay, for example, if there's  
16 no food there. So we still have to have some of those  
17 support type studies that travel along if we go down that  
18 path.

19                   Last thing is that this herring plan, it's  
20 going to take a while to develop. We're probably been into  
21 it for more than a year or so. But it has to have some  
22 longevity to it. It has to have a life. Okay. And so  
23 when we think about a herring restoration plan, we're  
24 really thinking about in the 10 and 20 year range at  
25 basically a bare minimum. The species is kind of long-

1 lived. It takes us three years right now to figure out  
2 what happens from the spawn up to the first time we can  
3 assess the three-year-olds as they come in to recruit. So  
4 this is a long term problem. We're not going to solve it  
5 all overnight. Even if we were to go down the enhancement  
6 pathway, it will still take time. It will just take time.

7                   That also means it has to have some  
8 stability, which means there has to be a commitment from  
9 the trustee process here that there will funding. It  
10 doesn't make sense to go a year or two and then stop. So  
11 there has to be the funding that goes with it. Right now  
12 we need to have this but we don't have it. It's going to  
13 take another several months to get this in operation and it  
14 will have to have some things in it like accountability  
15 also.

16                   So with that, I'll turn the mic over to  
17 Doug and do you have slides?

18                   MR. HAY: Yes, I do.

19                   DR. RICE: Okay.

20                   CHAIRMAN LUTHI: Council members, any  
21 questions for Jeep?

22                   (No audible responses)

23                   CHAIRMAN LUTHI: Not seeing any. I'm not  
24 going to rush back.

25                   (Applause)

1 (Pause - setting up presentation)

2 MR. HAY: I'm honored to be here. I'm also  
3 a little afraid to be here.

4 (Laughter)

5 MR. HAY: As Jeep said, I passed -- first  
6 passed through Cordova in 1963. I probably passed out in  
7 Cordova in 1963.

8 (Laughter)

9 MR. HAY: Two years ago Michael called me.  
10 I was working in an office in Korea, teaching there, and he  
11 asked me to write a white paper on herring enhancement.  
12 And when I said, because I was interested in this, my  
13 feeling was this is a really dumb idea and I'm going to  
14 write the report to indicate that. I thought it was dumb  
15 because the Norwegians had been trying to propagate cod for  
16 centuries -- not centuries but at least almost a hundred  
17 years. It was one of the biggest scientific boondoggles  
18 ever. It's nicely written up. So I thought that was  
19 really going to be the essence of it. And then I  
20 discovered the Japanese have been doing this with herring  
21 quite successfully. So report that came out was a little  
22 bit more reflective.

23 And so my background is, I've been working  
24 at the Pacific biological station. It's the Canadian  
25 federal government equivalent of NOAA as a research place.

1 And there we do work on herring. The federal government  
2 does it all. And so what the EVOS asked me to do was look  
3 at a white paper, emphasis Asian, European experience, and  
4 that report is now complete. It's title is herring  
5 enhancement in Prince William Sound feasibility,  
6 methodology, biological, ecological implications. My  
7 consulting task is, our name is nearshore research, which  
8 is also the title of my research program at the biological  
9 station.

10                   You're not supposed to read this, this is  
11 just going to tell you that there's a lot of stuff in this  
12 report. It's pretty long. It's about 80 or 90 pages. So  
13 I will flip through some of these quite fast. I aimed this  
14 audience, or aimed this presentation at a slightly  
15 different audience.

16                   The first thing you have to do is decide  
17 whether you're going to enhance or not enhance. That's  
18 clear. And when I say enhancement, I really think that  
19 there's -- enhancement can be -- another word for this is  
20 intervention. It can be more than just herring hatcheries.  
21 But the common denominator of all this is that you really  
22 can only do things with a population. You can increase the  
23 birth rates or you can decrease the death rates. That's  
24 all you can do in a very general way. And mostly  
25 hatcheries around the world, you're just decreasing death

1 rates. I'll say that a bit more.

2                               So the choice is to enhance or not to  
3 enhance. And the white paper tries not to offer an opinion  
4 but tries to, you know, tell you what it's about in this  
5 way. And it's a couple of things that I recommend. Not  
6 only do I recommend it, the scientific literature  
7 recommends it. You have to have some rules about this.  
8 You have to make decision rules about why you're going to  
9 do it or why you don't. And Steve mentioned that a little  
10 bit -- you know, you have a level below which you don't  
11 fish, that's the kind of rule that I'm talking about.

12                               The other thing you must do, you must have  
13 a system for marking fish. If you're going to enhance  
14 fish, you have to have a way of deciding whether it's going  
15 to work or not work. And you have to find a way of marking  
16 them, putting something on the fish to tell you whether  
17 it's a hatchery fish, an enhanced fish, or not. And you  
18 have to do, the second thing, you have to be able to catch  
19 it and decide whether this is a hatchery fish or not. You  
20 have to do that.

21                               And so this is just the same thing. If  
22 you're going to enhance it, the only way you're going to do  
23 that is to decrease death rates. I'll go faster. Oh, and  
24 I'll just say briefly, you can decrease death rates by  
25 taking eggs into a hatchery situation and letting them, you

1 know, freeing them from predation. You can also intervene  
2 by lowering predation on older fish. You can also,  
3 theoretically, protect them from other physical factors,  
4 storms, temperature, that sort of thing. Or disease.

5                   So how do you reduce death rates, and then  
6 the key question is, when do you do it? Is it the eggs,  
7 the larval stage, the juvenile stages, as we mentioned.

8                   So first some very brief biological  
9 background about herring. The only thing I wanted to point  
10 out here is this the world, Alaska is centered right there.  
11 You can see that red line, that's the edge of the  
12 continental shelf. Herring live on the continental shelf  
13 and they don't usually go off of it. And they live from  
14 California right up to the Arctic Ocean.

15                   In general, herring feed on the shelf in  
16 the summertime. And I just wanted to make that point. I  
17 think it effect Prince William Sound, so I think at that  
18 point we might be underestimated locally. But that's a  
19 point for the biologists.

20                   About eight years ago, in Anchorage, there  
21 was a meeting. And this was the Wakefield Symposium. We  
22 put in a pretty big paper and we looked at the herring  
23 populations around the world. That's about 20, 25 authors.  
24 And what we wanted to do was find out what taking stock of  
25 all the herring populations, what did they do. So again,

1 you're not supposed to read it, it's just a sense that what  
2 we did was find out how they were doing.

3                   And this is an animation. And it comes as  
4 a result of doing that. You're looking at the North Pole,  
5 right in the middle. This is not in the enhancement white  
6 paper but they asked me just to look at -- to make one  
7 point. And the point is, herring populations change. It's  
8 in their nature to go up; it's in their nature to go down.  
9 It's not in their nature to stay down. Now if you can see  
10 that the middle of that is the Arctic Ocean.

11                   If you look straight down, you'll see  
12 Alaska. The little green thing right beside there is  
13 Prince William Sound. And you can see down at the bottom  
14 left it's 1989, 1990, 1991, '92. And look at that big red  
15 circle up in the right. Norwegian spring spawning herring.  
16 We're going to recycle again. It's now 1951. Look at the  
17 big red circle. That's the Norwegian herring. The biggest  
18 herring population in the world. Maybe 20 million metric  
19 tons. It decreased to about a hundred thousand metric  
20 tons. Less than one percent. See it going down. It went  
21 down and it stayed down.

22                   The little brown circle is probably --  
23 that's the North Sea herring. The purple circle is the  
24 Baltic herring. You can see the Atlantic herring on North  
25 America. You can see the Pacific herring. This is just

1 the total stock as it changes in time. And the whole point  
2 of this is, herring populations change in time. That's it.  
3 And you can see it's going down again.

4                   This is the same thing. I'm sorry you  
5 can't see it. The upper right hand box, if you can, just  
6 shows the Norwegian spring spawning herring. It started to  
7 collapse in the late fifties. Went down, stayed down for a  
8 long time, and then went up. My sense is that, you know,  
9 if you wait long enough, Prince William Sound herring will  
10 recover on their own. The question is, how long do you  
11 want to wait and how low do you want them to go.

12                   I'll point out one more thing. This is the  
13 Strait of Georgia and British Columbia, the one that I work  
14 on, the right hand circle. If you can see that. This is  
15 only a few years old, this graph. The top little red  
16 headline says that we were approaching over a hundred  
17 thousand tons of herring spawning. We were approaching  
18 historical highs. That's only five years ago. And if I  
19 presented an update now, we're almost historical lows.  
20 That population has crashed that fast. Almost as fast as  
21 the Prince William Sound went down. So you're not entirely  
22 unique in some ways here.

23                   Jeep presented more life history, so I'll  
24 just go through these very quickly. Go from spawning to  
25 eggs. Larvae, juveniles. Each of these stages are

1 potential for enhancement. Now this is a roe on kelp or  
2 spawn on kelp. This is a very good way of collecting eggs  
3 if you're ever going to do enhancement.

4                   This, the top left hand corner is a bottle  
5 of whiskey sitting in a pile of herring eggs on a beach.  
6 The middle one shows the same thing. These are wind roe  
7 eggs on a beach. Every year we tend to get them and the  
8 lower right hand circle shows where we're measuring them.  
9 That's probably a couple of hundred tons of herring we  
10 thought, the egg supply. Those eggs are alive. They're  
11 easily assessed. You can look at the viability, in five or  
12 10 minutes, you can find if they're alive.

13                   We wrote a paper on this. What we did for  
14 three years, we took these live eggs and we moved them from  
15 one part of the Strait of Georgia to the next. The Strait  
16 of Georgia is almost identical in size to Prince William  
17 Sound. And that we published the paper in the transactions  
18 of the American Fisheries Society, it's now 20 years old.  
19 This is a landing craft. It's full of live eggs on the  
20 bottom. And what we did, we figured out how to do it. And  
21 what you don't do is you don't move them in water, you move  
22 them in air. You keep them cool and you keep them damp.  
23 So simpleminded technology.

24                   We moved them to -- you can't see it well,  
25 but that's -- it's in the publication. We moved them about

1 20 or 30 nautical miles across the Strait of Georgia. We  
2 tried to start a new population. Did it for three years.  
3 We watched the eggs hatch. We watched the larvae come out.  
4 The result was a spectacular failure. But it wasn't a  
5 complete failure because what it demonstrated is that in  
6 this case, we were not able to start a new stock. We were  
7 not able to start a new population in this case. But that  
8 was useful because what it said is that the spawning habit,  
9 you can't make new herring spawning habitat necessarily.  
10 So many industry people, logging, other things, were saying  
11 let's just move herring, we'll start a new spawning --  
12 start a new stock here. It doesn't work quite that simply.

13                   But there's still potential. This is a  
14 matter of scale. We move them to a very small area.  
15 Prince William Sound, it might be a different scenario. So  
16 the answer, it didn't work. We didn't establish a new  
17 stock but we learned a lot. And there's still -- there's  
18 -- the technology was done.

19                   So back to this, and I'll go through this  
20 very quickly. There's a textbook, quite recent, chapter  
21 13, it talks about marine enhancement programs. It  
22 provides a very useful set of critical steps of program  
23 design. I've looked at all of these in the program.  
24 You're not supposed to read this, it's just supposed to  
25 tell you that there's scientific basis for doing this.

1                                   Critical steps of monitoring and  
2 experimental requirements. A list of things that can go  
3 wrong. So this is not -- what I'm trying to tell you is,  
4 this is not exactly new stuff. People have looked at this  
5 for other species. The challenge is to apply this to  
6 herring. With Prince William Sound, what I tried to do in  
7 the white paper is say how big a project does this have to  
8 be. And using some of the stuff from Alaska Fish and Game,  
9 we -- this is the numbers of fish that you -- you've  
10 already seen this. That red line, and I figure is about  
11 200 million age three fish in the post collapse years of  
12 Prince William Sound.

13                                   So what I did in this white paper is I  
14 figured out how many fish would you have to make, how many  
15 eggs would you have to move to produce 200 million age  
16 three fish. Suppose you just wanted to make 10 percent.  
17 You'd have to move 20 million or the equivalent for those  
18 20 million age three fish. That stuff is in the report.  
19 So 10 percent increase would require 20 million fish, new  
20 fish. And that's a lot of artificial rearing. But if you  
21 go to the Japanese literature, you can find that they've  
22 already done it.

23                                   So -- this -- I had -- this is not quite  
24 the PowerPoint that I thought it was. Next one.

25                                   (Laughter)

1                   MR. HAY: Oh yes, here it is. Here's the  
2 abstract from the Japanese paper. A fellow called Okushi  
3 has done this. And this is on the -- this is Japan. If  
4 you can see the upper right hand boxes, Hokkaido. The  
5 lower thing there is Honshu. They have reared herring big  
6 time. They rear them from the eggs. They rear them to  
7 about two inches. They release them. These fish, they go  
8 from the coast of Honshu up to part of Hokkaido and they  
9 come back as adults.

10                   So this can be done at this stage. But  
11 what they don't know, after doing all this work, they don't  
12 know whether they've made any new herring. The technology  
13 is there. They can -- the eggs can survive, but have they  
14 made more herring? And maybe the answer is, those wild  
15 fish may -- these recruited -- these hatchery fish may just  
16 displace wild fish. That's the big issue.

17                   So just a few quick recommendations from  
18 this paper. Again, you're not supposed to read this. It's  
19 very important to look at mass marketing. It's absolutely  
20 essential. You have to be able to recapture fish to detect  
21 these marks. And you must have some kind of reference  
22 point. In other words, if you're going to enhance fish,  
23 you have valid reasons for turning an enhancement on. You  
24 also have to have valid reasons for turning it off when  
25 it's successful. That's all that means. So this is the

1 same thing. If you're going to do this, you need some  
2 rules. You have to decide how to do the mass marking.  
3 It's not there. That's technology that must be developed.

4 Third recommendation is, there's technical  
5 uncertainties about this recovery system, and that has to  
6 be done before it starts. The last line, these are  
7 recommendations that I just made based on the last two  
8 meetings. The first one is KISS, keep it simple. The  
9 second one is, disease is a big deal and you must involve  
10 disease experts right from the beginning. The question is,  
11 do you raise these fish in disease conditions or do you  
12 raise them in septic conditions, like a hospital. And I  
13 think you raise them in disease -- in natural conditions.

14 Third one, and I think you should keep it  
15 science based and the science should be first rate because  
16 you have first rate scientists in this area. But you  
17 should also promote local participation. And that's not  
18 unique. The issues of local participation in fisheries  
19 management is occurring in British Columbia, it's occurring  
20 Korea. It's not unique to the Prince William Sound.

21 And this is the end or perhaps the  
22 beginning. Thank you.

23 (Applause)

24 CHAIRMAN LUTHI: Trustees, any questions?

25 MR. O'CONNOR: Are we free to go back and

1 ask other presenters.....

2 CHAIRMAN LUTHI: Absolutely.

3 MR. O'CONNOR: .....a couple of questions.

4 Jeep? Dr. Rice, are you still around?

5 DR. RICE: Yes.

6 MR. O'CONNOR: Oh, there you are. I'm

7 sorry. What do you anticipate the cost to be for this

8 planning effort and implementation if we engage in

9 intervention or enhancement? Do you have any rough,

10 ballpark estimates of cost to the council?

11 DR. RICE: Are you talking about the 10

12 year program? If you're talking about the 10 or 20 year

13 program, I'm assuming it would be in the 50 million range,

14 maybe. And that doesn't really maybe count the cost of the

15 enhancement infrastructure.

16 MR. O'CONNOR: So 50 million plus.....

17 DR. RICE: Yeah.

18 MR. O'CONNOR: .....would be your guess.

19 That we'll be spending on herring if we go through with the

20 operations that you guys are anticipating putting together.

21 DR. RICE: Over 10 to 20 years.

22 MR. O'CONNOR: Okay. Thank you.

23 CHAIRMAN LUTHI: Any other questions,

24 trustees?

25 (No audible responses)

1                   CHAIRMAN LUTHI: Seeing none. Again,  
2 thanks to -- my thank you to -- or I thank you again to the  
3 presenters for those two excellent presentations. We're  
4 now at the -- what I consider to be the main purpose of the  
5 meeting tonight, and that is to accept public comment.  
6 Just to review, help us link it back to restoration of  
7 natural resources. Five minutes or less.

8                   It's also very helpful if you would state  
9 your name for the record, and I'll try and remind you to do  
10 that. And also, just so we have a record of the great  
11 number of people that came tonight, if you didn't sign in,  
12 at some time before you leave, make sure your name is on  
13 that list out there.

14                   So, and it's up to you whether you stand or  
15 sit. The microphone is available to you, which will help  
16 everyone hear. So who's going to be brave and be the  
17 first? Please, come on up.

18                   MR. ADAMS: Good evening, members of the  
19 Trustee Council and Executive Director Baffrey, and our  
20 visiting scientist. My name is Ken Adams. I live here in  
21 Cordova and beginning in about the year 2002, we began a  
22 project that was supported by the Trustee Council and it  
23 continued for five consecutive years. Five years we  
24 submitted an annual proposal and we were successful in  
25 having that proposal funded. And the intention was to

1 achieve application of science for the benefit of the  
2 fishery. And it was largely based upon the results of the  
3 SEA program that was conducted with Trustee Council support  
4 from 1994 to '99.

5                   And I just mention, just a historical note,  
6 back in '92 and '93, the resources that many fishermen here  
7 relied upon had failed, particularly pink salmon in Prince  
8 William Sound. And then in '93, we had a precipitous crash  
9 of the herring resource also. And this prompted some  
10 action from the fishermen and, you know, specifically it  
11 was a blockage of Valdez narrows and we got the attention  
12 of the powers that be that there was something dreadfully  
13 wrong in the Sound.

14                   And consequently, Trustee Council, in their  
15 August meeting in '93, through Attorney General Charlie  
16 Cole, he announced the release of five million dollars for  
17 the start of a major ecosystem investigation we called,  
18 that was called the Sound Ecosystem Assessment, the SEA  
19 program. And that program went on for five years. It was  
20 terminated in '99 at the expense of 22 million dollars and  
21 a lot of effort. And we started our project in about 2002.  
22 And the intention was, to utilize those products, those  
23 research products that had been conducted under the SEA  
24 program for benefit of the fisheries, local fisheries.

25                   What we see happening right now is in stark

1 contrast to the mentality of the Trustee Council at that  
2 time. It was very, very, very difficult to get any  
3 achievement of application of results. And what we find  
4 right now is just the opposite, and it's a very hard thing  
5 to see this. And just how we do it, you know, remains to  
6 be seen, and I think Dr. Hay's presentation here just a few  
7 moments ago offers us the opportunity not to have to  
8 reinvent the wheel. And we can learn from the activities  
9 in Canada to help us do some restoration of herring here.

10                   In any case, I'm just making a point that  
11 there is a very much appreciated willingness to achieve a  
12 tangible benefit from the science right now that was not  
13 evident 10 years ago. This is very much appreciated.

14                   Since we only have a few minutes, I'll just  
15 mention very briefly, I am in complete support for the  
16 Cordova Center and in support also for a long term  
17 commitment to herring restoration. And I know that this  
18 topic, the third topic I'd just like to bring to your  
19 attention, it's not on your agenda.

20                   But nevertheless, I'd like to put it on  
21 your horizon and maybe to chew on sometime later on, and  
22 that is the long term GEM-like capability to establish a  
23 monitoring and research program that is long term. And I  
24 think you'll agree that we here in Prince William Sound  
25 that are relying upon the natural resources, we are ever

1 threatened by another disaster. Every time a ship goes out  
2 there's a potential for another catastrophe. And though we  
3 have much better response capabilities and better ships,  
4 but there's always a human factor. So every time there is  
5 a ship going out, we're kind of like the king lying in bed  
6 with a sword hanging over his head.

7                   So I mention this because in your 1994  
8 restoration plan, one of the key items that needs to be  
9 addressed is a long term database establish -- how can you  
10 tell what happens after -- how can you tell the effects of  
11 another manmade catastrophe if you don't have a database.  
12 If you don't have some long term view of what the  
13 environment is like without a catastrophe.

14                   Okay. So that's -- I'm not going.....

15                   CHAIRMAN LUTHI: No, no, no. That's one  
16 minute.

17                   MR. ADAMS: Pardon me? One minute?

18                   CHAIRMAN LUTHI: You have one minute left.

19                   UNIDENTIFIED SPEAKER: Take as much time as  
20 you want.

21                   MR. ADAMS: Want me to sing a song?

22                   (Laughter)

23                   MR. ADAMS: No, you don't want that. No.

24                   CHAIRMAN LUTHI: It would be far better  
25 than any I could sing, you know, so yeah.

1                   MR. ADAMS: Thank you. Thank you very  
2 much. I appreciate it and I want to thank all the  
3 scientists that have been working here for the last three  
4 days, morning and afternoon and perhaps in the evening, and  
5 that have been attempting to craft a restoration plan for  
6 herring. And also the willingness, the encouragement for  
7 the public to be involved in this process. And I'm not  
8 talking just about having sort of a passive view of the  
9 results but to actually involve in -- be actually involved  
10 in the formation of the plan.

11                   So keep up the good work. I much  
12 appreciate your efforts and I hope this Palin regime brings  
13 us to the place you want to be.

14                   CHAIRMAN LUTHI: Thank you, Mr. Adams.

15                   (Applause)

16                   CHAIRMAN LUTHI: Are there any questions  
17 for Mr. Adams from the Trustee Council? I'll give the  
18 trustees an opportunity to ask questions after each  
19 witness. And don't let the finger scare you, all right?  
20 It's just a gentle reminder. That's all it is. Who'd like  
21 to be next? Please.

22                   MR. KOPCHAK: If I could. First, I brought  
23 some canned fish for you, ladies and gentlemen, for your  
24 enjoyment. A gift from the fishermen in the community of  
25 Cordova. You'll have to split them up amongst yourselves.

1 I would love to watch that fight.

2 (Laughter)

3 MR. KOPCHAK: Malin Johnson put them up.

4 He's fairly well known in town for doing some good

5 fish.....

6 CHAIRMAN LUTHI: That did not count against

7 your five minutes.

8 MR. KOPCHAK: .....but also all get an I

9 love Cordova sticker. So welcome to Cordova. I have one

10 more quick thing -- this can start my five minutes -- but

11 you know, I keep wanting to make sure that everybody gets a

12 real copy of things. I've prepared a little piece of work

13 for you guys and it deals with a long term commitment for

14 sustaining our efforts relating to the recovery of herring.

15 So now that you've got that in direct, and I've got one in

16 for my good friend over here, because I know that's one of

17 the things he does, I've got another one for Michael.

18 MR. BAFFREY: Thanks.

19 MR. KOPCHAK: I'll sit down and talk for a

20 minute. So welcome to Cordova. My name is R.J. Kopchak

21 and I'm a commercial fisherman here. I also serve on the

22 Public Advisory Committee for the trustees, member of the

23 board of directors of the Cordova District Fishermen

24 United, and a recovering herring fisherman. So I'm going

25 to talk to you about two projects tonight. First the --

1 well, I'll just put them in an interesting order. I'd like  
2 to give an additional perspective on the financial and  
3 Cordova impacts from the collapse of herring, because I  
4 think a continuing defined perspective is important.

5                   In '89, Cordova was the home port of the  
6 majority of the fleet and we suffered the greatest degree  
7 of displacement from the collapse of the herring fisheries.  
8 Not just the fleet, but the community itself. I was  
9 talking to some friends visiting from Australia the other  
10 day and they said what do you miss most. And we were  
11 talking a little bit with some other friends who were  
12 instrumental in starting herring fisheries in the state,  
13 and we reflected, you know, the money really hurts a lot  
14 but we really miss April in Prince William Sound, when the  
15 world comes alive and the fish come in and the birds come  
16 in and whales come in and things wake up and we all know  
17 that the world is right. And I think that's one of the  
18 things that's toughest on the town. The town used to come  
19 awake for the herring fishery. You wake up in the morning  
20 and the tenders would be anchored and you'd know it was  
21 spring and we miss that.

22                   Well, we did start the pounding industry in  
23 the state, and because of that, we owned more permits than  
24 anybody else. I think you saw that. We owned 83 percent  
25 of the gill net permits, 80 percent of food and bait, 60

1 percent of the pounding, 27 percent of the seine permits,  
2 21 percent of the hand harvest permits, 40 percent of the  
3 revenue from herring. So the losses mostly came after the  
4 litigation. So those that think that somewhere we were  
5 compensated, as Exxon claims, for losses, needs to remember  
6 that this collapse really represented when the four-year-  
7 olds didn't recruit and the population went away, and this  
8 was post-settlement. So the hurt is also in that sense.  
9 And the jeopardy of, of course, punitive damages further  
10 exacerbates the frustration of those of us who have lost  
11 huge amounts of investments.

12                   So based on the historic production to  
13 date, about 51 million bucks out of Cordova. Total  
14 production, about 126 million dollars in lost opportunity  
15 for all of the fishermen. 1100 people, so 24 gill net  
16 boats, 107 seine boats, 107 jitneys, 129 pound fishery  
17 permits in pounds, 263 hand harvest folks, 900 and some  
18 fishermen, not counting cannery workers and such. So this  
19 was a big deal to us.

20                   So knowing that, I appreciate the  
21 commitment and effort to take a look at the herring  
22 recovery process and the herring recovery plan development  
23 very, very much. Doug Hay talking is a pleasure, isn't he?  
24 He provides a great insight and perspective to the  
25 challenge in front of all of us and he is to be commended

1 for that. But we want to keep going. So the paper I gave  
2 you tonight deals with what I've pitched as the sustainable  
3 herring initiative. When you have an opportunity, look at  
4 it. It's not for you tonight. There's more pages than you  
5 want to read, but the concept is done in four, so it's not  
6 too long. Catch it on the airplane.

7                               Now I want to speak on behalf of the  
8 Cordova Center. And that's -- I represent myself, my  
9 community, and my fishermen and fisheries tonight. But the  
10 Cordova Center is one of the things we need if we're going  
11 to continue to be active players in the recovery process  
12 and in just sound science over the long term. Cordova's  
13 got a little tiny science center but it is really focused  
14 on the things that count for both Prince William Sound and  
15 our region, yet we are frustrated because we can't hold a  
16 scientific meeting or conference here, even though some of  
17 the work we're doing is of world class. There's simply no  
18 venue.

19                               In my day job I am blessed to work for an  
20 organization that's doing some large landscape salmon  
21 habitat planning for the Copper River region. And we  
22 sponsor every year or every other year a huge workshop. We  
23 spend in excess of 60,000 bucks, but the folks that come  
24 spend a lot more. We can't do that in Cordova. We can't  
25 entertain those kinds of efforts here. To me that's the

1 kind of restoration look-see that we should look at.  
2 You're challenged with how do you -- you know, what's an  
3 ecosystem service and who do you benefit when that  
4 ecosystem service is lost. Well, herring has been lost as  
5 an ecosystem service for the birds and other even prey  
6 animals, but also for communities. And one of the things  
7 we can do here is try to ameliorate that issue by helping  
8 us build the Cordova Center. So I appreciate you guys  
9 pitching in on that and I appreciate your consideration of  
10 the sustainable herring initiative, so thanks for your ear.

11 CHAIRMAN LUTHI: Thank you. Any questions  
12 for Mr. Kopchak?

13 (No audible responses)

14 CHAIRMAN LUTHI: Thank you.

15 MR. KOPCHAK: Thank you.

16 (Applause)

17 CHAIRMAN LUTHI: Next. I doubt that you're  
18 all that shy. Please come forward.

19 MR. MOE: Good evening. My name is Martin  
20 Moe, I'm the Executive Director of the Chamber of Commerce  
21 here. And I just got delegated this because our president  
22 had to go meet somebody. But the Board of Directors of the  
23 Chamber of Commerce have created a resolution of support  
24 for the funding of the Cordova Center. I will read it and  
25 then I will pass it in to you, please.

1                   A resolution of the Cordova Chamber of  
2 Commerce supporting EVOS funding the Cordova Center.

3                   Whereas, the Cordova Chamber of Commerce  
4 recognizes the harm that the Exxon Valdez oil spill  
5 inflicted on the human resources and human support services  
6 in the community of Cordova, and

7                   Whereas, the Cordova Chamber of Commerce  
8 has noted the negative economic impacts on the  
9 sustainability of the community and on livelihoods, and

10                  Whereas, the visitor industry is a growth  
11 industry which has helped the residents of Cordova to  
12 recover financially and emotionally from the effects of the  
13 oil spill, and the construction of the Cordova Center will  
14 grow the visitor industry in Cordova, and

15                  Whereas, the Cordova Center will provide a  
16 forum for community meetings, opportunities for  
17 recreational and commercial performing arts, and  
18 conferences on a small scale to restore the diminished  
19 social and economic functions of the community, and

20                  Whereas, the new library and museum will  
21 replace existing structures and enhance services with  
22 energy-efficient, sustainable structures, and

23                  Whereas, the Cordova Center Project will  
24 provide a positive focal point on Main Street, Cordova to  
25 renew pride of place, and

1                   Whereas the Cordova Chamber of Commerce is  
2 committed to the success of the project in meeting  
3 community human needs and in growing a sustainable economy  
4 that the building can contribute to,

5                   Now, therefore, be it resolved that the  
6 Cordova Center of Cordova, Alaska does hereby request the  
7 Exxon Valdez Oil Spill Trustee Council to meet the human  
8 and economic needs of the community damaged by the effects  
9 of the Exxon Valdez oil spill by funding construction of  
10 the Cordova Center.

11                   Passed and approved this 30th day of April,  
12 2008. And it is signed by the president. And I'll hand it  
13 to you.

14                   And I have just two other comments. One on  
15 the fisheries. I was a foreman in one of our local  
16 processing plants in the late seventies and early eighties.  
17 And I can attest to what has been spoken before. This  
18 community worked nearly year round. You didn't have a  
19 summer fishery and a winter off. Fishermen worked. When  
20 they finished with salmon, they started on crab. When they  
21 finished with crab, it was time to start on herring. And  
22 the vision of the bustling community that we were is kind  
23 of haunting right now.

24                   And I'll speak on behalf of tourism  
25 development, because as most everybody here knows, that's

1 my hot spot. I have turned down requests for small  
2 business and small convention meetings in Cordova numerous,  
3 numerous times over the last three years solely because we  
4 did not have a suitable venue to have a meeting. We have  
5 the infrastructure to support small conventions except no  
6 venue. We have rooms, we have transportation, we have  
7 restaurants, we have activities. But until we have a  
8 venue, where somebody comes to me and says I want to bring  
9 a hundred people to Cordova, can you set up the meeting  
10 with, you know, these many tables, et cetera, until I can  
11 do that, I got to say, you know what, I could offer you the  
12 cafeteria at the grade school. And if there's only 30  
13 people, maybe we can do it in the open box of the Masonic.

14                   So I strongly add my recommendation that  
15 the funding continue for the Cordova Center to give us the  
16 economic benefit of restoring the infrastructure and  
17 economy of Cordova's residents. Thank you very much for  
18 all you do for us.

19                   CHAIRMAN LUTHI: Thank you. Are there any  
20 questions for Mr. Moe?

21                   (No audible responses)

22                   (Applause)

23                   CHAIRMAN LUTHI: Would you pass that down  
24 to our recorder? Thanks.

25                   Thank you so much. Thank you and welcome.

1                               MR. HAHN: Hello. My name is Scott Hahn.  
2 I'm the city manager and have been for the last five and a  
3 half years. Thank you very much for coming here. I want  
4 to talk about the word restoration. It's a great big word  
5 on your website in front of all this money. It's a great  
6 big word on your website in front of the SeaLife Center.  
7 And what is restoration? It's a human construct. We  
8 decide what that is. It means that we want to get back  
9 what we used to have. And in order to do that, we have to  
10 find some kind of measurement. It could be biomass. It  
11 doesn't have to be biomass. Restoration doesn't mean that  
12 it has to be biomass or it doesn't mean that it has to be  
13 dollars, but there's different ways of measuring it.

14                               What did Cordova have? I've only been here  
15 five and a half years but they had a bowling alley. I  
16 heard that they had a stainless steel dance floor. Now  
17 those things are hard to measure, but I did bring some  
18 statistics that I thought were -- I found a couple of years  
19 ago that I thought were pretty interesting. It comes from  
20 the commercial fisheries website.

21                               In 1990 there were 769 vessels in Cordova.  
22 In 2007, there was 433. And I'll leave this for you to  
23 hand around. Okay. Maybe that's herring. Then you go  
24 down and you look at 1990. The average age of the fishing  
25 fleet was 11 years. You go to 2007, the average age of the

1 fishing fleet is 22 years. And what that tells me is that  
2 the economic might of everyone, the ability to handle the  
3 replacement and the debt load and the expenses to maintain  
4 a community of 5,000 by the winter hardened 2200, how many  
5 of them are here, has been severely hampered.

6                   And therefore, speaking about the Cordova  
7 Center, I think that that's a valid way of going about  
8 trying to restore the economic might and help to replace  
9 some of the debt load ability that this city can handle.  
10 We're going to have to replace schools. We're going to  
11 have to replace libraries. And how do we do that? And I  
12 want to offer you the wording from your own documents that  
13 I think helps support your ability to determine how to  
14 measure restoration.

15                   Under policies, an ecosystem approach,  
16 restoration should contribute to a healthy, productive, and  
17 biologically diverse ecosystem within the spill area that  
18 supports the services necessary for the people who live in  
19 the area.

20                   Commercial fishing, under chapter five,  
21 injury and recovery. Continuing injuries to commercial  
22 fishing may cause hardships for fishermen and related  
23 businesses each year that commercial fishing remains below  
24 pre-spill levels compounds the injury to the fishermen.  
25 And that's been compounded for 20 years. In many

1 instances, the communities in which they work.

2                   And two more quotes here. Recreation  
3 strategy. Preserve or improve the recreational and tourism  
4 values of the spill area. Improved or intensified public  
5 recreation management may be warranted.

6                   And finally, it's -- you've got some  
7 definitions here, and one is replacement or acquisition of  
8 the equivalent. That's a mouthful. It means compensation  
9 for an injured, lost, or destroyed resource. Again, I  
10 contend it doesn't have to be a biomass. It should include  
11 that. But destroyed resource by substituting another  
12 resource that provides the same or substantially similar  
13 services as the injured resource. The herring has a lot of  
14 different intrinsic values. The herring also is dollar,  
15 and as far as I'm concerned, a dollar from a substituting  
16 resource, such as the Cordova Center and the things that  
17 that can bring, is restoration. And that's where we need  
18 to go. So please consider that highly in your weighing of  
19 the validity of what restoration really is. Thank you.

20                   (Applause)

21                   CHAIRMAN LUTHI: Any questions for Mr.  
22 Hahn? I notice everybody leaves before anybody gets a  
23 chance to ask any questions.

24                   (Laughter)

25                   CHAIRMAN LUTHI: Just one, if you would

1 please. There's no doubt there's been a reduction of  
2 commercial fishing. I don't think there's any doubt about  
3 that. Now I believe what you suggested to us is that we  
4 could substitute other services to replace that fishing.  
5 Is that correct?

6 MR. HAHN: That's what the documents seem  
7 to suggest.

8 CHAIRMAN LUTHI: Uh-huh, uh-huh. And you  
9 believe that the Cordova Center would be a sufficient  
10 substitute and it's close enough to restoration to meet  
11 that test?

12 MR. HAHN: It certainly equals a dollar.  
13 The -- my experience, I started working in government over  
14 35 years ago actually, and I started being a city manager  
15 about 20 years ago. And I've seen this type of resource  
16 built and operated in other communities and it has done  
17 exactly what we're saying is going to happen. It does  
18 create great economies and it's a sense of pride. It does  
19 bring a dollar back. And it does help to pay for the bills  
20 that the rest of us are all trying to pay for on a reduced  
21 resource, so.....

22 CHAIRMAN LUTHI: Okay. But once again,  
23 just to make sure I understand, it's a substitution for  
24 replacement of commercial fishing. It isn't replacing  
25 commercial fishing by any means.

1 MR. HAHN: No.

2 CHAIRMAN LUTHI: Okay. Thanks. Any other  
3 questions?

4 MR. O'CONNOR: Yeah, please.

5 CHAIRMAN LUTHI: Craig.

6 MR. O'CONNOR: I'm not sure who to ask  
7 questions about the Cordova Center to, so if the question  
8 is unfair given your background or your knowledge right now,  
9 maybe we can defer it to somebody else. But I've got a  
10 bunch of questions about the center. Has there been any  
11 work done, sir, with regard to the projected income from  
12 the center? If it is established, what is it going to make  
13 and.....

14 MR. HAHN: My interest is to get you the  
15 best information you can, so I will defer it to someone  
16 else. Like Cathy or.....

17 MS. SHERMAN: I'm right here.

18 MR. HAHN: Cathy, could you come in here  
19 and dive into this for me?

20 MS. SHERMAN: Okay.

21 CHAIRMAN LUTHI: Please join us.

22 MR. HAHN: I'll stand right up here with  
23 you.

24 (Applause)

25 MS. SHERMAN: I couldn't hear the question

1 because I was out in the hallway.

2 CHAIRMAN LUTHI: All right. And tell us  
3 who you are for the record, please.

4 MS. SHERMAN: My name is Cathy Sherman.  
5 I'm the director of the museum and the library for the City  
6 of Cordova.

7 CHAIRMAN LUTHI: Thank you. Welcome and  
8 Mr. O'Connor, would you repeat the question?

9 MR. O'CONNOR: My question to you is, has  
10 there been any economic analysis, financial analysis done  
11 with regard to the center?

12 MS. SHERMAN: There has.

13 MR. O'CONNOR: And what its cash flow might  
14 look like and what each economic contribution might be to  
15 the community over the one year, five year, 10 years,  
16 whatever.

17 MS. SHERMAN: Three years. I can go out  
18 three years. And I don't know if I can remember the  
19 numbers exactly, but we have done a business plan. We  
20 worked with the Foraker Group specifically, using their  
21 template that they have established. And so we completed a  
22 business plan that encompasses all the things in terms of  
23 operations and maintenance and revenues and costs. And we  
24 projected out three years using our current cost and then  
25 what we proposed for cost for the Cordova Center, including

1 maybe, I think there were three new positions that we  
2 anticipated and then also with projected revenue.

3                   And I can't remember the exact numbers and  
4 I have those all and I'm happy to share those with you in  
5 the business plan, but what it comes down to is three years  
6 out the Cordova Center was going to cost about \$37,000 more  
7 to operate and maintain than what we are currently  
8 spending. We did just go back, we did that business plan  
9 in 2006 and we went back just in March because fuel costs  
10 and energy costs have increased so much.

11                   And we did the same projections based on  
12 just fuel cost with current and with proposed, and I think  
13 we came down it would be the difference of \$43,000 more  
14 three years out. We used really conservative numbers in  
15 terms of projected revenue. My hope is, and I guess and my  
16 belief is, that our numbers are very low for projected  
17 revenue. We didn't anticipate having conferences or small  
18 meetings, you know, the full time. We didn't paint very  
19 happy pictures. We were very conservative. I think we put  
20 in two meetings of 200 a year, that kind of thing. So we  
21 used real conservative numbers, which I was comfortable  
22 with.

23                   MR. O'CONNOR: Have you done any  
24 projections on the economic impact of the center to the  
25 community?

1 MS. SHERMAN: The McDowell survey that we  
2 completed in 2002 with the group in -- McDowell Group in  
3 Juneau, they did a small version of that and I think the  
4 numbers were something like -- it was like \$120,000 of  
5 economic impact. And they based it only on these small  
6 conferences, small groups of under 200 that would  
7 potentially come to our area, the Prince William Sound  
8 area.

9 MR. O'CONNOR: That's \$120,000 net positive  
10 economic impact to the community on an annual basis?

11 MS. SHERMAN: Yes.

12 MR. O'CONNOR: Okay. And were you  
13 anticipating, in your business plan, charging for access to  
14 the facility that may be the Exxon Valdez component of the  
15 facility? Were you going to charge folks to see our stuff?  
16 Is that part of your business plan?

17 MS. SHERMAN: The parts of the business  
18 plan where the revenue came into play, and I think I can  
19 break that down for you, but I'm not positive. For  
20 example, the museum, the museum would charge a fee, and  
21 admission fee, just like they do now to enter and see all  
22 the exhibits. What we did though is we have a sliding fee  
23 scale for the entire facility, every single room, every  
24 single square foot has a fee associated with it based on  
25 energy cost. We made it a sliding fee scale so that we

1 could have the facility full all the time with local  
2 people. So if the girl scouts wanted to rent the project  
3 room, it would be one cost. If another group from outside  
4 the community wanted to rent the project room, it would be  
5 a different cost, a higher cost. So we broke it down by  
6 that, we broke it down by non-profits, by profit agencies,  
7 and we literally took every square foot of the building and  
8 its energy costs and put a fee associated with it. Does  
9 that help?

10 MR. O'CONNOR: That helps.

11 MS. SHERMAN: Okay.

12 MR. O'CONNOR: Yes. Okay. So it would  
13 cost me to come and see -- to bring my daughter and her  
14 girl scout troop to come here to see the Exxon Valdez  
15 aspects of this center?

16 MS. SHERMAN: Unless you became a member of  
17 the historical society, and then you could get in free.

18 (Laughter and applause)

19 MR. O'CONNOR: I love you. You're great.  
20 Thank you very much. Thank you. I don't dare ask another  
21 question. I give up. That's all, Mr. Chairman, at this  
22 point.

23 CHAIRMAN LUTHI: Thank you. Anyone else  
24 brave enough now to venture?

25 (No audible responses)

1 (Laughter)

2 CHAIRMAN LUTHI: Seeing -- thank you,  
3 Cathy.

4 (Applause)

5 MR. O'CONNOR: Tim, you should have had her  
6 all along, you know that.

7 MR. PATTON: My name is Gary Patton. I am  
8 a Tlingit from this area. We've got over 10,000 years in  
9 this area. Our reliance and dependency on the sea goes way  
10 back. I'm going on 65 years-old now. When I was a kid, we  
11 had eight canneries booming around here year round. The  
12 economy was pretty good. Back in the early days, maybe 300  
13 fisherman out there gillnetting. Today we see a lot more.

14

15 Exxon has done a lot of damage here. The  
16 ecosystem is a very fragile thing. We know that EVOS had  
17 done -- had taken 800,000 acres of land and 1,000 miles of  
18 coastal water rights with their money that was intended for  
19 cleanup. I still believe that the Sound is not cleaned up.  
20 I could take you out there and show you where there's oil.  
21 Those herring, of course, you know, where they were  
22 concentrated before, they're not there now. It's probably  
23 because of the feed areas and the oil impacting it yet  
24 today.

25 We've got to look at another way to make

1 things work for what we have today. We know that Seattle's  
2 budget, 70 percent of it comes from the bonded warehouses  
3 of Alaska. We need those bonded warehouses here. We need  
4 to have full value-added products coming out of here. The  
5 fresh market is what has built up as something big. We  
6 know that -- I think I just was looking at the Pacific  
7 Fisherman magazine here yesterday or day before, that those  
8 fish that are supposedly going out on the fresh market are  
9 going to value-added production.

10                               We could create those jobs here in the  
11 wintertime if we had the bonded warehouses here. We have  
12 to look at the fuel costs on the fishery here. It's very  
13 expensive. We'd like to see tank farmers brought here,  
14 competition brought in here, bonded warehouses here, and  
15 full value-added production plants here, something that can  
16 go on all winter long. I think that is going to cost some  
17 money. I know that EVOS has gone through a tremendous  
18 amount of money, taking 800,000 acres of lands that were  
19 basically the Natives lands and 1,000 miles of coastal  
20 water rights. I remember when the Governor Murkowski, when  
21 Afognak wanted to sell out some more land there for 10  
22 million, and he says, well, enough is enough. He says that  
23 money was intended for restoration, not for expropriation  
24 of title. And I think that still should go today. I see  
25 all these -- about two million dollars I think you got here

1 in this last meeting that you had in March, and I'm saying,  
2 well, you know, what is that doing for our fishing  
3 communities here. I don't see too much.

4                   But I would like to see this area look at  
5 this fishery a little different. We know that tourism is  
6 something that is going to -- is happening. We would like  
7 to see the fishery or the tourism develop though. I would  
8 like, down here at what they call Hippie Cove, we've got  
9 silver salmon that come back there now. We'd like to see  
10 them create these things in different places around here  
11 where they do not have to go down on the Eyak River or the  
12 Copper River. Tourists, fishermen, sports fishermen, are  
13 having a terrible impact on this fishery. I say create  
14 those sports fishing areas. Leave our rivers alone. Those  
15 are something that we need to look as well, funding those  
16 things and making sure that we can create recreational use  
17 areas that we can charge for in these communities and it  
18 would, of course, help the communities.

19                   But I think the main thing to try to do is  
20 to try to get these value-added production plants here to  
21 get the bonded warehouses established here and so that we  
22 can create those jobs all winter long instead of allowing  
23 it to go to Seattle and be value-added from there on out.  
24 Thank you.

25                   (Applause)

1 CHAIRMAN LUTHI: Any questions for Mr.  
2 Patton?  
3 (No audible responses)  
4 CHAIRMAN LUTHI: Seeing none, next. Thank  
5 you.  
6 MR. BOCCI: Good evening, gentlemen.  
7 CHAIRMAN LUTHI: Good evening.  
8 MR. BOCCI: Thanks for coming. Welcome to  
9 Cordova.  
10 CHAIRMAN LUTHI: Thank you.  
11 MR. BOCCI: My name is John Bocci and I too  
12 am a fisherman. I remember the first one of these meetings  
13 I came to in this room and the trustees at the time had  
14 just cut funding for a critical herring study and we were  
15 really pissed. But I'm not going to go there.  
16 (Laughter)  
17 MR. BOCCI: Another thing that marks some  
18 passage of time for me is that at that point, my hairline  
19 was still within three inches of my eyebrows.  
20 (Laughter)  
21 CHAIRMAN LUTHI: This is someone I can  
22 relate to.  
23 MR. BOCCI: That is significant.  
24 CHAIRMAN LUTHI: Yes.  
25 MR. BOCCI: That was a long time ago.

1 While it may be a stretch to ask for recovery in that  
2 department, it's not a stretch, what isn't a stretch are  
3 the economic impacts that are still being felt from the oil  
4 spill. In the pre-spill years, just about now, we'd be  
5 putting away our herring gear and dusting off our salmon  
6 gear. I myself participated in several herring fisheries,  
7 pounding, gillnetting, wild harvest. The last wild harvest  
8 I participated in was in the mid-eighties and at the time  
9 you didn't need a limited entry permit, you didn't need any  
10 special equipment, you didn't need any brains, and you  
11 could go out and make some money. That year we went out  
12 and in three days' time, me and some friends loaded a seine  
13 boat with kelp and put 15,000 bucks apiece in our pocket.  
14 In the mid-eighties, that went a long, long ways. So  
15 that's just a small idea of what was left on the table at  
16 that time.

17                   With a little bit of this -- that was  
18 history, now we're moving to the future and we have to  
19 change the way we try to make things happen around here.  
20 With a little bit of this, and a little bit of that, and an  
21 energy efficient civic center to host meetings such as  
22 this, we can pull it off and we'll do it.

23                   Let me -- if I can give you one example.  
24 This year is Cordova's year in rotation to host the Board  
25 of Fish. And while that may not be a big item in a place

1 like Anchorage or Juneau, it's a very significant factor  
2 here. The staff, board staff, decided that we didn't have  
3 adequate facilities to host it this year. After a public  
4 outcry and a lot of screaming and hair pulling, we managed  
5 to find a place that they would approve of. But that's  
6 just one example. That was big -- that was going to be a  
7 big hit for Cordova, not to get that one meeting.

8                   So I guess in closing I would just like to  
9 say that we too are a recovering species and I don't know  
10 what you can do about that. We could use some help. And  
11 this June one major aspect of this whole thing is going to  
12 be over. And regardless of the way that shakes out, with a  
13 little bit of help to build this civic center, Cordova  
14 might actually walk away with one thing in the positive  
15 column from this whole experience, with your help. Thank  
16 you.

17                   (Applause)

18                   CHAIRMAN LUTHI: Thank you. Are there any  
19 questions for Mr. Bocci. I might have just one, and this  
20 is a what if and please take it as a what if, not any  
21 indication. But if you had a dollar, and being you a  
22 fisherman, and I assume still a fisherman.

23                   MR. BOCCI: I'd spend it till it was gone.

24                   CHAIRMAN LUTHI: Well, that's -- yeah.

25                   MR. BOCCI: I'd fish till the dollar was

1 gone.

2 CHAIRMAN LUTHI: I understand that part at  
3 least. And we thought we had a plan that would work to  
4 bring that herring fishery back, which do you -- would you  
5 have a preference and bringing that fishery back?

6 MR. BOCCI: That's not fair.

7 CHAIRMAN LUTHI: That's why I said it's an  
8 if. It's an if. I want to -- I'm just curious. Yeah.

9 UNIDENTIFIED SPEAKER: He'd rather have his  
10 hair back.

11 MR. BOCCI: Yeah, I'd want my hair back.

12 (Laughter)

13 CHAIRMAN LUTHI: If we find out how to do  
14 that, we won't -- we'll be able to do without either.

15 MR. BOCCI: We can do anything.

16 CHAIRMAN LUTHI: Yeah.

17 MR. BOCCI: On a personal note, I'd have to  
18 say.....

19 CHAIRMAN LUTHI: Just personal.

20 MR. BOCCI: .....I'd want the herring back.

21 CHAIRMAN LUTHI: Uh-huh.

22 MR. BOCCI: But.....

23 CHAIRMAN LUTHI: On a.....

24 MR. BOCCI: You know, the -- I guess I'm  
25 not holding my breath there. I see that as long term and

1 what's long term, I don't know, you know, the scientists  
2 can tell you that.

3 CHAIRMAN LUTHI: Thank you. Appreciate  
4 that. Any other questions?

5 (No audible responses)

6 CHAIRMAN LUTHI: Thank you.

7 (Applause)

8 MS. GIBBONS: Before we start, can we  
9 rearrange this table? I've watched every person come up  
10 and crash their knee into the shelf.

11 CHAIRMAN LUTHI: Absolutely.

12 (Pause - moving table)

13 MS. GIBBONS: So now if they crash, it's no  
14 one's fault.

15 CHAIRMAN LUTHI: And I will point out that  
16 none of us men were able to figure that out.

17 (Laughter)

18 MS. GIBBONS: My name is Jennifer Gibbons,  
19 and I'm the Soundkeeper for the Prince William Sound  
20 Soundkeeper, and I'm also a board member of the Cordova  
21 Chamber of Commerce. And I'd like to also thank you all  
22 for coming to Cordova and for providing this forum tonight  
23 for dialogue with the council.

24 The Prince William Soundkeeper, our mission  
25 is to create a positive, lasting legacy for Prince William

1 Sound by protecting clean water, healthy fisheries, and  
2 strong communities. So we're interested in all the issues  
3 that are being discussed tonight.

4 Over the past four years I've spent  
5 probably -- or five years now -- 80 percent of my time  
6 working on EVOS related issues, whether it was advocating  
7 for the reopener, advocating for a greater understanding of  
8 the issues affecting the fishermen, and most recently, in  
9 partnership with Cordova District Fishermen United, we  
10 executed the whole truth campaign to raise awareness of the  
11 issues that are being discussed tonight. The  
12 psychological, economic, environmental lingering impacts to  
13 the people and communities of Prince William Sound and the  
14 environment.

15 Not to be outdone by R.J. Kopchak, I have a  
16 report, which I'd be happy to give each of you. One of my  
17 board members described this as weapons grade reporting.  
18 So you can enjoy it.

19 I also want to thank Michael very much,  
20 because in the time he's been in his role with the Trustee  
21 Council, the dialogue and the relationship with the Trustee  
22 Council has changed significantly. He's very encouraging  
23 and open and interested in partnering with the communities  
24 and we all very much appreciate that.

25 When you first sort of invited people to

1 comment tonight, you were opening up to a variety of  
2 things, and I just would like to say briefly, Prince  
3 William Soundkeeper would be delighted to partner with the  
4 Trustee Council, whether it's on cleanups or harbor  
5 projects or building coalitions in the communities to  
6 ensure restoration and long term recovery of the people and  
7 the environment of the Sound.

8                   What I want to comment primarily on this  
9 evening is the Cordova Center. And, you know, in this room  
10 and in the various communities around the Sound we have an  
11 enormous amount of expertise about the Sound. These are  
12 the people who really know the resource, they know the  
13 environment, they know the impacts, and they're most  
14 directly in touch with what's happening out there.

15                   One of the best ways that I feel that we  
16 can ensure recovery and restoration is by making sure we  
17 had these strong communities. And the Cordova Center is  
18 critical to that. There's research out there and I hope  
19 Becky will comment a little bit on this later, that a  
20 strong economy is essential to protecting a strong fishery.  
21 And when the economy starts to unravel, the fishery starts  
22 to unravel. And in Prince William Sound, the fishery and  
23 the fishermen are not only the first line of defense,  
24 they're the first line of restoration. And I think that  
25 the investment in the Cordova Center can help ensure the

1 long term future of the Sound.

2                   The people of Prince William Sound are the  
3 true Soundkeepers of the Sound. And the most important  
4 thing I'd like to say about restoration is that after 20  
5 years, it's time for restoration to go beyond concept and  
6 research and to become tangible for the people of Prince  
7 William Sound. Thank you.

8                   (Applause)

9                   CHAIRMAN LUTHI: Any questions for Ms.  
10 Gibbons? Any questions? Seeing none, thank you. Please.

11                   MR. LOGAN: Thank you, Mr. Chairman. My  
12 name is Dan Logan, I'm the district ranger with the Forest  
13 Service in Cordova. We cover Prince William Sound and  
14 Copper River Delta. And thanks for coming. Appreciate you  
15 guys for being here. You know, I'm sure you have things  
16 you could be doing back at home but coming here means a lot  
17 to us and listening to what we have to say. And you've got  
18 a difficult job. You know, when you look at sort of your  
19 question awhile ago, are you looking at biological  
20 resources or you looking at human services? It's pretty  
21 difficult and you're trying to define wildlife damage,  
22 damaged resources, fisheries, land acquisition. But human  
23 services is always a tough one to put your finger on.

24                   You know, being someone that works in land  
25 and human and those interactions, it's always tough. And

1 when you try to figure out those lost human services, it  
2 becomes even more difficult. But I commend you on your  
3 plan. You know, when you look at your restoration plan,  
4 you've identified the recreation tourism as a lost or  
5 reduced service, and that was a big move. And I'd like to  
6 share some observations that I've seen that I've been in  
7 Cordova since the oil spill. And some of my observations,  
8 I think, will parallel your plan.

9                   When you look at this, your plan talks  
10 about the changes in human use and the change in the  
11 response to the spill. People no longer came up in tourism  
12 for a few years afterwards. A lot of that was a behavioral  
13 change. You know, they changed their behavior because of  
14 the spill. But at the same time, parallel to that, there  
15 was a behavior change going on in Cordova. The people here  
16 were changing. They weren't trying to bring tourism to  
17 Cordova. The reason so, because they were up their neck in  
18 oil at that point in time and they were really to look at  
19 what their life is going to be, where are they going to go,  
20 what are the going to do. And bringing tourism to town  
21 wasn't a part of their framework, wasn't a part of their  
22 discussion for six, seven years.

23                   So when you look at that lost human  
24 services and you look at that parallel, it wasn't only  
25 just the loss of the tourists coming here, the community

1 was not looking at it, it was a lost resource for several  
2 years. And you can see that in its evidence when you look  
3 at some of things that occurred. As is mentioned earlier,  
4 just before the spill, there was an attempt to have a  
5 school bond or a bond for a new school. That was dropped  
6 mainly because of the unknown future of what was going to  
7 happen in Cordova.

8                   So as these other areas were being  
9 developed, as museums were being developed, as sealife  
10 centers were being developed, Cordova is not engaged in  
11 that. And the reason they weren't is the fact of being at  
12 ground zero during the spill. So I think that while this  
13 was going on, also Cordova was losing 45 million dollars in  
14 their herring at the same time. And when you look at that  
15 loss with the economics, you can tie the community center  
16 into that as well.

17                   So I think when you look at this, this  
18 community center addresses those issues and addresses those  
19 issues that you mentioned in your plan. When you look at  
20 alternative economies, you look at bringing different  
21 conferences to the community during the winter, you're  
22 bringing in a lost economy. Looking at the training  
23 facility so that you'd be able to respond to future spills  
24 if it does occur. You look at the museum and the library  
25 -- and I know I can speak for the Forest Service, the

1 number one question people come to town and they ask, is  
2 what about the oil spill? What happened? Where can we  
3 learn about it? Where do we know how it went?

4                   So I really think at this point you have  
5 the opportunity to leave a legacy. You have a -- and that  
6 legacy would be in this community center of which people  
7 could come here and they could look at this and they could  
8 say this is what happened, this is where it was, this is  
9 how we're preventing it in the future, this is where we're  
10 going. I think this legacy too will give you an  
11 opportunity to leave something for Cordova to move forward.

12

13                   An event like this never really comes to  
14 closure, I don't think, but it could help the community  
15 move forward. So I think it's a very wise investment, very  
16 good investment, and it meets those issues of human  
17 services that you've addressed in your plan. Thanks.

18                   (Applause)

19                   CHAIRMAN LUTHI: Any questions for Mr.  
20 Logan. Again, just because you leave doesn't mean you can  
21 avoid questions. Please.

22                   MS. ROEMHILDT: I am Emma Roemhildt and I'm  
23 coming as a representative from the Cordova High School  
24 Student Council and I would like to express our support for  
25 the Cordova Center as an extended learning opportunity for

1 our community. And thank you for listening to us.

2 CHAIRMAN LUTHI: Any questions for Ms.

3 Rowhill?

4 (No audible responses)

5 CHAIRMAN LUTHI: Thank you.

6 (Applause)

7 MR. JANKA: Good evening and thanks for  
8 coming. My name is David Janka, I'm an owner/operator of a  
9 boat charter service throughout Prince William Sound. Do a  
10 lot of research support and adventure cruises for tourists.

11 Mr. O'Connor, when you were asking about  
12 would you have to pay to come in, was something -- I was  
13 worried about that you were reluctant about say these  
14 monies in something that -- that it should be free or just  
15 to make sure that that was part of he revenue package  
16 or.....

17 MR. O'CONNOR: I don't know.

18 MR. JANKA: Okay.

19 MR. O'CONNOR: I just wanted to know what  
20 the -- I don't know whether we could reasonably charge for  
21 access to what is public information, which is.....

22 MR. JANKA: The Trustee Council, 30 -- how  
23 -- 35 million to the SeaLife Center. I didn't get in free  
24 when I went there. And I was also wondering if the museum  
25 for the Native artifacts in Kodiak, I would suspect they

1 probably charge if you go in there to see that, which was  
2 funded through EVOS. So I just wanted to make sure that  
3 was -- isn't.....

4 MR. O'CONNOR: Let me tell you -- well, let  
5 me tell you what you're asking us to do and this is why I'm  
6 responding.

7 MR. JANKA: Right.

8 MR. O'CONNOR: Okay. We're being asked to  
9 establish a facility on behalf of the Exxon Valdez Trustee  
10 Council in Cordova. That that facility is for outreach and  
11 education, information with regard to the spill and our  
12 activities as Trustee Council. And I'm trying to find out  
13 what it is that the public is going to have an opportunity  
14 to have access to with regard to my activities as a trustee  
15 council member and what the public is going to have to bear  
16 in terms of cost to have access to that. That's why I was  
17 asking the question.

18 I'm also concerned that the revenue stream  
19 that is produced by the center is going to be adequate to  
20 offset or to restore the economic impacts associated with  
21 the loss of the resources that we are here to restore, and  
22 the services that we're here to restore. So I'm trying to  
23 figure out the dollars and whether or not the anticipation  
24 was that people who have access to the information which is  
25 federal information at that very least, are going to be

1 able to access it without an undue burden financially.

2 That's all I'm -- I'm asking what your business plan

3 is.....

4 MR. JANKA: Uh-huh.

5 MR. O'CONNOR: .....at this stage.

6 MR. JANKA: Uh-huh.

7 MR. O'CONNOR: And that's it. I'm trying  
8 to assess, from the standpoint of the Trustee Council and  
9 my role in that regard, what this center is all about, what  
10 it's going to do for me, and what it's going to do for the  
11 affected public.

12 MR. JANKA: Okay.

13 MR. O'CONNOR: That's what it is.

14 MR. JANKA: Well, I'm just hoping the  
15 Trustee Council doesn't hold us to a separate standard than  
16 what the SeaLife Center has or the museum in Kodiak, both  
17 of which you funded substantially. And that -- and also,  
18 what we're asking for is only a portion of this facility.

19 One habit I got into, which is getting real  
20 tiring, it started about 17 years ago as I'm out and around  
21 in the Sound, is I take a lot of little jars with me and I  
22 fill them up with residual oil and I pass them out to a  
23 museum in Valdez, the museum here, RCAC office in Valdez,  
24 the Prince William Sound Science Center here has got a nice  
25 collection if you have tomorrow to see those. And the one

1 here in Cordova gets a lot of attention. They've just got  
2 this little shelf with a couple of little jars on there and  
3 the staff there can tell you what -- how much those are  
4 used to educate the public.

5                   And Cordova, the museum, has ownership of  
6 Darkened Waters. I'm not sure if you're familiar with  
7 that. It was a Pratt Museum display about the oil spill.  
8 It traveled throughout the Lower 48, and I believe the  
9 ownership was turned over to the Cordova museum. I would  
10 love to see that, that little jar that, you know, I get,  
11 you know, turn into a real display for places.

12                   And there's a little -- we've all had  
13 feelings about the museum. And not so much the museum in  
14 Kodiak but the amount of money that went into the SeaLife  
15 Center in Seward. And this -- I can't speak higher of  
16 everyone who has already spoken for the -- your portion of  
17 helping us with the Cordova Center.

18                   On the herring issue, one thing that struck  
19 me recent, in sitting in on the herring meetings that have  
20 been going on here up at the igloo, and for a couple of  
21 years after the spill, everyone was out there trying to  
22 prove something, and that had to do with litigation and the  
23 potential battles over the damages. Then with the out of  
24 court settlement and the establishment of the Trustee  
25 Council, we were finally able to go out there to learn

1 something. And for the most part, for 15 years, we've been  
2 out there trying to learn something. And I think it's been  
3 a positive legacy of yours, with that research and  
4 monitoring. It's also a positive legacy, I believe, for  
5 the habitat protection.

6                   The last couple of years have kind of  
7 slipped a little bit back into proving something again, and  
8 this because of the reopener. But after all these years of  
9 the research, I think it's time to actually do something  
10 and I think a commitment to a long term herring restoration  
11 plan is that, because it's sounding in those meetings that  
12 it's not -- you know, everything is -- you know, it's time  
13 to do something with it and, you know, direct restoration  
14 or some sort, intervention. It's time for that after all  
15 this other. Thank you.

16                   CHAIRMAN LUTHI: Thank you. Any questions  
17 for Mr. Janka?

18                   MR. O'CONNOR: Yes.

19                   CHAIRMAN LUTHI: Please. Craig.

20                   MR. JANKA: I had a feeling.

21                   MR. O'CONNOR: And I appreciate your  
22 comments during the course of the herring meetings and so  
23 on. I want to harken back to what the chairman asked, and  
24 although there was some moaning and groaning when he asked  
25 the question, I think it's a legitimate question. Our

1 concern here principally as trustees is to restore the  
2 resources that were injured as a result of this spill. And  
3 in doing so, return the services that came from those  
4 resources.

5                   And it is our anticipation -- and you're  
6 well aware of this because you've been participating in  
7 this -- we're going to spend 50 to 70 million dollars to  
8 look at and try to restore herring to Prince William Sound  
9 and in turn restore the fisheries associated with herring.  
10 And I would assume restore the stature and efficacy of the  
11 fisheries within this community and what flowed from those  
12 fisheries, both in terms of economic return, social return,  
13 human losses. We're going to invest that money. We have  
14 made that decision to do what is necessary to figure out  
15 whether or not we can do something about herring and get it  
16 restored.

17                   I am concerned that if we -- I will ask the  
18 questions Randall did. Let me rephrase this. Which would  
19 be a higher priority for our -- today's engagement of  
20 money, in your opinion: To go with the herring restoration  
21 or to look at a community center? Given the long term  
22 needs of this community, are we going to be able to  
23 effectively restore those losses through a community  
24 center? And let's go to the Prince William Sound Science  
25 Center, whatever, and the archeological -- Prince William

1 Sound -- am I saying that right?

2 CHAIRMAN LUTHI: SeaLife Center.

3 MR. BAFFREY: SeaLife Center.

4 MR. O'CONNOR: SeaLife Center is struggling  
5 economically. It's only survived by infusion of state and  
6 federal money. And that infusion may no longer exist. And  
7 the investment that we made in the SeaLife Center, the  
8 trustees, may ultimately have been for naught if that  
9 building collapses and those operations collapse. And I'm  
10 concerned that we not invest again in something that may or  
11 may not survive economically and return to the people of  
12 Cordova that which they lost.

13 So when I ask the questions on the economic  
14 viability on the center, and I ask the questions with  
15 regard to the return of the fishery, in my mind it's a very  
16 legitimate concern because I have a limited amount of money  
17 to spend and I have a very large responsibility with regard  
18 to spending that money and to be sure that I attend to all  
19 of those responsibilities.

20 So whether I'm asking this gentleman or  
21 others who might want to testify, we said at the beginning,  
22 we want to know why this is something that is going to  
23 restore the services, the center, and the herring plan.  
24 And we really want to know that. I would like your  
25 reaction on not necessarily prioritization, but do you

1 believe that those two undertakings are going to  
2 effectively restore the services that you've seen lost in  
3 this community and in your life as somebody who's depended  
4 upon those resources for your livelihood?

5 MR. JANKA: First I'd like to maybe  
6 separate out, is the SeaLife Center, there's -- no  
7 component of it existed before you funded it and it was  
8 built.

9 MR. O'CONNOR: Uh-huh.

10 MR. JANKA: There was nothing there  
11 beforehand. Here we are looking at a well-established  
12 museum, historical society, library, and living, breathing  
13 community that needs some help. They're going to be --  
14 that's going to be very different. If we had had the fish  
15 revenues, if the spill hadn't taken place, I could maybe  
16 guess, maybe we would have been able to build a new museum  
17 and expand the library on our own, but we couldn't because  
18 of those lost revenues.

19 It is a multi-use building just in the same  
20 as somebody say building a four apartment complex. You're  
21 not dependent on just one renter to pull you through. I  
22 mean, it is a multi-use building and it will sustain and  
23 move, you know, and continue on. There just -- it's not  
24 one, I don't think, to fairly compare there because of  
25 that.

1 I don't know the -- I haven't looked at  
2 where your monies are and if these two different things are  
3 really an either/or for you. A commitment to a long term  
4 herring plan and the SeaLife Center. I think with or  
5 without a restora -- my personal feeling and observations,  
6 my personal feeling -- with our without direct restoration,  
7 it would probably be 20 to 30 years before there will be a  
8 fishery. And I think the community would benefit much  
9 quicker and sooner from the community center.

10 Even though I would make more money off my  
11 charter business if it was research, but for the community,  
12 it would be a quicker and definite improvement, while  
13 there's still a lot of if's involved with the herring, and  
14 it will be still many decades down the road.

15 MR. O'CONNOR: Very good. Thank you.

16 MR. BAFFREY: That was a good answer.

17 CHAIRMAN LUTHI: Talis.

18 MR. COLBERG: I guess I would interject a  
19 question in the form of a -- a little bit of a -- I'm a  
20 little bit concerned about that the people in the audience  
21 would perceive that they're now going to have to be asking  
22 themselves how to answer the question either/or. And  
23 that's certainly not anything that was agreed upon ahead of  
24 time by the trustees as a group. And I am concerned that  
25 the message is being conveyed here that it would have to be

1 either/or and I don't think that.....

2 (Applause)

3 MR. COLBERG: I'm not trying -- it's  
4 probably better not to get an audience -- I've been in  
5 public meetings where it tends to make -- you have to  
6 understand, we have -- any decision we reach has to be by  
7 consensus. The way the Trustee Council -- it can't be a  
8 vote of four to two or -- it has to be six to zero. And so  
9 I'm trying to be very mindful of my colleagues here and not  
10 get crosswise with you in the way with I'm trying to say  
11 this, but I think it is fair enough to not necessarily have  
12 to think of everything you're being presented with as  
13 herring restoration or the visitor's center.

14 I think it would be also fair for someone  
15 to say you could look at the visitor's center as a step  
16 towards herring restoration or some combination thereof,  
17 because I think there's any number of variables here. And  
18 I would hate to have people walk through this and think  
19 that that was the question that they had to answer to get  
20 through this this evening. And I personally would just  
21 like to let it go forward.

22 CHAIRMAN LUTHI: And certainly. And I  
23 don't think either of our questions were an attempt to  
24 actually do that. And I will apologize personally if that  
25 was the impression I left. Again, we're just getting --

1 trying to get an idea of the depth of the feelings, you  
2 know. We're trying here to understand and sometimes hard  
3 questions are a good way to help us understand because it  
4 brings out hard answers. Thank you, Talis, for that.  
5 Yeah. Any other questions?

6 (Applause)

7 CHAIRMAN LUTHI: Thank you. Welcome.

8 MS. KLEISSLER: Hi. My name is Alyssa  
9 Kleissler and I'm an artist, I'm a dancer, I have Current  
10 Rhythms Dance Studio. This is my four-year-old daughter,  
11 Serena Hursa (ph). She is also a sea otter, if you can't  
12 tell. She's missing her hat and mitts. We just completed  
13 a performance this past weekend called the intertidal  
14 ballet, which focused on all of the intertidal creatures  
15 that live in intertidal zones.

16 I'm speaking also for Cordova Arts and  
17 Pageants, which is our local arts council, which has  
18 existed here in Cordova for over 30 years. I was the  
19 president of it for eight years. I just stepped down. And  
20 I'm also speaking just for myself. And I'm glad that  
21 you're here and listening to all of us. So I'm just going  
22 to quickly brief you on the benefits as far as the local  
23 artists here in Cordova that the Cordova Center provide  
24 them. I am, of course, in support of the Cordova Center.

25 As you can see we have -- this is a

1 theater. You can tell. There are no lights and there is  
2 that for our stage. No sound system. No chairs. No  
3 raked.....

4 CHAIRMAN LUTHI: No comfortable chairs.

5 MS. KLEISSLER: No comfortable chairs. A  
6 limited supply of chairs. I think this room, capacity  
7 maybe, is 120, I think.

8 UNIDENTIFIED SPEAKER: Uh-oh.

9 UNIDENTIFIED SPEAKER: Uh-oh.

10 (Laughter)

11 MS. KLEISSLER: So we -- hope the fire  
12 marshal is not in town. We do also have -- excuse me, have  
13 the Cordova High School, which is the only place that  
14 dancers can perform. They perform on a very hard,  
15 slippery, treacherous floor. I have to mop it with  
16 Mountain Dew every year in order for my dancers to not slip  
17 and break bones, which has happened before.

18 With the Cordova Center, we will  
19 approximately have 210 seats with a raked floor, so  
20 performers will be able to actually stage something that  
21 will be on a low level, which we don't tend to do because  
22 our audience sits lower than the stage. A total of 28 of  
23 those seats in groups of three and four will be removable.  
24 There will be room for an orchestra. The stage will have a  
25 resilient floor system.

1                   A complete performance lighting system will  
2 be installed. Currently at the Cordova High School we have  
3 about 12 lights on stage, eight working lights, four out in  
4 the gym on a breaker, and you have to climb up an extension  
5 ladder repeatedly to do any kind of focusing or any kind of  
6 light work. A very rickety ladder I might add.

7                   (Laughter)

8                   MS. KLEISSLER: But there will be a control  
9 area at the rear of the theater seating for sound and  
10 lights. There currently are no dressing rooms for any of  
11 our performers. And I'm not talking just about Cordova  
12 performers. Cordova Arts and Pageants, we currently can  
13 afford brining in about three outside performers, but  
14 again, we are limited just like conferences are limited  
15 here in Cordova, performers, dance groups in particular,  
16 they won't perform here. They won't perform on that type  
17 of floor. Other artists, they just don't have the spacing.  
18 They won't come to Cordova. There -- some artists won't  
19 even come because we don't have a dressing room or a space  
20 for them. Performers are pretty particular.

21                   But also with the Cordova Center there will  
22 be permanent storage areas adjacent to the backstage area.  
23 There is currently no storage area. The local theater  
24 group called the Stage of the Tide, they have to find  
25 yearly, I believe, a place for storing all of the stage

1 sets and props and costumes. I'm maxed out. I have a home  
2 studio and I have my costumes and I'm maxed out as far as  
3 storage space there, but there will be storage space with  
4 this new facility.

5                   There will also be a project room with  
6 access to backstage and communication to backstage.  
7 Currently we kind of use lighting cues to tell each other  
8 what we need to do. And there will be access to outside  
9 from backstage, and elevator access to backstage, which is  
10 very important because we'd probably need a crew 20 people  
11 or more for our stage productions to just haul things in  
12 and haul things out. Stage of the Tide, they take up about  
13 a third more of this room to put a stage extension on and  
14 they have to build that stage every day and then take it  
15 down because this is the school cafeteria.

16                   So as far as the workload for all of our  
17 performers here in Cordova and visiting performers, we  
18 would -- that would be greatly reduced. And we can also  
19 provide Cordova with much -- I mean, we are already  
20 providing them with high-end artists, but we will be able  
21 to provide more. And the Cordova Center, I believe, also  
22 will have a permanent gallery, so currently there is  
23 nowhere in Cordova for hanging art. We have the Orca  
24 Bookstore and we have Harbor Art, but they're not  
25 galleries.

1                   So as far as restoration, you know, what  
2 are we restoring? A lot can be restored expressed through  
3 art and it can be displayed throughout the entire Cordova  
4 Center. So I hope that you will support this project and  
5 I'm glad that you are here. Thank you.

6                   (Applause)

7                   CHAIRMAN LUTHI: Any questions for Ms.  
8 Kleissler?

9                   (No audible responses)

10                  CHAIRMAN LUTHI: Looks like you got away.  
11 Next, please. Thank you.

12                  MR. WEAVERLING: Good evening. My name is  
13 Kelley Weaverling. I'd like to speak to three topics in  
14 just a general fashion, if I may. One is the idea of  
15 oblique methods of restoration. One is the idea of what an  
16 injured resource is. And the third is the idea of economic  
17 loss as part of the resource.

18                  As to valid methods of oblique restoration,  
19 the acquisition of lands, which has been a large component,  
20 which I support by the way, really, if you think about it,  
21 has no direct restorative capability. The forest was not  
22 injured. But in truth, perhaps there's no way we can  
23 return it to the way it was before the Exxon Valdez oil  
24 spill. We can, however, prevent further damage, and this  
25 is where I think the idea of land acquisition has great

1 value. It prevents further damage.

2                               Well, these are all three kind of related.  
3 The idea of an injured resource and economic loss. If you  
4 don't think about the loss as a loss of money but not  
5 trying to make money but trying to make a living, so to  
6 speak. The fishermen here and the entire community depends  
7 on a diverse portfolio, so to speak. Different fisheries.  
8 Just as birds who live here year round depend on some  
9 fisheries, hooligan. If you go out to Humpback Creek, when  
10 the salmon are in, you'll see it's a great boom for the  
11 wildlife.

12                               This community really isn't trying to make  
13 money, it's trying to make a living. And as far as a  
14 resource goes, although Cordova may have been started as a  
15 boom town, as an exploitive community, it no longer is. It  
16 has slowly over the years morphed into one that is  
17 dependent on other parts of the same ecosystem. It  
18 actually fits in, I think, quite comfortably. There is an  
19 argument that a well-regulated fishery actually takes away  
20 the highs and lows, the booms and busts of an unregulated  
21 fishing river.

22                               So I would argue that Cordova itself is a  
23 little different than other communities. It's more like a  
24 community of wildlife. It really does fit in with  
25 everything that goes on here. And the other thing is that

1 it's not really an effort to make more money, it's an  
2 effort to make a living. It really is a lifestyle here,  
3 it's not a way to get rich.

4                   So I guess I've bumbled [sic] long enough  
5 and those are my three general points about this community.

6                   CHAIRMAN LUTHI: Any questions for Mr.  
7 Weaver [sic]? See -- oh, yes. Steve.

8                   MR. ZEMKE: Kelley, do you think that, you  
9 know, the acquisit -- or you were talking about how habitat  
10 acquisition was protection of the resources. Would  
11 you.....

12                   MR. WEAVERLING: It's an oblique protection  
13 of the resources.

14                   MR. ZEMKE: Yeah. Would you include maybe  
15 something like interpretation -- education and  
16 interpretation be a method also of oblique protection of  
17 resources then?

18                   MR. WEAVERLING: Well, in a way, yes. You  
19 know, just as land acquisition gives injured resource an  
20 opportunity to recover, just not direct restoration. The  
21 ability for us to make a living through other venues would  
22 be a similar sort of thing, I think, yes. And in a sense,  
23 I kind of agree with Mr. Janka's comments that a center  
24 here would have a lasting, continuing source of revenue for  
25 the community at large that would be separate from the

1 fluctuations of a fishery.

2 CHAIRMAN LUTHI: Any other questions?

3 (No audible responses)

4 CHAIRMAN LUTHI: Thank you very much, Mr.  
5 Weaverling.

6 MR. WEAVERLING: Thank you.

7 (Applause)

8 CHAIRMAN LUTHI: Welcome. Thank you.

9 MR. BECKER: Thank you. Yeah, my name is  
10 Karl Becker and I guess I'd like to start out by saying  
11 that I really can't add much to what Mr. Moe, Mayor Joyce,  
12 our City Manager, John Bocci, Cathy, Dan, and others have  
13 already said about these various projects, the Cordova  
14 Center and the herring restoration.

15 I would like to address Mr. O'Connor's  
16 concerns about how you spend your money. And having been a  
17 person who watched this process and participated in it  
18 since it's inception, I really welcome your attitude, that  
19 you want this money to be well-spent. I think that in the  
20 beginning the original trustees faced a somewhat of an  
21 embarrassment of riches. They had an abundance of monies  
22 that looked like it could stretch out forever. And I think  
23 that you wisely want to do the right thing with the money.  
24 And however I felt about some of the projects in the past,  
25 I must say that things like the Seward SeaLife Center for

1 it's inevitable and current problems, and the Alutiiq  
2 Heritage Center, which I think has been quite successful, I  
3 have to say that those communities took great pride in  
4 those things and they certainly in many ways helped the  
5 community transition from the shock and uncertainties after  
6 the spill to a more competent future. And I think that is  
7 a big thing that we all here are looking at.

8                   So I really think, having said that, that  
9 the Cordova Center and herring restoration go very much  
10 hand-in-hand. As the gentleman pointed out in his  
11 excellent presentation, this restoration of herring is  
12 still a -- somewhat of an art as much as a science. It  
13 could be many, many years before that can be restored. We  
14 have to begin someplace. I think now is an excellent time.  
15 But in the interim, I think that the resources, the  
16 economic resources of that fishery can be replaced by the  
17 economic synergies of this Cordova Center, which I think  
18 will be a tremendous magnet for small conferences, tourism.  
19

20                   And again, to address concerns about  
21 admission fees and the ability of the trustees to display  
22 the work that they have done over the years, which I think  
23 has benefitted our communities tremendously from the  
24 acquisition of very valuable habitat to the bricks and  
25 mortar projects. I just want to say that our current

1 museum has only a very nominal fee and things like the  
2 trustees archives I'm sure would be accessible to anybody  
3 who was interested free of charge.

4                   That's basically what I've got to say and I  
5 really think that you all are doing a fine job and I  
6 applaud you for it. Thank you very much for coming.

7                   CHAIRMAN LUTHI: Any questions?

8                   (No audible responses)

9                   CHAIRMAN LUTHI: Thank you so much.

10                  (Applause)

11                  CHAIRMAN LUTHI: Welcome.

12                  MR. O'BRIEN: You've got to shoulder your  
13 way in here.

14                  CHAIRMAN LUTHI: Don't hit your knee though  
15 now. Yeah.

16                  MR. O'BRIEN: Okay. Thank you for this  
17 opportunity. My name is David O'Brien. I've been a  
18 resident of Cordova since 1981. I've been a pharmacist at  
19 Cordova Drug Company since that time. My wife and I bought  
20 the drug store in 2000. In late 1988 -- first I should  
21 probably say this is going to be a lot of I but it -- I'm  
22 leading to something. Okay.

23                  In late 1988 I was posturing to buy the  
24 business but that came to a halt in '89 when the oil spill  
25 happened. Through 1990 the business was doing too well due

1 to cleanup money in town, so the owner withdrew it from the  
2 market. In '91, the business started what was to be a  
3 decade of running in the red. Revenues fell to 60 to 75  
4 percent of pre-oil spill levels during that time.

5                   Also during that time, many other  
6 businesses that had been here for decades closed their  
7 doors and what had once been a vibrant, active, year-round  
8 business district turned into a handful of businesses  
9 struggling to keep their doors open due to the shortened  
10 money season.

11                   Profits were non-existent and my desire to  
12 buy the business declined until finally the former owner  
13 made us an offer that we could not refuse and we bought it.  
14 Early in the nineties we were forced to take out a business  
15 operating loan every spring to make it to the salmon  
16 season. Prior to this, it was not necessary due to the  
17 ramping up of the town for herring season in the spring,  
18 which has not happened since the spill.

19                   So what could the Cordova Center do to  
20 remedy any of this? It would fill in the gaps left behind  
21 by the loss of fisheries. It would provide economic  
22 stimulus by providing year round revenue through tourism  
23 and conventions. It would decrease the number of tax  
24 dollars spent on city maintenance on aging buildings paid  
25 by those of us that are left. It would be a monument to

1 the people of Cordova that have toughed it out through the  
2 lean years that the oil spill dealt us. Many of the  
3 Cordova business people that had thriving businesses when  
4 the spill happened are gone. It would be a monument to  
5 them.

6                   Much of the decline in the economy in  
7 Cordova since the spill can be attributed to it in one way  
8 or another. A contribution from the money earmarked for  
9 spill relief would go a long way to heal these economic  
10 wounds and give some relief to the Cordovans that were  
11 impacted above the waterline.

12                   I ask you that you consider the losses to  
13 Cordova's most precious natural resource, its people. We  
14 would know, should the Cordova Center be built, that we got  
15 something back. Thank you for all that you do.

16                   CHAIRMAN LUTHI: Thank you, Mr. O'Brien.

17                   (Applause)

18                   CHAIRMAN LUTHI: Any questions for Mr.  
19 O'Brien?

20                   (No audible responses)

21                   CHAIRMAN LUTHI: Thank you again.

22                   MR. O'BRIEN: Thank you.

23                   MR. MARQUETTE: Hi.

24                   CHAIRMAN LUTHI: Welcome.

25                   MR. MARQUETTE: Thank you for coming to

1 Cordova. My name is Allen Marquette and I worked for the  
2 Prince William Sound Science Center in the education  
3 programs. And we have an interest in the -- seeing the  
4 community center come to Cordova because one of the  
5 programs that we're part of, it's a partnership program  
6 between the Forest Service and the Science Center, and it's  
7 called the Discovery Room. It's been in existence over 15  
8 years and it's a program that meets every month with each  
9 classroom at the elementary school here, K through sixth  
10 grade. We've been doing that for 15 years and it's on  
11 science. It teaches the kids on environmental science,  
12 good stewardship. And over those years, many of the  
13 programs have addressed the issues with the oil spill, the  
14 potential for other oil spills, what to do, what good  
15 stewardship means, and ways to prevent those kinds of  
16 incidents.

17                   So having said that, the current facilities  
18 we use is over at the college, and the college generously  
19 allows us to use some rooms there. What we have are two  
20 very small rooms that one whole classroom will fit in and  
21 one hallway that we use as a classroom. So we have to move  
22 the students in groups in order to use those facilities as  
23 they are. And we really appreciate that. If we didn't  
24 have that, we wouldn't have anything to do these programs  
25 in. The visitor's center would have that facility there

1 for the education program. It's going to right -- very  
2 close to the elementary school here.

3                   The other thing I wanted to mention is the  
4 other program that the Science Center does is the community  
5 education series, which is nine months throughout the year,  
6 and it's every week, Tuesday evenings. And those programs  
7 are science based oriented, usually on the Sound, and we  
8 try to bring in as much variety as we can. It happens to  
9 be a great venue for the Fish and Game, the Forest Service,  
10 Native Village of Eyak, Copper River Watershed, a variety  
11 of agencies with researchers and scientists that are doing  
12 studies on the Sound, both terrestrial and on the ocean.

13                   And a facility like this would be a great  
14 place. Currently we use the Forest Service, their  
15 conference room upstairs, and it will seat comfortably 25  
16 to 30 people. We've had as many as 60 people attend these  
17 programs and it's a standing room only. It's kind of  
18 miserable. But if -- it's a wonderful facility if we  
19 didn't have that, that's the only choice we'd have. So  
20 this center would allow us to do more of these programs.  
21 It would be a more -- a greater venue for the research  
22 that's done on the Sound and by the local people.

23                   The other thing that's important is to  
24 remember that all of this that I just discussed would be of  
25 no cost to the public. The 15 year program that we've been

1 doing has never cost the school district or anyone money.

2 It's all come out of grants that we've raised and the

3 Forest Service through the monies they put towards it.

4 So the educational use of the facility and

5 that aspect would be no cost to the community or to the

6 visitors that are here. And the one thing that hasn't been

7 represented here are the kids of the next generation that

8 are in K through sixth grade. It would be nice to know

9 that they have a facility like that to perpetuate those

10 kinds of things and to keep that understanding going of

11 what the damage is from an oil spill and to make sure it

12 doesn't happen in the future and make them good stewards.

13 CHAIRMAN LUTHI: Any questions for Mr.

14 Marquette?

15 (No audible responses)

16 CHAIRMAN LUTHI: Thank you very much, Mr.

17 Marquette.

18 (Applause)

19 MR. KOPLAND: Hello.

20 CHAIRMAN LUTHI: Welcome.

21 MR. KOPLAND: Clay Kopland, I'm the manager

22 of Cordova Electric Cooperative and I want to touch on what

23 I think is one of the most, if not the most relevant point

24 in EVOS funding for the Cordova Community Center, and

25 that's energy. I was approached in about 2002 when the

1 Cordova Center was becoming a real concept and asked how  
2 could the cooperative help in attaining a lead  
3 certification for that facility and my answer was anyway we  
4 can, because we have to get off the use of oil. And the  
5 Exxon Valdez oil spill was a result of shipping oil across  
6 Prince William Sound. It was an energy related event.

7                   FEMA spends billions and billions and  
8 billions of dollars every year responding to disasters.  
9 Their restoration tact is one of mitigation. The best way  
10 to restore any impacted body is to prevent the reoccurrence  
11 of that event. And the way to prevent the reoccurrence of  
12 an oil spill is to quit using the stuff. If we want to  
13 recover from an oil spill hangover, we need to quit  
14 drinking the stuff.

15                   I would love to see Alaska's oil shipped  
16 out of the state and provide revenue for us, but I'd like  
17 to see it shipped as plastics or pharmaceuticals or  
18 something useful, not to meet energy needs that are just  
19 kind of a recent trend, or to become fertilizers when we  
20 have organic fertilizers that we're hauling out into the  
21 middle of Prince William Sound and dumping back into the  
22 ocean at a high energy cost.

23                   So we had a 1,600,000 oil habit up until  
24 2001 to generate our electricity for our community. That's  
25 just a small part of our energy use. That oil use bottomed

1 out in 2005 when we used about 460,000 gallons of oil,  
2 almost one-fourth of the oil for our electric generation.  
3 We built the Power Creek Hydroelectric Project and the  
4 Humpback Creek Hydroelectric Project and replaced it with  
5 renewable energy. Run of the river renewable energy,  
6 upstream of this anadromous reaches, there it protects the  
7 resource that this community thrives on.

8                   Mr. O'Connor can maybe appreciate climate  
9 change and weather events. In August of 2006 we had a  
10 weather event of -- a storm total of 24, 26 plus inches of  
11 rain in about 72 hours. That was a declared disaster that  
12 we didn't apply for assistance for because our facilities  
13 weren't damaged.

14                   It was followed in October of 2006 by a  
15 similar event, except that storm total was compressed into  
16 a 24 hour window, over 18 inches of rain recorded down low.  
17 I think the ridge top saw a lot more. That neatly took our  
18 small hydroelectric project and moved it down the river in  
19 pieces. Now that project was designed for a 1600 CFS  
20 event. Correlations between different data sets placed  
21 that event as between 1600 and 1800 CFS.

22                   It's going to be August of 2009 before we  
23 get that project back in service. It's just the logistics  
24 of building renewal energy projects in Alaska and we're  
25 going to have to over-design and make sure that

1 increasingly severe weather patterns don't do the same  
2 again somewhere down the road. And my question is, how big  
3 is the next storm in the Gulf of Alaska going to be, and is  
4 the tanker going to be able to withstand it? We think  
5 we're building hydroelectric projects that will stand the  
6 test of time, our newer one did, but the best way to  
7 mitigate the use of -- or a spill, is to not have to ship  
8 the stuff.

9                   Now what does the Cordova Center have to do  
10 with energy use besides the incrementally less use that  
11 it's going to have over the existing facilities? Well, the  
12 visitor industry is a very precisely planned economy in  
13 this community. There is a tourism plan that had the same  
14 kind of feedback that went into the development of that  
15 plan that doesn't encourage large cruise ships or certain  
16 types of tourism that don't meet our infrastructure into  
17 the town. The consumptive type tourism that impacts our  
18 local resources. But takes advantages of Forest Service  
19 trails, conferences, events that use our existing  
20 infrastructures in a multi-use facility and has a very low  
21 energy impact.

22                   We have jet planes coming in and out of  
23 this community every day in the winter and it doesn't  
24 bother me that we're using diesel or jet fuel, the planes  
25 coming in and out of town. What bothers me is that there's

1 three passengers riding them from Seattle to Anchorage.  
2 I'd like to see some winter business in this community, and  
3 if we're going to use energy, let's make the most of it and  
4 use it wisely.

5                   So I think you should fund this project and  
6 I think that we should make it energy efficient and  
7 encourage energy efficient industries. Is there any  
8 questions?

9                   CHAIRMAN LUTHI: Any questions for Mr.  
10 Kopland?

11                   (No audible responses)

12                   CHAIRMAN LUTHI: Thank you very much.

13                   (Applause)

14                   MR. O'CONNOR: I have a question for you,  
15 Mr. Chairman.

16                   CHAIRMAN LUTHI: Yes.

17                   MR. O'CONNOR: Were you planning on taking  
18 a break?

19                   CHAIRMAN LUTHI: I was not unless the  
20 whining got too loud, but by show of hands, just give me an  
21 idea of how many more people would like to speak tonight.

22                   UNIDENTIFIED SPEAKER: Speak?

23                   CHAIRMAN LUTHI: Speak, yeah.

24                   UNIDENTIFIED SPEAKER: We have coffee and  
25 food and we can refill it.

1                   CHAIRMAN LUTHI: My preference, and again,  
2 I leave it to the Trustee Council on that, is that we wind  
3 up all the public comments. That's why you came tonight  
4 and I think -- and we'll sit here as long as it takes to  
5 hear them, so that would be my preference. And then if  
6 there's any discussion, we'll take a break before the  
7 discussion.

8                   MR. O'CONNOR: That's fine. Can I ask a  
9 question of -- are we going to have anybody come and  
10 testify this evening that's going to discuss with us the  
11 details of the project? Mr. Mayor, do you have anybody --  
12 how did we decide this percentage of the square footage and  
13 those sort of thing that would be appropriate for our --  
14 for EVOS use?

15                   MAYOR JOYCE: If you're asking if our  
16 architect is here, no. If that's what you're asking. If  
17 you want the professionals who sat down and looked at the  
18 square footage and came up with that rationale, our  
19 architect is not here.

20                   MR. O'CONNOR: Well, we've got -- one of  
21 our analysis points is to figure out is this what we need  
22 from our standpoint, is what you're proposing for us from  
23 your standpoint. And I need information with regard to  
24 those kinds of points and facts, why is it 36 percent here,  
25 why is that, you know, this number of square feet and so

1 on, that kind of thing. So, okay, I just -- I thought  
2 there might be somebody that could give us more detail  
3 other than.....

4 UNIDENTIFIED SPEAKERS: Cathy.

5 MS. SHERMAN: Okay. I was under the  
6 impression that you were provided with that information  
7 prior to this meeting. It was detailed and I worked with  
8 the -- in December. So.....

9 MR. O'CONNOR: Do we have that?

10 MR. BAFFREY: It's the proposal you're  
11 talking about, correct?

12 MS. SHERMAN: No. This was -- I was  
13 contacted by the Department of Law, the state Department of  
14 Law in December and we worked with them to determine these  
15 percentage numbers based on actual usage of each of these  
16 rooms. I came up with about five pages detailing basically  
17 the percentages that Tim talked about with the  
18 explanations.

19 MR. O'CONNOR: Okay.

20 MS. SHERMAN: And I was under the  
21 impression, and I apologize if I was wrong, that you had  
22 seen them.

23 MR. O'CONNOR: We have seen what was given  
24 to us, which is probably the write-up. This is the write-  
25 up that was done by the Department of Law.

1 MS. SHERMAN: Okay. I never saw the final  
2 results.

3 MR. O'CONNOR: Okay.

4 MS. SHERMAN: I just know what I gave to  
5 them.

6 MR. O'CONNOR: All right. Those kind of  
7 questions are not answered in this. So that's fine.  
8 That's fine. I just thought somebody perhaps might be  
9 available to provide testimony on those points. But, okay.  
10 I'm sorry. I'm sorry for the interruption. I'm just  
11 wondering if I can tolerate without a break. I guess I  
12 will.

13 CHAIRMAN LUTHI: Yeah. Well, no, I  
14 appreciate all of your patience and I just want you to know  
15 we're willing to listen, because that's what we're here  
16 for. With much ado, please. Thank you, yes.

17 MS. COVEL: I have resided in Cordova for  
18 28 years, most of that time at Cordova Electric  
19 Cooperative. It's my employer. I am currently the  
20 president of the local school board.

21 CHAIRMAN LUTHI: God bless you.

22 MS. COVEL: Thank you.

23 CHAIRMAN LUTHI: Yes.

24 MS. COVEL: It's actually been a pleasure.  
25 Our superintendent is out of town this evening at a special

1 ed meeting and I just wanted to share with you in support  
2 of the community center.

3 I'm writing this letter of support for the  
4 Cordova Center and the many benefits that it will bring to  
5 the city of Cordova as well as the area's children. The  
6 benefits to the community will be widespread. It will be  
7 the culmination of years of planning and work by many  
8 volunteers, all maintaining the dream of its finality. It  
9 will bring a much needed boost to the economy as well as  
10 offer an opportunity for the local arts, music to develop.

11 While this development of the arts will  
12 serve a premium in the reestablishment of the community's  
13 chemistry, it will also serve as an opportunity to enhance  
14 and increase necessary services, such as research capacity,  
15 housing of the city library, and provide consistent science  
16 education for the entire population.

17 Each of the above items is very important  
18 for the future growth of the community of Cordova, but much  
19 more than all of the above is the validation of our  
20 children's future. By regaining the necessary pride  
21 associated with the development of this facility and the  
22 services to the community that will accompany its presence  
23 will come the most critical need.

24 When evaluating a community that has  
25 undergone such a significant disaster, the most important

1 investment will be with the healthy growth, physical as  
2 well as emotional, of our children. They need a positive  
3 childhood to serve as springboard to a healthy generation,  
4 one that's healed and ready to move forward. Healthy  
5 adults raising healthy children is the best guarantee to  
6 successful recovery.

7                   Our children have gone to school in a  
8 substandard learning environment as the oil spill disaster  
9 removed all hopes of a modernized school. All physical  
10 areas of Mt. Eccles Elementary show the impact of deferred  
11 maintenance in hopes that someday an improved economy will  
12 permit a much needed renovation.

13                   The Cordova Center will be a huge step  
14 forward for the community and a great investment in the  
15 future of our children. In the best interest of Cordova,  
16 Jim Nygaard, Superintendent of Cordova Schools.

17                   And that's all I have this evening unless  
18 anyone has some questions.

19                   CHAIRMAN LUTHI: Thanks. Any questions of  
20 Ms. Covell?

21                   (No audible responses)

22                   CHAIRMAN LUTHI: Seeing none, I think you  
23 got off easy.

24                   MS. COVELL: Thank you.

25                   (Applause)

1 MR. CAIN: Good evening.

2 CHAIRMAN LUTHI: Good evening.

3 MR. CAIN: I'm Bruce Cain, I'm the  
4 Executive Director for the Native Village of Eyak. And I  
5 would like to thank the Trustee Council for holding this  
6 meeting in Cordova. It's very important to us that this  
7 meeting is here and we're glad that you could be here. We  
8 hope you'll hold meetings in the future, and when you  
9 return, we hope that at some point we'll have a nice  
10 facility where we can all sit and a reasonable meeting  
11 room. We've had a lot of fun in this gym here, but you  
12 know, it was built over half a century ago and you know  
13 that's stage behind us, we've done a lot of things, but we  
14 need a new place and I think we've heard about it.

15 Anyway, I've just got five words for you.  
16 Five words. Scientific knowledge put to work. You can  
17 take -- you can write that down. Scientific knowledge put  
18 to work. That's what we need to do. We're not going to  
19 study these herring back to life; but we're not going to  
20 get them back without working hard with some good  
21 knowledge. So it's both of them put together. We got to  
22 do it. So that's all I've got to say.

23 (Applause)

24 CHAIRMAN LUTHI: Any questions for Mr.  
25 Cain?

1 (No audible responses)

2 CHAIRMAN LUTHI: Thank you. Welcome.

3 MS. SMITH: Hi. I'm Kristin Smith. I'm  
4 the director of the Copper River Watershed Project, which  
5 is a non-profit that's dedicated to promoting sustainable  
6 economic development and it was founded as a response to  
7 the economic tailspin that we were in in the early to mid-  
8 nineties as a result of the spill.

9 And it's great that you all could come here  
10 and hear this in this community because I think you all  
11 have probably seen lots of stuff on paper but that can't  
12 speak as loud as all the people that you're hearing from  
13 tonight. And I don't think I can be more eloquent than any  
14 of them, but I think it's really important for you to hear  
15 how broad and how deep the support for this project is.

16 And so I wanted to, I guess, repeat,  
17 because it's been said once or twice before, but one of the  
18 things that the watershed project has been involved with is  
19 a community tourism plan and we specifically came up with  
20 this tourism plan because we wanted to talk about how could  
21 we develop tourism as part of this response to the economic  
22 disaster. And what people said pretty loud and clear was  
23 that they wanted to develop small scale independent  
24 traveler tourism. And one of the things in this tourism  
25 plan is a multi-purpose facility, like the Cordova Center.

1 And they wanted something that could house the education  
2 facilities and the library.

3                   And as you've also heard, you know, this  
4 response to one of the questions asked earlier, what -- how  
5 could this be different from the SeaLife Center, it's also  
6 going to house City Hall and the city administrative  
7 offices. So there are a lot of different pieces that are  
8 part of this facility that are going to help make up the  
9 operating costs.

10                   And I think it's also important, if you  
11 haven't heard this already, to know that that was a pretty  
12 organic response. That's kind of a trite word sometimes  
13 these days, but Cathy started these planning meetings I  
14 don't know how many years ago and we had flip charts on all  
15 the walls and we had the little color dots and everybody  
16 went around and said what they wanted. And the location  
17 that they're talking about now, considering, wasn't even  
18 one of the original choices. But it came out of the  
19 participation from the whole community. So this is  
20 something that everybody has been involved in from day one.

21                   And I think it's important to know too that  
22 you haven't heard one person tonight say they don't support  
23 this project. And when those meetings started however many  
24 years ago it was, there were a lot of doubters. But people  
25 have really worked hard to address the concerns that

1 everybody in the community had, so I think that's a pretty  
2 key piece of what got us here tonight.

3                   And I want to also mention that when I came  
4 to Cordova, which was '94, so a few years after the spill,  
5 I remember talking to a friend and she was telling me that  
6 the loss of herring represented a loss of about a third of  
7 her annual income, which is pretty significant. And that  
8 annual income was lost every year. It wasn't just a one  
9 time loss, it's a cumulative loss every year for the last  
10 19 years. So that's money that people didn't have to  
11 invest in their retirement. Didn't have to invest in their  
12 kids' college funds. Didn't have to reinvest in their  
13 businesses. And it's affected everybody. It's affected  
14 residents and the municipality and all the operations of  
15 the municipality.

16                   So we are an injured species here in  
17 Cordova as well. Not just the herring, but the residents.  
18 But we're not asking for a handout. We're asking for an  
19 opportunity. I think the Cordova Center can help create,  
20 as you've heard others say, a pretty positive legacy or a  
21 community asset that would be a really positive legacy to  
22 the spill.

23                   I've also heard questions -- I'm just  
24 trying to pick up on all the thing -- all the points that  
25 people have raised since we've been talking tonight.

1 People have talked about -- Cathy she -- they made pretty  
2 conservative estimates about what kinds of events would be  
3 at this the center and what would draw people in. Well,  
4 you've already heard about the Board of Fish meeting that  
5 we almost lost. And the Board of Fish meeting represents  
6 at least a hundred people coming to town for several days,  
7 so that's lodging, restaurants, other kinds of  
8 entertainment. In the middle of the winter, that is a huge  
9 shot in the arm for a community that doesn't have the  
10 fisheries that we used to have.

11                   And so I guess I just want to emphasize  
12 that this -- well, there's -- so, also I thinking that I  
13 hear a lot of times on the radio performances that are  
14 being put on at the Valdez Community Civic Center. They  
15 have a civic center. They have an auditorium that can seat  
16 200 people. This is our auditorium. We're going to fold  
17 up these chairs by hand when this meeting is over, just  
18 like we do several times a year. And so we can't host all  
19 of those things. But I think, like Cathy said, those  
20 estimates were conservative and I think a lot of conference  
21 and performing arts events would be held here in the  
22 winter, which would be a great asset.

23                   And we have a lot of assets to offer. I  
24 mean, we have fabulous scenery. There are a lot of  
25 recreational opportunities. I think we have a lot to offer

1 to visitors coming here.

2                               And so I guess in closing I'd just ask that  
3 you all would consider, when you make your decision, just  
4 think about maybe what you've put into your IRA every year  
5 for the last 19 years and what a lot of people here have  
6 not been able to set aside for each of those years. And  
7 considering that we've been unable to do that because of  
8 the long term consequences of a natural resource disaster.  
9 And consider the cascading ripple effect that would have on  
10 a lot of families and the sacrifices people have had to  
11 make over the years. And by all means, consider the  
12 benefits that it would bring to us to have such a multi-  
13 purpose facility. So thanks very much for listening.

14                               CHAIRMAN LUTHI: Thank you. Any questions  
15 for Ms. Smith?

16                               (No audible responses)

17                               CHAIRMAN LUTHI: Thank you.

18                               MS. SMITH: Okay.

19                               (Applause)

20                               CHAIRMAN LUTHI: Next.

21                               MR. LANKARD: Good evening.

22                               CHAIRMAN LUTHI: Good evening. Welcome.

23                               MR. LANKARD: How you guys holding up?

24                               CHAIRMAN LUTHI: Good so far.

25                               MR. O'CONNOR: Doing good.

1                   MR. LANKARD: How come you don't have any  
2 women on your council? I think, you know, for years we've  
3 been meeting with you folks on different subjects and we  
4 never see very many women making decisions.

5                   And Michael, it's good to see you.

6                   MR. BAFFREY: Dune.

7                   MR. LANKARD: My name is Dune Lankard. I'm  
8 a Eyak Athabascan Native from this region. Our peoples  
9 lived here the last 3500 years. And a lot has changed  
10 since the Exxon Valdez oil spill. And just in the last  
11 three or four years, with global warming, the whole debate  
12 has changed on what you should protect and what kind of  
13 economies are going to be sustainable and what's going to  
14 help different regions recover.

15                   Cordova is a really unique community. It's  
16 really special. Some of the most creative people I've ever  
17 met are in this community. For such a small town, we have  
18 more bush pilots per capita, more artists, a lot of  
19 fishermen per capita.

20                   You know, just to give you an idea about  
21 the community, and we spoke earlier, you know, to the  
22 Denali Commission, but Cordova, the high school, they rank  
23 like in the top couple percentage points of some of the  
24 brightest kids across the nation. In our sports teams, you  
25 know, in volleyball, basketball, wrestling, swimming, and

1 now baseball, you know, we are right up there with some of  
2 the best and we're really competitive. They have a problem  
3 solver -- solvers, like a debate team. They take region  
4 and nationals all the time.

5                   You know, and I really think that what  
6 that's from is from the wild salmon, the wild seafoods, the  
7 clean air, the clean water. It's having access to the  
8 wildlife and, you know, a lot of times when I travel around  
9 the world, a lot of people are either locked in the past or  
10 they're locked in the future. It's hard for them to stay  
11 in the present. Here when you fight some of the conditions  
12 that you do and live in the conditions of the weather and  
13 being on the ocean and being in the fishing industry, you  
14 have to be present. You have to be aware. And I think  
15 that that also leads and helps, you know, a lot of these  
16 locals to be leaders and amazing people.

17                   And the reason I bring that up is that when  
18 you look at herring restoration, you need to realize that  
19 herring is a staple food source for not just, you know, us  
20 so that we can catch them and make money and make a living,  
21 but, you know, some of the species -- I wrote down, you  
22 know, just a few of the species that depend on them, like  
23 the crab and the shrimp, the halibut, the rockfish, the sea  
24 lions, the killer whales, the seals, birds.

25                   I mean, like some of the speakers were

1 talking, this place literally came alive in April and now  
2 it's a dead zone. In a lot of areas, there's -- you can go  
3 out there with a camera and not hear any sounds at all.  
4 And so you need to realize that the herring is more than  
5 just a way of life for the people who live here, it's a  
6 staple to what's going to help restore all of our  
7 fisheries. Because, you know, like some of the folks said,  
8 this used to be a year round fishery place.

9                   And, you know, the question -- and I was  
10 glad to hear you point it out, that this issue isn't about  
11 whether we should have herring restoration or a community  
12 center, because the human people in the spill zone are the  
13 most valuable resource that you should be taking care of.  
14 And, yes, you know, helping preserve habitat has been  
15 important, because the key to restoration of any kind is  
16 preservation of what you have left. And so all the habitat  
17 acquisition work, the biggest gripe that we have about that  
18 was that it was in fee simple title. You could have done  
19 conservation easements and bought the development rights  
20 and development restrictions, placed certain covenants on  
21 the land, but you didn't have to buy our land. You could  
22 have saved twice as much as land for half as much money.  
23 That's what the complaint is there.

24                   But we feel that, you know, how was the --  
25 you have the nation's worst oil spill and then you clear

1 cut all the trees from Cordova to Kodiak, the same exact  
2 parallel path of the Exxon Valdez. How are we going to be  
3 fishing in 10 years? So the work that you did to preserve  
4 that habitat was critical to the restoration of our region,  
5 but we've seen 400 million dollars in science spent that  
6 show that oil and water don't mix. We already know that.  
7 Let's figure out how to take that science, and like Bruce  
8 and a number of other folks are saying, put this science to  
9 work. Help us restore our own community. Because this is  
10 the way it's going to work, if Exxon doesn't have to pay  
11 the 2.5 billion dollars and it is -- the cap is reduced  
12 down to a two-to-one punitive on compensatory damages and  
13 we only get paid 600 million, that's going to be like one  
14 good day of fishing.

15                   And so what it comes down to is the  
16 restoration of this community. And that's why you hear all  
17 the support for a community center, a place where the  
18 people can gather, where we can address a lot of the issues  
19 that we're going to face when you guys are long gone and  
20 your money is gone. And, you know, and get that 92 million  
21 dollars restoration from Exxon. Help this spill zone  
22 community.

23                   You know, your job as trustees -- and I  
24 wish there was a Native trustee. I wish there was a woman  
25 trustee. I wish that there was people who were more

1 compassionate to what's really happening in our region, in  
2 our home. Because this is all we have. This is our way of  
3 life. We're not going anywhere and if we work together, I  
4 think that helping restore the lost fisheries, helping put  
5 that science to work, helping build community, is the most  
6 important thing that you folks can be doing.

7                   And again, we appreciate you coming to our  
8 community and we thank you for all the past work that  
9 you've done. And I know it's a tough job and I'm happy  
10 that it's you and not me. But thank you for everything and  
11 come back again.

12                   CHAIRMAN LUTHI: Any questions for Mr.  
13 Lankard?

14                   (No audible responses)

15                   CHAIRMAN LUTHI: Thank you very much.

16                   (Applause)

17                   CHAIRMAN LUTHI: And welcome.

18                   MS. O'TOOLE: Thank you. And welcome to  
19 all of you and thank you for coming. And my name is Linden  
20 O'Toole. I'm a former herring fisherwoman and salmon  
21 fisherwoman. I had to get a real job after the spill.

22                   What I would like to -- I don't want to  
23 reiterate a lot of what has been said but I do agree that I  
24 think that the human beings are part of this ecosystem and  
25 I really appreciate you guys coming and trying to integrate

1 that into your whole plan. And I guess one thing I would  
2 like to point out is I feel like there's a reason why  
3 Cordova has become kind of a poster child to the human  
4 impacts of the spill, and that's because I feel like  
5 compared to other impacted communities, we probably had --  
6 I haven't quantified this, but probably 10 times as much  
7 economic impact as any other community.

8                   And so that's why I feel like it's totally  
9 appropriate for you guys to come and support this center.  
10 I think if there's going to be a museum that showcases for  
11 the future generations to learn about the spill and to  
12 learn from the spill, that Cordova is the appropriate place  
13 for that to happen.

14                   And if you look at even just trying to help  
15 the community financially, if you -- I think I heard it was  
16 35 million dollars for the SeaLife Center and I think that  
17 Cordova has probably 10 times as much of their economy in  
18 the Sound as -- you know, that we -- I don't think Seward  
19 has that many fisheries based in the Sound. So if you use  
20 those numbers and project them out, that would be 350  
21 million dollars proportionally that you could fund both of  
22 these proposed projects and still be way under that number.

23

24                   So anyway, I just thought I'd point that  
25 out. Thank you for coming. I know your job is hard, but

1 thank you for listening to all of us.

2 CHAIRMAN LUTHI: Thank you. Any questions  
3 for Ms. O'Toole?

4 (No audible responses)

5 CHAIRMAN LUTHI: Seeing none, thank you.

6 (Applause)

7 CHAIRMAN LUTHI: And welcome.

8 MR. ZEINE: Thank you, gentlemen. Thank  
9 you very much. Appreciate you coming to town and we got  
10 the nice weather for you anyway. My name is Ed Zeine.

11 I've been here since 1979. I've been involved in various  
12 administrative functions, like the mayor and the city  
13 manager and doing various things, as originally I was a  
14 hospital administrator.

15 I think that if you have any questions  
16 regarding the center, you know where to get them at. Cathy  
17 is full of the information. I think the mayor gave a  
18 tremendous PowerPoint. I hope you got copies of the  
19 PowerPoint so that you could follow along with the  
20 information he had in there, because he had some valuable  
21 information there. And the information the city manager  
22 has I think is available to you. So if there's any  
23 questions you have or are unsure of as far as the center is  
24 concerned, we're here to be able to give you the answers.  
25 And if we can't give them to you tonight, we'll sure get

1 them for you.

2                   So I just wanted to let you know that I do  
3 appreciate very much you coming to town. Of course I'm a  
4 strong supporter of the center, otherwise I probably  
5 wouldn't be here. And I don't know if you know Cordova  
6 very well, but having served in political positions here,  
7 it's awfully hard to get somebody that agrees, the majority  
8 of people to agree on anything. You know, usually it's  
9 right down the center. And when we started on the project  
10 of the center, we had our naysayers. But I've got to tell  
11 you, having been involved in this for years, to get the  
12 citizens of Cordova practically to a person agreeing on one  
13 thing, that's tremendous, guys. You just don't know. It's  
14 great.

15                   So I think you can see the great support  
16 that you have by all the people coming forward and I just  
17 thank you very much for coming to town. I hope that the  
18 proposal and the PowerPoint that the mayor has given you,  
19 that you'll see a way to approve that and fund it. Thank  
20 you very much.

21                   CHAIRMAN LUTHI: Any questions for Mr.  
22 Zeine?

23                   (No audible responses)

24                   MR. ZEINE: Thank you.

25                   CHAIRMAN LUTHI: Thank you.

1 (Applause)

2 CHAIRMAN LUTHI: And welcome.

3 MR. THELEN: Thank you for being here  
4 tonight. Thank you for coming. My name is Kent Thelen. I  
5 did not get here till 1998. I came and fell in love. I  
6 came to visit my brother and I never left. So I don't know  
7 a whole lot about the oil spill.

8 CHAIRMAN LUTHI: Are you still with your  
9 brother?

10 MR. THELEN: No, he's across town.

11 CHAIRMAN LUTHI: Oh, okay.

12 MR. THELEN: I don't see him very much.

13 CHAIRMAN LUTHI: Okay. Yeah.

14 MR. THELEN: Once -- you know, he's in the  
15 fishing industry, I'm not.

16 My question is -- a couple of comments.  
17 Is, one, I don't know how you're feeling right now. If you  
18 want to stand up. If you're tired of sitting on these  
19 steel chairs. This is one of the aspects of the community  
20 center that we have. That stage, you cannot get behind it.  
21 I'm a major Thespian, so I'm speaking from experience. You  
22 cannot get behind that stage and speak because you can't be  
23 heard. And it's very hard to hear you out there right now  
24 because of the acoustic situation.

25 This town is starved for theater, for any

1 kind of performing arts. This has nothing to do with the  
2 hatcheries, I understand that. But we can sell -- I  
3 directed a play one year. It was the most awful play I  
4 ever did. And it sold out.

5 (Laughter)

6 MR. THELEN: And I've decided not to direct  
7 for awhile. But my other -- my main comment is, Craig, you  
8 were talking, you were interested in some of the of the  
9 numbers, the percentages about EVOS and the community  
10 center and there's a lot of talk about the hatcheries going  
11 on, the fish -- what is it, the herring fishery you're here  
12 tonight about? It's easy and I've heard a couple of  
13 questions, those negative questions, so to speak, about  
14 whether or not this would be better or that would better,  
15 committing one way or the other.

16 And I've heard stories about, as you were  
17 talking about the Seward situation, it's almost falling  
18 apart, the Seward aquarium or whatever it is. My question  
19 is this, it is easy to see and you've heard about the  
20 infrastructure and what -- why we support Cordova Community  
21 Center, and so you can make your own judgment as to whether  
22 that will support itself or not. But my question to you  
23 is, this is a very short term thing, the Cordova Community  
24 Center is a short term project, so you can see the results.  
25 Can you guarantee the same results for the herring fishery?

1 Can you guarantee that that money that you are spending for  
2 the herring fishery -- I know you're trying, but can you  
3 guarantee that the scientists are going to be right, that  
4 it's going to succeed?

5                   We have a very possible and viable center,  
6 but we don't know. We know some of it is working, but we  
7 don't know if that herring fishery is going to succeed.  
8 That's a very long term project. But we have an  
9 opportunity, if what they say is true, to establish a short  
10 term project while the long term project, while it's not  
11 guaranteed, it might flail. It might fail. But it might  
12 not. But in the meantime, we have an opportunity, I think,  
13 to put what I feel is a viable project on the table and  
14 start a project that will be finished in a very short  
15 period of time compared to 20 more years of science and no  
16 guarantees. And that's really all I have.

17                   CHAIRMAN LUTHI: Thank you. Any questions  
18 for Mr. Thelen?

19                   (No audible responses)

20                   CHAIRMAN LUTHI: Seeing none, thank you  
21 very much.

22                   (Applause)

23                   CHAIRMAN LUTHI: And welcome.

24                   MS. ROSEBERY: Hello. My name is Carolyn  
25 Rosebery. I've been here for 30 years, since Jimmy Carter

1 was president. And I've been to the Valdez Theater  
2 Conference many times, 13 times, I believe. And I've had  
3 my own plays read there at the civic center and it was an  
4 extraordinary experience. It began my education.

5 I have read in international plays with the  
6 authors in the front seat watching. And I want to say that  
7 -- I actually want to thank you for this opportunity and  
8 I'll do theater -- I'll do theater in the back of The  
9 Alaskan, but I'll do it better in a fitted stage of  
10 quality. It would be an amazing thing for Cordova.

11 And there will never be enough science in  
12 this world. There will never be enough art in this world.  
13 They are a union. We thrive on both of these and I would  
14 like you to support the sustenance of both. Thank you so  
15 much. I appreciate this opportunity.

16 CHAIRMAN LUTHI: Thank you. Any questions  
17 for Ms. Rosebery?

18 (No audible responses)

19 MS. ROSEBERY: Thank you.

20 CHAIRMAN LUTHI: Thank you.

21 (Applause)

22 MR. MONTGOMERY: I'm Floyd Montgomery.  
23 I've got a few years in Prince William Sound but not as  
24 Billy Webber Sr. He's got a few more on me than what I've  
25 got. From what I understand, it takes five years to get a

1 PhD. The way I look at it, I've got five of them. And I'm  
2 sure Billy Webber Sr. has probably got about eight or nine  
3 PhD's in Prince William Sound.

4 I would like to share with you is an  
5 experience I had at a reopening of the 92 million dollars  
6 of the Anchorage Museum which David Gleason asked me to go  
7 participate. I thought about it for half the morning and  
8 thought, well, I've got to go to Cordova and I won't have  
9 time for this. So I went for the meeting. At the end of  
10 my comment was my uncle, Dan Diamont (ph) was sitting next  
11 to a gentleman in the Seattle Marine Hospital, had a PhD in  
12 oceanography and gave him a business card. Right. So his  
13 experience was, he was sitting there in the hospital and  
14 kind of just having a casual talk and they started talking  
15 about the Exxon oil spill.

16 Well, back in 1990, NOAA was bringing up  
17 oil 600 feet deep. The man that was talking to my uncle  
18 gave him a business card and said, boys, you no reason to  
19 being here another day. They left.

20 I just talked to a gentleman yesterday by  
21 the name of Bradshaw which was doing some crab fishing out  
22 there and at very, very deep water. And they were bringing  
23 up oil in the crab pots. I look at this book here and I  
24 say to myself, how much money so far have you spent on the  
25 herring restoration. Do you have an answer for that? How

1 much have you actually spent so far on it?

2 CHAIRMAN LUTHI: I'll have to turn to my  
3 herring expert, who is -- you?

4 MR. LLOYD: No. Michael, do you have an  
5 estimate?

6 MR. BAFFREY: For herring?

7 CHAIRMAN LUTHI: Uh-huh. (Affirmative)

8 MR. BAFFREY: Not specifically for herring.

9

10 MR. MONTGOMERY: Not -- not.....

11 MR. BAFFREY: I know that in the -- in  
12 2007, 2008, we spent approximately 2.5 million per year.

13 MR. MONTGOMERY: My question, out of all  
14 the money that you receive, why are we waiting 19, going on  
15 20 years, to all of a sudden come to Cordova and say, we  
16 have this amount of money that we'd like to say, hey, we're  
17 going to have a meeting and say would you like to have a  
18 place to do theater, or like the gentleman Craig says many  
19 times throughout the evening, which would you like to have?

20

21 My question is, what I would like to see, a  
22 true value of how much value -- how much oil is still left  
23 in the bottom of Prince William Sound, 900 feet, 600 feet  
24 deep. You know, I'm not a scientist, but I can tell you  
25 what, after reading some of these pages, some of the -- one

1 of the questions was, will the herring that is released in  
2 Prince William Sound be viable, mingle with the rest of the  
3 herring and continue to grow.

4                   Well, logic tells me that the oil that's  
5 still at the bottom of Prince William Sound must have an  
6 effect on the herring since 1989 till now. And it will  
7 continue. At that meeting I had mentioned to them, is  
8 there any way that we can speed up the process with the oil  
9 that's down there in Prince William Sound, the life of it  
10 to get it out of there, if there is any? My logic tells me  
11 a man that served two years ago tried to convince me that,  
12 hey, there isn't any. There is -- I couldn't believe what  
13 he said.

14                   When the oil came out of the Exxon Valdez  
15 and was stuck on top of Bligh Reef, that oil just went down  
16 onto Bligh Reef and it just kept going on and on and on.  
17 And it stayed together. And there's no way you can  
18 convince me that it all floated and went 1500 miles away.

19                   But my question again, after 19, 20 years,  
20 why are you offering this amount of money when it should  
21 have been done 10 years ago?

22                   Before I came here this evening I was going  
23 to tell you a story that, hey, I went out looking for  
24 herring spawn but I couldn't find any. I went out looking  
25 for some gooey ducks, some other kind of Native food. And

1 we usually eat seal, traditionally, every year before we go  
2 fishing. We can't eat any because they still have ulcers  
3 in them.

4                   And a last resort, I said well I got to go  
5 find some dinner tonight. So I went to the Powder House, I  
6 got in the Powder House and I ordered the scallops. Would  
7 you believe that was the last plate of scallops that they  
8 had this evening. I said, boy, was I fortunate to get  
9 something like that. They served all the rest of them  
10 before.

11                   So my question again, and to you, the way I  
12 look at it, you heard the story, if you build it, they will  
13 come. I would like to ask you, is there any way that you  
14 could take any of this money, provide an exhibit back in  
15 D.C., a before 1989 and after oil spill, the effects it has  
16 had in Prince William Sound. This will bring out the truth  
17 of all the tourists that comes to Washington D.C. and they  
18 will come here to find out if that's the truth that really  
19 happened to the community of Prince William Sound.

20                   Do you have any questions for me? No?

21                   (Laughter)

22                   CHAIRMAN LUTHI: Do we have any  
23 questions.....

24                   MR. MONTGOMERY: No? Have any questions  
25 for me?

1                   CHAIRMAN LUTHI:   .....for Mr. Montgomery?  
2                   MR. MONTGOMERY:   No?  
3                   CHAIRMAN LUTHI:   Seeing none, thank you for  
4 your time.  
5                   MR. MONTGOMERY:   You're welcome.  
6                   (Applause)  
7                   CHAIRMAN LUTHI:   Anyone else?  
8                   MS. HAHN-O'LEARY:   That would be me.  
9                   CHAIRMAN LUTHI:   Welcome.  
10                  MS. HAHN-O'LEARY:   Thank you.  
11                  CHAIRMAN LUTHI:   And if you move that over,  
12 you won't hit your knee.  
13                  MS. HAHN-O'LEARY:   No, the knee is on this  
14 side.   The knee banger is over here.   I'm staying away from  
15 that.   My name is Michelle Hahn-O'Leary and when I was a  
16 little kid, I did all my book reports on Alaska.   I live  
17 down in Oregon.   And then I decided that I had to come see  
18 this place.   And I looked on the map and I love to beach  
19 comb, and there was Montague Island.   And I looked, there  
20 was nothing between Hawaii and Montague Island and those  
21 outside beaches, and I figured that had to be good beach  
22 combing.   The closest town was Cordova, so I came here.  
23 And a week later I was out on Prince William Sound in the  
24 first rake kelp fishery that took place here and I fell in  
25 love.   And I fell in love with herring.   And I've had a

1 love affair with herring ever since.

2                   And I've been involved in the oil spill  
3 issues since 6:00 a.m. on the morning of the spill. I got  
4 a phone call and then I turned around and called CDFU and  
5 everything erupted. It's been a major turning point in my  
6 life. It turned into a volunteer full time job. I'm kind  
7 of jumping ahead of myself. I want to go back to the  
8 herring.

9                   What made me fall in love with herring was  
10 the panoply of energy and beauty that they brought when  
11 they showed up. I wish I could transport you all there to  
12 make you understand what it is like, but the water is just  
13 exploding, you've got whales exploding up out. You've got  
14 killer whales coming in. You've got pods of sea lions.  
15 You've got seals.

16                   And at night, when you're rowing your boat,  
17 you leave phosphorus trails in the water. And if you're  
18 really lucky, the herring come by and you see all their  
19 trails in the water and you follow it. And the water turns  
20 white with their milt. It's thick everywhere. And you can  
21 hardly hear because birds are dive-bombing out of the air  
22 onto this milt. And on the beaches are windrows of herring  
23 eggs with all the birds that are flying from down south  
24 that need to feed on those eggs. They're all there.  
25 They're all feeding on it. And that all changed when the

1 oil spill happened.

2                   And we had a lifestyle where we would, in  
3 the early years, we'd spend -- I'm a herring pounder,  
4 participated in sac roe, the raking fishery. My husband  
5 did also. We lost 50 percent of our income as a result of  
6 the oil spill. As a direct result of the oil spill. And  
7 there's so much I want to say and so little time.

8                   So at the oil spill I started working the  
9 oil issues like it was a full time job. And Cordova runs  
10 on volunteers. This entire community runs on volunteers.  
11 And the whole idea for the Regional Citizen's Advisory  
12 Council came out of Prince William Sound, and we took that  
13 back to Washington D.C., and we took it to Alyeska. And it  
14 was born here and we got that thing going. I served on  
15 that council for 12 years. I served on the executive  
16 committee. I worked with the oil industry hand-in-hand and  
17 debated with them.

18                   And then I served on the scientific  
19 advisory committee. And for years and years and years I  
20 watched your science and I watched the science that the  
21 Regional Citizen's Advisory Council did. And for every  
22 little bit of science that was done, there was Exxon, tit  
23 for tat, funding their scientists. And we saw a mass of  
24 dueling science that took place. And I can guarantee you,  
25 it will continue to take place as long as this goes on.

1 Now hopefully we'll get a settlement here that will happen  
2 in our favor. If it does happen in our favor, I will not  
3 even come close to being -- to receiving the restitution  
4 for what myself and my family has personally lost over the  
5 years.

6                   So, but anyway, back to the volunteer full  
7 time job. So I volunteered full time and did this work for  
8 years and years and years and years. And most of this  
9 community has done the same kind of things. They  
10 volunteered and sacrificed their personal lives to a large  
11 extent. And I can't tell you have every meeting I went to,  
12 everybody at the table is getting paid but me. And that  
13 was okay, because it takes that perspective.

14                   And one of the things particularly in all  
15 the science committees that I heard a lot about was  
16 anecdotal information. Anecdotal information. And it was  
17 like the last gentlemen you heard of -- heard from said,  
18 and many other people said, you know, we've studied it, and  
19 studied it, and studied it. And we can spend a lot more  
20 time studying it, and it's all good, and we learn, and it's  
21 important we learn because our world is changing. We're  
22 having a tremendous impact on it very quickly.

23                   So how does this all tie in with what you  
24 guys are here to do? I think one of the greatest resources  
25 that Prince William Sound has is its people. And I think

1 that the people, particularly in this community, have done  
2 more to preserve and promote and restore and bring back to  
3 balance any possible balance that could be had in Prince  
4 William Sound, far and above over what you've seen in any  
5 other community.

6                   And like myself, many people volunteered  
7 until they finally had to go to work. I know work half the  
8 year of the State of Alaska. I had to get a state job  
9 because my fishery income just is not there anymore they  
10 way it used to be. But I don't regret those volunteer  
11 years at all.

12                   But what I would like to suggest is that  
13 the community center here in Cordova can easily be  
14 justified. There's so much politics involved in all this.  
15 There's so much choice. There's so much perception in how  
16 you regard things and how you write them up on your  
17 spreadsheet. But I would like to say that not everything  
18 can be measured in a dollar value. And when you talked  
19 about, Talis, seeing the number of people in the room here,  
20 this is common. People show up for events like this all  
21 the time. They show up because they care.

22                   And we -- you know, I'm thinking about the  
23 people who have already passed on and one of things is, at  
24 the time of the spill, Marilyn Quayle was going to come  
25 here -- Vice President Quayle's wife -- was going to come

1 here but at the last minute, the handlers pulled her off of  
2 it because this was a technological disaster, not a natural  
3 disaster. And one of the things I worked on for years and  
4 years and years on RCA -- I worked -- RCAC, was with Steve  
5 -- Dr. Steve Bouchot (ph) and the work he did on the  
6 difference between technological and natural disasters.  
7 And natural disasters and technological disasters keep on  
8 going. And this one is still going on. It's still going  
9 on here in this community.

10                   But the value of the community, the Cordova  
11 Community Center is not just a monetary value, it's a place  
12 where we can go to be restored as we're helping to restore  
13 and protect the environment around us. And there is a huge  
14 value. You talked about the Seward SeaLife Center.  
15 Personally I wasn't for that at the time that happened. I  
16 didn't think it was an appropriate use of funds for the  
17 amount of damage that they suffered compared to what our  
18 communities suffered, but was that a waste? No. I've been  
19 there. A lot of kids have been there. A lot of people  
20 throughout this state have been there and they've been  
21 educated. And they're a lot smarter. And they know a lot  
22 more about the world because they were there. And people  
23 can have that same opportunity by coming to the Cordova  
24 Community Center. They can know more about their world and  
25 that will make a big difference in the restoration.

1                   And I think you ought to also do the  
2 herring plan. And I think that where I disagree with  
3 everyone else on the Cordova Community Center is I think  
4 you should be funding 12 to 14 million of it. I think  
5 seven million is completely inadequate. Prices have gone  
6 up. Cordova should have been receiving funding years and  
7 years and years ago.

8                   Cordova, you can debate it any way you  
9 want, but Cordova has been the hardest hit community, both  
10 financially and emotionally. And if you ever want to look  
11 at the research, we've got research that proves it. But  
12 Cordova has had the greatest impact of all the communities  
13 in the Sound. So I think you ought to be funding the  
14 Cordova Community Center at 14 million and I think you also  
15 ought to be funding the herring. And I know you're  
16 perfectly capable of doing both. And thank you for the  
17 work you've done in the past.

18                   CHAIRMAN LUTHI: Thank you. Any questions  
19 for Ms. Hahn-O'Leary?

20                   (No audible responses)

21                   CHAIRMAN LUTHI: Thank you very much.

22                   (Applause)

23                   CHAIRMAN LUTHI: Are there any others?

24                   MS. UJOIKA: I'll try to do this.

25                   CHAIRMAN LUTHI: You've sat there a long

1 time in the front row.

2 MS. UJOIKA: I know. I had to think about  
3 this for a long.....

4 CHAIRMAN LUTHI: Well.....

5 MS. UJOIKA: .....time and I still may mess  
6 it up. My name is Diane Ujoika. I am a lifelong Cordovan,  
7 a lifer. My father and my grandmother were all born in  
8 Prince William Sound. I've raised three kids, the youngest  
9 being an oil spill baby. Basically she, you know, I was  
10 pregnant at the time the oil spill happened and somehow  
11 Exxon thinks that she's not affected, but we all know  
12 that's not true.

13 I am in support of the community center in  
14 the sense that I don't know that that's going to be the  
15 answer of all answers, but I think it's going to be  
16 important to, I guess, provide the core to our community  
17 and make it more cost effective in the -- as the rising  
18 costs of, you know, energy and all those things are going  
19 to come into play, but our existing buildings are very, you  
20 know, not energy efficient and I think between the  
21 performing arts as well as the functionality of the  
22 building. I'm also a quilter. I think there's a lot of  
23 opportunities. I think we have, I think like there's  
24 better than 50, you know, guild members within the  
25 community. There's other guilds in Prince William Sound

1 and other places that would like to travel to Cordova, be  
2 able to display quilts adequately. That's just one  
3 component of it.

4                   Anyway, I think for me the whole oil spill,  
5 I think it was just the rude awakening. I guess when I was  
6 growing up, you know, at that point, we didn't have TV. We  
7 had a radio station that would come on for a few hours in  
8 the morning. We were kind of protected from, you know, I  
9 guess the outside world, so to speak. And for me, the oil  
10 spill -- also, and I had this cocky feeling before that  
11 that I could provide for myself. I could pack my own  
12 water, if necessary. I could pitch a tent. I could cut my  
13 own firewood. I could subsist off the land. And Exxon  
14 basically took that away from me.

15                   And I try not to dwell on that fact but,  
16 you know, here I am now after raising three kids and I'm  
17 hoping that we can provide an economy that they can come  
18 back to and have gainful employment, whether they want to  
19 fish or take a professional life, or teach, whatever. And  
20 as -- you know, like we're 18 years out and it's -- we're  
21 not recovered. And I think the community center would help  
22 bring some stability and bring the core together. And I  
23 think somebody said earlier, they're right, hardly anything  
24 that the community of Cordova agrees on, and I think is one  
25 thing that we -- it's pretty unanimous. So that's all I

1 really have to say.

2 CHAIRMAN LUTHI: Any questions for Ms.

3 Ujoka -- is that.....

4 MS. UJOKA: Ujoka. Yes. Very good.

5 CHAIRMAN LUTHI: Thank you very much.

6 MS. UJOKA: Uh-huh.

7 (Applause)

8 MS. LANG: Hello.

9 CHAIRMAN LUTHI: Hi. How are -- welcome.

10 MS. LANG: My name is Sylvia Lang. I

11 really actually wasn't going to speak because the eloquence

12 of the community is -- speaks for itself. I'm just really

13 proud of my community tonight. And I've spoke before you

14 for the last four years, actually, on this subject.

15 But I came to haggle, actually. I --

16 before I was a mom or a hotel leaguer, or whatever we do

17 these days to make a living, I was a fisherman. And I

18 guess one -- like being a mom, once you're a fisherman,

19 you're a fisherman forever. And I guess I will always

20 think of myself as a fisherman. My parents were and so

21 were theirs. But nonetheless, it's time to fish or cut

22 bait, you know, and that's how we talk. And frankly, if we

23 don't get seven million dollars out of you folks, we don't

24 get a building. It's done. We've spent untold numbers of

25 hours in this community working on this project. And, you

1 know, frankly, after this evening, if we don't get the  
2 money, I kind of feel, well, we're still here. We're still  
3 good. We're still a great community. And I think you saw  
4 evidence of that.

5                   We've had -- I guess we were a boom town at  
6 one time, looking back. We lost the railroad, so then  
7 World War II, and then, you know, territorial days and kind  
8 of colonialism and the canneries ruled everything. I  
9 certainly was part of that structure. And then the, you  
10 know, fires. We lost our -- many of our canneries in fires  
11 and then our main -- one side of our main street one year  
12 and then a few years later, the other side of our main  
13 street. And then the earthquake and tsunami and, you know,  
14 we're resilient. We will make this building work. I went  
15 to grade school here 50 years ago as a kindergartner. So  
16 I'm going to age myself here, I'm 55.

17                   But we take care of our buildings. This  
18 thing is still standing. It's one of the oldest and  
19 possibly the oldest grade school in Alaska. We're going to  
20 make this place work. Don't worry about that. This is  
21 good money. Just give us seven million, we'll build it,  
22 we'll take care of it, and we'll use it, and we'll proceed.  
23 And if you don't do it, we'll proceed anyway, because we're  
24 here to stay, you know. But leave a legacy. Make us feel  
25 good about the Exxon Valdez Oil Spill Trustee Council.

1 We'll never feel good about Exxon or Exxon Valdez oil  
2 spill, but we will feel about the council, so thank you.  
3 And I do -- I can answer questions. I'm an expert on  
4 Cordova.

5 CHAIRMAN LUTHI: Thank you. Any questions  
6 for Ms. Lang?

7 MR. O'CONNOR: Can I get a room with a view  
8 next time?

9 (Laughter)

10 MS. LANG: Thank you.

11 (Applause)

12 CHAIRMAN LUTHI: Thank you. Is there  
13 anyone else?

14 MR. PEGAU: Boy, I hate following an  
15 eloquent speaker, because I'm not that. My name is Scott  
16 Pegau. I work for the Oil Spill Recovery Institute here in  
17 Cordova. Full time resident only one year. So I wanted to  
18 wait till the end to let the people who've had a lot more  
19 time present.

20 I'm here on a couple of issues. One of  
21 them is a question of how your research has gone out. How  
22 many people recognize that they have funded three synthesis  
23 studies recently, descriptions of all the work they have  
24 done? How many have read one? You wrote one, that's  
25 unfair. I think it's kind of a marker of where things have

1 gone and where they haven't gone. One of the things that  
2 I'm hoping the Oil Spill Recovery Institute and maybe EVOS  
3 can work together on, is developing a synthesis that is not  
4 designed for the scientists but designed for the public.

5                   The other thing I'm here, is to support  
6 herring restoration. And it's kind of interesting to hear  
7 me say that because, A, I'm a physical oceanographer; and I  
8 am a extreme skeptic of restoration. But I'm convinced  
9 that it is time. What amazed me over the last three days  
10 is how the voice of the scientists that were working to try  
11 to help design a plan changed from a very passive  
12 scientific voice to a very active restoration voice. That  
13 was due to the input of the community.

14                   I don't think the plan is there in its  
15 current, I'm not going to lie. It's not ready. But we  
16 can't stop and wait in hopes that the plan will become a  
17 lot better. We need to be looking towards doing this type  
18 of work. Why herring? Herring is important to the  
19 economics and ecology of Prince William Sound. It's  
20 connected through the -- throughout the ecosystem, all the  
21 injured resources have a connection to herring. It's  
22 connected to the economy, as you've heard several times  
23 this evening. It's connected to the lifestyle of the  
24 people of the region.

25                   There's several other resources that you

1 could have tried to do restoration activities, but you  
2 won't hit one that touches on so many people or organisms  
3 within this ecology.

4                   Like I said, I think that there was some  
5 great progress being made over the last three days. I know  
6 that some of you heard today's -- I wish you had heard the  
7 first day's to notice the difference in what was being  
8 said. It's pretty amazing and I think that means that we  
9 are definitely getting on the road. I won't lie. It's  
10 going to take awhile. You know, it's going to require a  
11 mix of restoration activities, monitoring studies, process  
12 studies. You know, and there's going to -- there's a plan  
13 to put a model at the center so that there's a structure  
14 that all this feeds back so that hopefully in the end we  
15 will be able to better manage the fisheries once it  
16 restores.

17                   You know, my caution, it's not a short  
18 process. I had to sit down and do number. I'm a physical  
19 oceanographer, I got to do numbers. So I figured it out.  
20 You got to watch herring until they're at least four years  
21 to know what happened in an intervention. So that's four  
22 years. I'm betting Denby won't let us get away with saying  
23 success after one years. One data point doesn't tell us a  
24 whole lot, you know. I'm figuring eight is probably going  
25 to be stretching both ends of the spectrum, so I figured --

1 you know, and there's probably eight years of restoration  
2 and then watching to see what happens.

3 I'm betting that it's two to four years of  
4 administrative hurdles to actually put stuff in the water.  
5 Sad. Hopefully that -- I'm completely wrong, but two to  
6 four. And then you need time to learn, improve, and  
7 reiterate. You're not going to get it right the first  
8 time, but you will improve.

9 Hopefully you guys are willing to take a  
10 look and say, okay, this is not a five year commitment,  
11 it's not a 10 year commitment. Twenty, your absolute  
12 minimum. Thirty more likely. Not that it will take 30  
13 years, necessarily, to see results but there is a good  
14 chance that that's what it's going to take. It's going to  
15 take a long time to try to restore. And I think the  
16 scientists have hoped, and myself included, that mother  
17 nature could beat us to it because I think she's much  
18 better at it, but it's time for us to give it a try.

19 For those that have watched that people are  
20 standing in the back so late, it's because we can't hear  
21 you. You know, once you get the first five rows filled,  
22 those of us that have any kind of hearing challenge, we're  
23 not going to hear you. So that is part of the reason for  
24 the Cordova Center, so that we can actually have a meeting  
25 where we can all hear and discuss with you. I don't know

1 the economics of the science -- or the Cordova Center.

2 Love to know. Don't. Can't -- can't say.

3 I suspect that there's actually two  
4 different pots of money involved here and it really doesn't  
5 matter. This isn't a competition between the two. One is  
6 more short term; one's more long term. I hope that you  
7 support them both. Thank you.

8 CHAIRMAN LUTHI: Thank you. Any questions  
9 for Mr. Pegau?

10 (No audible responses)

11 CHAIRMAN LUTHI: Thank you so much.

12 (Applause)

13 CHAIRMAN LUTHI: You know, I think there  
14 were a few more than I saw hands when I asked earlier, but  
15 that's fine. Are there any -- anyone else that would like  
16 to speak?

17 MR. TILLERY: Mr. Chairman.

18 CHAIRMAN LUTHI: Yes.

19 MR. TILLERY: The council had earlier  
20 inquired about the allocation of the various portions of  
21 the center to the EVOS restoration activities and a  
22 reference was made to an analysis that the Department of  
23 Law had done, because of course that question is one that  
24 we thought was central. We had done that analysis based on  
25 our conversations with the people in Cordova, and in

1 particular, with Cathy.

2                   And what I would like to offer to you now,  
3 or if you can wait until after you take a break, Cathy can  
4 come back up here and sort of explain the rationale behind  
5 those numbers. If the committee -- the council feels that  
6 those -- that that additional information is necessary to  
7 help them reach a decision.

8                   CHAIRMAN LUTHI: Committee.

9                   MR. COLBERG: Mr. Chairman, for the benefit  
10 of the audience, many probably already know, Mr. Tillery is  
11 not only the Chief Deputy for the Civil Division for the  
12 State of Alaska, Department of Law, he's actually spent his  
13 whole professional career working on the Exxon Valdez oil  
14 spill for the State of Alaska.

15                   (Laughter)

16                   MR. COLBERG: Almost 20 years and he has  
17 put a huge effort on behalf of Alaska and you in particular  
18 into this. And he has been instrumental in so much that  
19 happened, even most recently for the United States Supreme  
20 Court. He personally went down and assisted the attorney  
21 that represented most of you in preparing for that final  
22 argument. And so if there's a success.....

23                   (Applause)

24                   CHAIRMAN LUTHI: Thank you, Mr. Tillery.  
25 What I would suggest is we'll close the public comment

1 period now. We'll take a 10 minute break. We will then  
2 ask, upon your suggestion, Cathy to come up and answer any  
3 questions any members of the council might on the  
4 economics. Then I'm going to suggest, and again, it's only  
5 a suggestion, because the council does exactly what the  
6 council wants to do, I know, that we didn't -- that the  
7 council itself take some general discussion among  
8 ourselves. And time is up to you. I would hope that we  
9 don't go 20 minutes, but I'd like to focus -- again, if the  
10 council is willing, that we just accept that the Cordova  
11 Center is certainly much appreciated, much needed, and much  
12 desired by the community. I don't think there's any  
13 question about that.

14                   What I'd like our discussion to center on  
15 is, again, going back to what we think our regulations, our  
16 guidance, and which portions are or are not most  
17 appropriate. At the end of that general discussion, I will  
18 then entertain motions, if there are any. We will discuss  
19 each of those motions and amendments that may be there too,  
20 if there are any. And then if there's any other business,  
21 which I don't suspect there will be, then we'll adjourn.  
22 That's how I would suggest we conclude this evening and the  
23 -- Mr. Baffrey.

24                   MR. BAFFREY: Would you check to see who's  
25 online who has not had the opportunity to comment?

1                   CHAIRMAN LUTHI: Oh, thank you. I  
2 appreciate that. The line has been on. The phone -- the  
3 lines have been on since we started early this evening. Is  
4 there anyone on the phone that would like to address the  
5 council?

6                   (No audible responses)

7                   CHAIRMAN LUTHI: Is there anyone on the  
8 phone?

9                   MS. WOMAC: This is Cherri Womac.

10                  CHAIRMAN LUTHI: Oh, great. We do have  
11 some.

12                  MS. WOMAC: I'm listening.

13                  CHAIRMAN LUTHI: All right. Thank you.  
14 And we'll -- we won't hang up on you then. We'll continue  
15 to listen. I suggest a break of -- I will start again in  
16 10 minutes and I hope you'll all be here.

17                  (Off record - 10:21 p.m.)

18                  (On record - 10:38 p.m.)

19                  CHAIRMAN LUTHI: Ready to start. Bring  
20 them in, Mayor.

21                  MAYOR JOYCE: Okay. We're going to get  
22 started again, if everybody wants to sit down.

23                  CHAIRMAN LUTHI: Thank you, Mayor, for  
24 directing us back to order. Once I closed the public  
25 comment period, one of the -- one of my fellow trustees

1 mentioned there may have been someone who didn't -- that I  
2 had failed to see their hand. If that's the case, is there  
3 anyone else who would like to take -- to testify?

4 (No audible responses)

5 CHAIRMAN LUTHI: All right. Seeing none.  
6 I'm sorry, right? Yes? No?

7 UNIDENTIFIED SPEAKER: Did you want to be  
8 heard?

9 MS. BEEDLE: Yeah, I did.

10 CHAIRMAN LUTHI: Did you?

11 MS. BEEDLE: Yeah.

12 CHAIRMAN LUTHI: Would you like a chance?

13 MS. BEEDLE: I was right at the very end  
14 and we cut off. Okay. My name is Barbara Beedle. I've  
15 been in Cordova for 62 years. I haven't been involved in  
16 the fishing industry. I've more or less been involved in  
17 the tourism industry. I have been associated with the Ice  
18 Worm Festival for 32 years. Most of those years as  
19 chairman. At one time we were associated with the  
20 Northwest Festivals Association, which had -- you know,  
21 you'd go to the association meeting once a year and you  
22 learned new things and what to do with festivals and et  
23 cetera. And I always would like to have had them come to  
24 Cordova but they needed mega room and hotel space, so I  
25 never got the chance to ask the people to come.

1                   But it would have been excellent because I  
2 think -- I don't -- I can't remember, we were there for  
3 four or five days, and they spend lots of money. I know I  
4 did when I went to those things, so that's kind of all I  
5 wanted to say. I think it's really interesting to have  
6 that and hopefully if we get the community center and get  
7 some more tourism going, we can have some more hotel space  
8 and everything will be hunky-dory.

9                   CHAIRMAN LUTHI: Thank you. Any questions  
10 for Ms. Beedle?

11                   (No audible responses)

12                   MS. BEEDLE: Thank you.

13                   CHAIRMAN LUTHI: Thank you so much.

14                   (Applause)

15                   CHAIRMAN LUTHI: Members of the council, we  
16 have a letter from John Harvill that I would ask that would  
17 be also entered in the record tonight. And you may all may  
18 read it as well, so yeah, and then I'll ask if there's any  
19 objection. I assume there will not be.

20                   (Letter from John L. Harvill as follows:)

21                   Dear sir: We are very sorry we have to go  
22 to Anchorage today for three days. It is our desire to  
23 support the Cordova Center as much as possible. A lot of  
24 time and effort has gone into the project, and your help is  
25 greatly needed to finalize the entire City's dreams.

1                   We are currently developing 180 acres three  
2 miles out of town along Eyak Lake. There will be over 40  
3 home sites. The Center and High Speed Ferry were two  
4 components that helped us make up our minds to proceed with  
5 this big of a project in Cordova.

6                   While other cities greatly less affected by  
7 the spill have received meaningful support to help offset  
8 the damages of this magnitude, Cordova has received  
9 nothing, and this Cordova Center will go a long way in  
10 helping us all forget the unfortunate past, and relieve  
11 some of the damages.

12                   Thank you for your time, and help getting  
13 us the new Center. We are extremely sorry we could not be  
14 in town to meet you all. If for some reason you will be  
15 staying over the weekend, please give us a call; we would  
16 like to show you our Alpine Property project.

17                   Sincerely, John and Barbara Harvill

18                   (End of letter from John H. Harvill)

19                   CHAIRMAN LUTHI: Cathy, please. Mr.  
20 O'Connor.

21                   MR. O'CONNOR: Oh, I get to cross examine  
22 the Deputy Attorney General.

23                   (Laughter)

24                   MR. O'CONNOR: This is a -- I'm worth fun --  
25 it's worth funding the project just to watch this one go

1 down.

2 (Laughter)

3 MR. O'CONNOR: All right. One of our  
4 responsibilities is to be sure that we expend funds on  
5 those activities that are related to the spill and are  
6 within our legal authority to do. And some of the  
7 challenges that we're faced with are scope and scale with  
8 regard to a facility if we're going to have a legacy  
9 facility, an information facility out here. If we're going  
10 to become part of the Cordova Center as you're requesting.  
11 I need to feel comfortable that we have a record that  
12 supports the conclusion that what we are engaging in is  
13 appropriate for our needs. And I have to confess that we  
14 have not defined our needs in this regard. You have done  
15 that for us and I have to be sure or at least I have to be  
16 somewhat comfortable that that definition coming from you  
17 is reasonable, since I have not done it myself, or the  
18 council has not done it itself.

19 So where did you come up with the amount of  
20 space that we needed to have? And let's set aside at this  
21 particular moment the oil spill response component. Let's  
22 just talk about the library and the museum and those  
23 aspects.

24 MS. SHERMAN: Okay.

25 MR. O'CONNOR: In terms of how much space

1 we need and what are we going to do with it.

2 MS. SHERMAN: For the library in  
3 particular, we talked specifically about -- right now we  
4 have some oil spill materials in the library but we have  
5 tons more in storage. And what we find numerous times  
6 every year is researchers, no matter how good ARLIS is, no  
7 matter how open and accessible ARLIS is, people are still  
8 coming here to research the oil spill. So we have numerous  
9 documents in storage. And what I -- we foresee happening  
10 in the library is that we'd like to make this actual  
11 section and create -- get these things out of storage so  
12 that, first of all, there's no digging to get them all, but  
13 make them more accessible to the public who continues to  
14 ask to see them.

15 For example, all the Cordova -- I'm trying  
16 to remember what they're called -- the daily sheets that we  
17 put out during the oil spill, all those are in the bottom  
18 files right now. But those are the things people want to  
19 see. So we'd like to do is take this need that's actually  
20 already here and create more of an open area, a more  
21 accessible area within our library.

22 I work with the folks at ARLIS all the  
23 time, but no matter how much I communicate with them,  
24 people are still coming here to ask for that. So that's  
25 where those activities are coming in. We do quite a few

1 programs with the school kids in the library and they do  
2 research reports every year in March. And those are the  
3 kind of things we'd like to expand to have more materials  
4 available for them.

5 MR. O'CONNOR: Do you think that's enough?  
6 How many -- I'm trying to -- I'm looking through this --  
7 you're offering 1225 square feet as that portion that's  
8 available to EVOS. Do you think that's enough? I mean, I  
9 don't know what that amounts to in terms of shelf space or  
10 what have you. I'm not saying that's too much, I'm asking  
11 if this is too little.

12 MS. SHERMAN: You're -- this is doubling  
13 the size of our library right now, so I mean, I -- it's so  
14 ecstatic to me that I can't ask for more, but I should. I  
15 can see room for growth with both the museum and both the  
16 library with the oil spill information that we can have  
17 available to the public.

18 I've had two film crews in just this week  
19 alone wanting photographs, film documentaries. They wanted  
20 everything we had to pull out just for the oil spill. So  
21 yeah, I could see growth in that area in both the library  
22 and museum. We were probably conservative in the library  
23 because that's been the question asked the most and I  
24 decided to stay on the conservative side.

25 MR. O'CONNOR: Let me preface my question.

1 I want to do this, okay.

2 MS. SHERMAN: Uh-huh.

3 MR. O'CONNOR: So I'm not here being  
4 critical, I'm trying to be sure that we're doing the right  
5 thing in the right way. Did you, in evaluating this space,  
6 did -- was it mostly you or did you sort of -- are you  
7 looking at getting more materials down here to archive in  
8 your library to be available?

9 MS. SHERMAN: Not necessarily down here, I  
10 would say consolidating materials that are already  
11 available within the community. One of the projects we do  
12 at the library is we help catalog materials in other  
13 people's libraries. Fish and Game, Forest Service, Science  
14 Center.

15 MR. O'CONNOR: Uh-huh.

16 MS. SHERMAN: So what -- I know what's out  
17 there and it would be really nice to have it either  
18 available or available through our library. Because  
19 there's a ton of information that's in this community  
20 alone.

21 MR. O'CONNOR: One of the concerns I have  
22 with ARLIS is that ARLIS is relatively inaccessible to the  
23 folks who actually might be in the area of the spill and  
24 curious. And I'm not a big fan of internet research. I  
25 like to open materials and look at them. I would expect

1 that there would be a benefit to having more materials that  
2 may currently be archived at ARLIS down here in this sort  
3 of a facility, or at least copies of them so that they're  
4 available.

5 MS. SHERMAN: And that's what we've talked  
6 about too in the past, is either sharing and/or temporary  
7 loans of things too so that both with the museum and with  
8 the library there's a lot of things out there that we could  
9 either have temporary here or have available here. And we  
10 do use ARLIS a lot through the internet but it is not  
11 necessarily user friendly to everyone.

12 MR. O'CONNOR: Right.

13 MR. TILLERY: Mr. Chairman, if I can --  
14 while I am not.....

15 CHAIRMAN LUTHI: Mr. Tillery.

16 MR. TILLERY: .....very familiar with what  
17 they actually have in the collection here at Cordova, there  
18 is a big problem that I have which is of some concern to  
19 me, is with the impending Supreme Court decision, the need  
20 for state and federal government to retain all the  
21 documents under its control, which currently we got three  
22 court orders requiring us to do it, is going for some of  
23 those documents to disappear. I am concerned and have been  
24 concerned because they're very expensive to store because  
25 we have essentially taken state archives out of its 10 year

1 plan with the number of documents that we gave them. Some  
2 of those documents are going to be destroyed because of  
3 choices that going to have to be made. And one of the  
4 things that I have been hoping is that ultimately Cordova  
5 could become the repository, if not physically, at least  
6 electronically of some those documents that we had to get  
7 rid of. And so that's nothing I can put my fingers on a  
8 percentage because archives has to make ultimately a  
9 decision as to what they're going to retain for permanent  
10 storage. At least with the state, I don't know how the  
11 feds work.

12 MR. O'CONNOR: Uh-huh.

13 MR. TILLERY: But I know that there are --  
14 some of them will be set up for destruction and this would  
15 be probably the place I would look to put them as an  
16 alternative to destruction.

17 MR. O'CONNOR: As far as the other aspects,  
18 the museum, what are we going to put in that that's EVOS  
19 related? What kinds of things do you see?

20 MS. SHERMAN: Well, talking from the  
21 current museum, we have a scrapbook and a jar of oil. So  
22 this would increase what we have more than ten-fold. But  
23 what we would like to do is -- we purchased Darkened Waters  
24 years ago, which was an exhibit about the oil spill -- we  
25 would like to bring that back here but we don't intend to

1 put that in in tact. We intend to use it, portions of it,  
2 and share some of it with the Science Center. But we want  
3 to tell the story of the oil spill and we've designed the  
4 museum plan as complete. We've designed that. We found  
5 the funding for that. And we have designed it so that we  
6 tell the story, we tell the impact, the emotional and  
7 economic impact on the community, but then we're interested  
8 -- and this is what I tell the visitors every year when  
9 they come to visit the museum -- we -- yes, it happened;  
10 yes, it was terrible; yes, it had this effect on our  
11 community; but this is what has happened since.

12                   And we tell the story of -- there's the law  
13 part of it and the settlement. We tell the story of EVOS.  
14 We tell the story of the fishermen and how the fishermen  
15 were first responders and how we have oil spill response  
16 centers here in training here now. And we move it forward  
17 to the science of the Sound that's happened, that was  
18 funding by EVOS and the Science Center. And we tell that  
19 story, and the coast guard, and the changes in the coast  
20 guard. Because all these things are integral parts of our  
21 community and they're all really positive things that have  
22 changed and have happened since the oil spill.

23                   And that's what -- when we had our museum  
24 planned and the community met and discussed it, those were  
25 all things -- we wanted to tell the story in a positive --

1 take this bad thing and move it forward into this positive  
2 things, these things that have happened since. And so I  
3 think EVOS is tied into all those aspects of the changes in  
4 various ways, including RCAC and the Science Center too.  
5 Those are all things that we built into the plan.

6 MR. O'CONNOR: One of the things that has  
7 concerned me when we talk about information, education type  
8 facilities is having the ability to actually have an  
9 opportunity, albeit likely simply a visual opportunity,  
10 although perhaps a hands-on opportunity, for people who  
11 don't have access to the Sound. Who don't have immediate  
12 access to the critters, many of which are not accessible  
13 unless you're fishing for them or what have you. To have  
14 an opportunity for folks to go someplace and see and feel  
15 and observe the resources that we are trying to restore and  
16 those that were impacted by the spill.

17 Is there an opportunity for us to  
18 construct, to have available in this museum, in this  
19 facility, something that is more hands-on. Something that  
20 is more visual in terms of -- I want to say an aquarium but  
21 I know one of the -- the guy that lives in Kansas brings  
22 his family up here and wants to know about Prince William  
23 Sound and the oil spill. And we're responsible as trustees  
24 for his interests as well and his family's. Is there a way  
25 that that individual can have his family touch or feel or

1 smell or get a real sense of what the resources are that  
2 were injured and that we're trying to restore in the  
3 context of your museum and your facility?

4 MS. SHERMAN: I think in the context of the  
5 museum, yes, in a broader sense, but that's where we've  
6 worked hard to partner with other groups in the community,  
7 specifically the Discovery Room. And we're already talked  
8 about the various things you've talked about where, yes,  
9 there would be the wet area and the tanks and/or a  
10 permanent exhibit space for the Discovery Room so that  
11 those kind of lessons could also be out there. We've also  
12 talked about using the foyer space to feature Prince  
13 William Sound and the Copper River Delta in its entirety,  
14 bringing that into the building itself.

15 All those aspects, I think, have been  
16 discussed by various partners. With the Forest Service,  
17 we've talked to them about some of the various exhibits.  
18 And again, it's more in the open area, not so much the  
19 museum.

20 MR. O'CONNOR: Okay.

21 MS. SHERMAN: It's more the foyer and the  
22 general area. And I think that's where some of these  
23 numbers came from where, you know, how are we using these  
24 public spaces for this visitor's area. Well, a lot of that  
25 is all built-in display space that either the Science

1 Center or the Forest Service is going to be available to  
2 the various entities.

3 MR. O'CONNOR: Okay.

4 MS. SHERMAN: Even CDFU, I was going to  
5 say, too, is another one.

6 MR. O'CONNOR: Okay.

7 CHAIRMAN LUTHI: Mr. O'Connor, I got people  
8 leaning so far ahead in their chairs to try and hear you  
9 they're about ready to fall off. So you might speak up  
10 just a little.

11 MR. O'CONNOR: That's a switch. They  
12 usually don't like to hear me. All right. I apologize for  
13 not speaking up.

14 MR. TILLERY: Mr. Chairman, if I may? Just  
15 to.....

16 CHAIRMAN LUTHI: Mr. Tillery.

17 MR. TILLERY: Again, this is one area that  
18 I have a little bit of experience in. Several people have  
19 mentioned the idea of jars of oil. I believe they said  
20 that's one of the things they have in the museum now.

21 MR. COLBERG: You might want to use the mic  
22 just because the people behind you.....

23 MR. TILLERY: And we've talked about the  
24 fact that there -- these lingering oil, people collect it  
25 and bring it in. I have a couple of those in my office and

1 not many people visit my office actually. But when people  
2 do come in there and they look at those things, I hand them  
3 to them and tell them to take the top off. And there is  
4 probably no better way to explain lingering oil than to  
5 take the top off that jar and smell it. It's pretty  
6 phenomenal. So I think -- I mean, that's the kind of  
7 exhibit that I understood would actually be in the museum.

8 MS. SHERMAN: It would. And we have it now  
9 already but we try and discourage people from opening the  
10 jars because sometimes it spills and it makes a huge mess.  
11 And we made an exception when Governor Palin came though  
12 and we let her open it.

13 MR. O'CONNOR: And she hasn't made a mess  
14 yet, right?

15 MS. SHERMAN: No, and she asked for jars of  
16 her own, so we got them for her.

17 MR. O'CONNOR: Oh, good. Good. Well, I  
18 want to be sure that we're providing the kind of  
19 experience, the kind of information that is going to carry  
20 the message effectively. So to the extent that this is an  
21 area that we can work together, I think that would be very  
22 beneficial.

23 MS. SHERMAN: I would feel very comfortable  
24 in answering you and just saying through all the public  
25 process, through all the meetings that we've had with

1 community partners, that everyone, you know, we've come to  
2 with -- for funding requests, knowing in our terms of our  
3 discussion and our design what we want to have people  
4 experience, whether it's via a meeting, via just a visitor  
5 experience to our area, that they're going to leave having  
6 a very good feel for Prince William Sound and the Copper  
7 River Delta and for the social and economic impacts that  
8 this community has suffered, whether they're manmade or  
9 natural. I mean, tell the whole story. And that's the way  
10 the whole building has been designed and in fact every  
11 little space within the building as well.

12 MR. O'CONNOR: Okay. We talked just  
13 briefly about my reaction to the oil spill recovery  
14 component because I don't know how much is enough in that.  
15 But I don't think we can do that because it's not  
16 contemplated as a reasonable expenditure, reasonable  
17 commitment on behalf of the trustees under the terms of our  
18 settlement agreement and the law under which we're  
19 functioning. I say that advisedly. I've had conversations  
20 with our legal advisor, but more importantly, this  
21 component, we may be able to look at other funding sources  
22 for coincident with providing money for the center.

23 And so I just -- I wanted to put that down  
24 so everybody understands. But by the same token, I'm not  
25 saying the door is close to it, I'm saying we need to

1 perhaps move in a different direction for funding. And  
2 just harken back to the SeaLife Center. We spent money,  
3 the federal government spent money on the SeaLife Center  
4 that was not out of the civil settlement monies.

5                   And we had a specific source and we had a  
6 specific purpose that we were trying to accomplish. And so  
7 I'm going to look elsewhere as part of this exercise in  
8 working with the center to get funding for this kind of an  
9 activity. But right now I would have to say I could not  
10 fund it given the limitations of my legal authority.

11                   Some of the discussions during the public  
12 comment -- and I just say this openly -- gave me moment to  
13 be concerned with the level of commitment by the trustees  
14 because the activities that were being perceived to be  
15 supported by the center were clearly beyond the scope of  
16 what we're permitted to do. Dancing facilities,  
17 notwithstanding the fact that my own child is involved in  
18 those kinds of things. I have trouble saying that I can  
19 fund a dance facility, a theater, that sort of thing,  
20 unless the theater is being used to portray activities,  
21 impacts, and so on, information with regard to the spill  
22 and the aftermath.

23                   So there needs to be some discussion, some  
24 work on those things so that we can -- I can feel  
25 comfortable at least that I'm doing my job funding those

1 activities that are appropriate. My heart certainly goes  
2 out to the need and I certainly want to support this  
3 effort. And I will readily admit that in the past I have  
4 been a naysayer. I have been very concerned with the  
5 propriety of this undertaking vis-a-vis our legal charge.

6                   But what I want to say today, as a result  
7 of all I've heard, is I want to figure out how to make this  
8 work. And there are areas that we need to work together on  
9 it and we have been remiss because we haven't worked with  
10 you other than through the Department of Law. But I think  
11 that there are things we can do and there are opportunities  
12 here and I want to figure out how we can make this center  
13 come together.

14                   And I will ask you this question, but  
15 perhaps the mayor, who has been the spokesperson before --  
16 how much is the funding that you haven't already secured  
17 firm, the commitments from the -- from folks like Paul  
18 Allen and some of these foundations? How firm are those  
19 given a commitment by the federal government and the state  
20 government under the Trustee Council that may not rise to  
21 the level that you are suggesting or you are requesting.  
22 How contingent are their commitments and are they aware  
23 that the cost of this has gone up from 17 or whatever it  
24 was to 21 million? Is the -- are they prepared to fill in  
25 those gaps? And I guess what I'm asking is, if we make a

1 commitment, is the rest of it going to come together?

2 Okay?

3 MS. SHERMAN: That's a fair question. I  
4 would say those groups that you mentioned, and in  
5 particular the Rasmuson Foundation are 95 to 100 percent  
6 behind this project. I feel very confident in their  
7 funding the project. We don't dare ask them until we have  
8 50 percent of it secured, which is why we've come to EVOS  
9 for the last four years because you are a funding source  
10 that we deemed appropriate and tied into the facility.

11 I think -- my personal feeling is that EVOS  
12 -- if -- makes the commitment of the seven million to us,  
13 we can secure the rest of the funding and almost go out to  
14 bid next. That's how confident I feel in finding the rest  
15 of the funding. The price has gone up and the price goes  
16 up every single day. But what our community has decided  
17 and has discussed in committee is that when EVOS makes the  
18 commitment to fund the facility, we will go back to our  
19 documents, which are 85 percent complete at this time, we  
20 will revisit every area to make sure there isn't something  
21 we can cost cut, something new in the design terms,  
22 something better in terms of energy design, where we can  
23 bring our costs back down. And we've seriously already  
24 looked at design elements that we think can save us money.  
25 So we're well aware that we cannot afford to go much higher

1 in terms of cost.

2                   We had a really long, hard community  
3 meeting not too long ago and we talked about this. And we  
4 talked about could we afford it. And the thing is, when  
5 you look at what other communities are doing, if we were  
6 going to build a museum or if we were going to build a  
7 library, we're talking four million dollars. We're talking  
8 maybe seven million dollars. I new city hall, I have not  
9 idea. To replace that, three or four million dollars. All  
10 these separate entities that we've put into this facility,  
11 if you add them up, we're going to be way above this 20  
12 million dollar figure.

13                   MR. O'CONNOR: Uh-huh.

14                   MS. SHERMAN: And we know that. So we  
15 think we've still designed the best, most efficient, most --  
16 the building that meets the most needs for our community.  
17 I feel really confident that we can move forward with this  
18 but we need EVOS as a partner. And it's like Sylvia said,  
19 you know, we need you to invest in this opportunity with us  
20 to make it happen.

21                   MR. O'CONNOR: If we were to invest in a  
22 contingent way, that we will commit a certain amount of  
23 money for a certain period of time and if it reaches -- if  
24 the facility has not -- funding has not been secured, if  
25 the building is not underway within that period of time,

1 then we will withdraw our funding, what would the  
2 implication be of that for the commitments from the other  
3 funding entities?

4 MS. SHERMAN: We're already under that  
5 commitment. We -- the funds that we've already secured are  
6 going to begin expiring in 2010. So I mean, I already have  
7 that dagger hanging over my head for this project and, you  
8 know, this is kind of -- this is it. You know, we need the  
9 commitment from you now so that we can continue to move  
10 forward rapidly. The groundwork is laid. We've been  
11 speaking with Senator Murkowski. We've been speaking to  
12 Governor Palin and our representatives. The groundwork is  
13 laid but we can't -- I can't go back to Rasmuson, I can't  
14 go to anyone else until I have more money secured.

15 MR. O'CONNOR: How much is the State of  
16 Alaska going to give you?

17 MS. SHERMAN: Right now they've contributed  
18 a million and a quarter to us.

19 MR. O'CONNOR: Are you looking at getting  
20 any more from them?

21 MS. SHERMAN: I think we tentatively have  
22 done another million from them.

23 MR. O'CONNOR: So two and a half million  
24 perhaps is the total commitment.

25 MS. SHERMAN: Uh-huh. (Affirmative) That

1 was before the price of oil went up.

2 (Laughter)

3 MR. O'CONNOR: Now I'll buy a pass to the  
4 museum from you. How's that?

5 MS. SHERMAN: Ten dollars a year. It's a  
6 bonus.

7 MR. O'CONNOR: Mr. Chairman, I think that  
8 exhausts some of the questions I have at this point. And I  
9 very much appreciate.....

10 MS. SHERMAN: You're welcome.

11 MR. O'CONNOR: .....you taking the time to  
12 talk to us about this.

13 CHAIRMAN LUTHI: Thank you. Other.....

14 MS. SHERMAN: And I just -- can I make  
15 another comment? I made a mistake before in my numbers.  
16 You asked about the revenue and I went back to find the  
17 McDowell summary that we did in June 2004. We worked with  
18 them and they do all the numbers. I'm not a numbers  
19 person. But they -- I said 130,000 and their numbers were  
20 -- the economic impact to Cordova would be a range between  
21 170,000 and 338,000, which were their figures back in June  
22 2004.

23 MR. O'CONNOR: That's on an annual basis?

24 MS. SHERMAN: That's on an annual basis,  
25 yeah. So I was a little low.....

1 MR. O'CONNOR: Yeah, okay.

2 MS. SHERMAN: .....on my figures.

3 MR. O'CONNOR: I guess my biggest concern  
4 is -- I guess it's two-fold and maybe I was inarticulate  
5 when I was asking the questions before. One, I am  
6 concerned with the economic viability of the project, and I  
7 realize you guys are going to cover the operation and  
8 maintenance costs, and there are other aspects that will  
9 keep it alive. We might have taken a real bath on the  
10 SeaLife Center. I really don't want to.....

11 MS. SHERMAN: No.

12 MR. O'CONNOR: .....take another bath. And  
13 not suggesting that this would be it, but I have that  
14 fiduciary responsibility to be sure that I at least learn  
15 from my prior mistakes.

16 MS. SHERMAN: Well, and I certainly respect  
17 that. And I would like to live here the rest of my life  
18 and not be kicked out of town.

19 (Laughter)

20 MS. SHERMAN: So I have those same desires  
21 and that's why we've worked hard and I would say that  
22 that's why we designed it as a multi-use facility. It  
23 wasn't just visitor center focused, museum focused, or  
24 library focused, it is multi-use. Multi-use.

25 MR. O'CONNOR: All right. And the other --

1 when I was asking questions, it sounded like which would  
2 you rather have. I was driving at the issue of how  
3 restorative will this particular project be with regard to  
4 specific losses occasioned by the people of Cordova in this  
5 area and the loss of the resources injured by the spill.  
6 And I -- you can't give me a dollar amount but I can at  
7 least get an emotional sense. And I was striving for an  
8 emotional sense from folks and the only way I can come up  
9 with it is which would you rather have.

10 MS. SHERMAN: Well, and I can't give you a  
11 dollar amount either but what I see in the visitor industry  
12 and the industry I work in is that, you know, February,  
13 March, April, used to be gangbusters and it's not anymore.  
14 And this kind of thing is where I see those shoulder  
15 seasons, you know, September and October, that's where it  
16 would benefit the community. And it's not just, you know --  
17 it's the whole -- all the businesses would -- there's that  
18 trickle down effect.....

19 MR. O'CONNOR: Yeah.

20 MS. SHERMAN: .....that is just so  
21 important.

22 MR. O'CONNOR: All right. And just to  
23 dispel any concerns that Sylvia may have, the fact that I  
24 had a view of my garage out of my hotel window is in no way  
25 influences my decision here.

1 (Laughter)

2 MR. O'CONNOR: Thanks, Cathy.

3 CHAIRMAN LUTHI: I'm sure it was a  
4 coincidence.

5 MR. O'CONNOR: I'm sure it was.

6 MS. LANG: It's all about the next visit.

7 MR. O'CONNOR: Yeah.

8 (Laughter)

9 MS. LANG: There's a suite up front.

10 CHAIRMAN LUTHI: Yeah. Other trustees  
11 questions. Talis. I'll just come right on down and  
12 around.

13 MR. COLBERG: No. No.

14 CHAIRMAN LUTHI: Denby.

15 MR. LLOYD: No, thanks.

16 CHAIRMAN LUTHI: Steve? Larry?

17 MR. HARTIG: Well, that was quick.

18 MR. LLOYD: Yeah.

19 MR. HARTIG: Must be getting late. And I  
20 appreciate everybody hanging in so late. I know how  
21 difficult it is, especially on a work evening.

22 I have a couple of questions and they'll  
23 sound unrelated but there's a reason for these. First off,  
24 I too have a little bit of problem with the oil spill  
25 response piece mainly because it doesn't fit as well as

1 maybe some of the other into the restoration goals and  
2 requirements here. But just on an aside, I was curious, in  
3 planning that, did you coordinate with, for instance,  
4 Department of Environmental Conservation and others that  
5 are respon -- have duties related to spill response and how  
6 this would fit in with state and regional plans that we  
7 have in place?

8 MS. SHERMAN: No, I would have to say we  
9 didn't go outside of our community with those plans. What  
10 we used for the development of that specific area in the  
11 building was our experiences in 1989 and what happened and  
12 where we had to work and how ineffective that was and how  
13 sloppy we were in initial response and setting all of that  
14 up. And so what we did was we -- I mean, right now, City  
15 Hall still has to be evacuated in case of tsunami warnings.  
16 We wanted a place that would be an emergency disaster  
17 center, and in particular, oil spill response the one thing  
18 we really needed and have all the communications, have  
19 everything we need. So that's as far as we went with that,  
20 was local.

21 MR. HARTIG: Right. I just -- and it's not  
22 a conclusion here, I -- maybe -- and I don't want to put  
23 words in Craig O'Connor's mouth, but it did seem to me that  
24 there might be a better vehicle for that and -- but I'm not  
25 sure of that yet. Just -- that's why I was asking.

1                   But I also understand from what Mayor Joyce  
2 said earlier that in the numbers that you gave us, the  
3 floor space would be 48 percent EVOS related and the  
4 funding you're asking for would be 32 percent of the total.  
5 So there's some play in there. I understand that.

6                   MS. SHERMAN: Uh-huh.

7                   MR. HARTIG: But if you were going to again  
8 put a figure -- I know it's in here somewhere -- but if you  
9 were going to put a figure on the percentage of floor space  
10 that would relate to the spill response storage area and  
11 training area, prep area, how much was that of the center?

12                   UNIDENTIFIED SPEAKER: That's about a  
13 quarter.

14                   MS. SHERMAN: Yeah, it's about a quarter.  
15 But again, yeah, I see all these rooms as multi-use. It's  
16 so hard for me to.....

17                   MR. HARTIG: Right. And I'm not trying  
18 to.....

19                   MS. SHERMAN: .....divide them up, yeah.

20                   MR. HARTIG: .....sort this out that  
21 finely. So I assure you, don't get worried about these --  
22 some of these questions.

23                   Also, I've been wondering, on the time for  
24 raising funds. If you have -- because I think there would  
25 need to be some contingencies, you know, in whatever motion

1 we address here. For how long you would want to have the  
2 commitment from the EVOS trustees, you know, for some  
3 portion of the building. I mean, we don't want to make a  
4 commitment out there and tie up the money forever.

5 MS. SHERMAN: Uh-huh.

6 MR. HARTIG: Would December 31, 2010 be a  
7 cutoff or what do you see as an appropriate cutoff?

8 MS. SHERMAN: I think that would be  
9 reasonable considering that.....

10 MR. HARTIG: I mean, it could be extended,  
11 but I mean, just based on the other commitments you have  
12 out there.

13 MS. SHERMAN: Right. With the other  
14 commitments we have, I think we need to be underway by  
15 then, and that would certainly be my goal.

16 MR. HARTIG: And.....

17 MS. SHERMAN: With a commitment from EVOS  
18 of the amount we've requested, I honestly feel that we  
19 could move forward with this project by the end of this  
20 year, I mean, beginning to go out to bid and begin the  
21 project, because we will have over three-quarters or over  
22 half of the funding.

23 MR. HARTIG: Yeah. To go out for a bid  
24 though, you would need to have plans and  
25 specifications.....

1 MS. SHERMAN: Yes.

2 MR. HARTIG: .....already. And so would  
3 you intent to be use some of the EVOS monies to develop  
4 those plans and specifications are those be coming from  
5 other sources?

6 MS. SHERMAN: We actually have construction  
7 documents 85 percent complete.

8 MR. HARTIG: Okay. So if the trustees  
9 authorize funding for the Cordova Center, we could make it  
10 for construction, it wouldn't have to be for planning,  
11 design, specifications?

12 MS. SHERMAN: No, we're all done with that.

13 MR. HARTIG: Okay. The other questions  
14 that were coming up here is the actual use of the space.  
15 And it's talked in general terms in the proposal that you  
16 had given us -- and I think the most recent proposal is the  
17 one that we have in here, the one that's dated January 19,  
18 2007. I mean, is that the one that we're really responding  
19 to?

20 MS. SHERMAN: That's the third version.

21 MR. HARTIG: Right. I understand. I just  
22 want to make sure that, again, if we're going to do a  
23 motion, what we're referring to. But in this -- following  
24 this, are you planning to come up with a more detailed plan  
25 on how you would use the EVOS related space? You know, the

1 types of exhibits, you know, on the conference, you know,  
2 what conference center, you know, what conferences, what  
3 symposiums, what workshops? I mean.....

4 MS. SHERMAN: By all means, you know, you  
5 invest in this opportunity, you're a partner and.....

6 MR. HARTIG: Right.

7 MS. SHERMAN: .....you get a seat at the  
8 table. So, yeah, we would be happy to continue that  
9 dialogue.

10 MR. HARTIG: Yeah, you see where I'm  
11 going.....

12 MS. SHERMAN: Uh-huh.

13 MR. HARTIG: .....is how do we assure that  
14 that's what happens. You know, we put the money into the  
15 center, the center is built, and then, you know, it's used  
16 for something else and.....

17 MS. SHERMAN: Well, actually, in the  
18 business plan, we've developed a Cordova Center group who  
19 will actually maintain the operations of the building so  
20 that all the partners maintain a say in what happens in the  
21 building because we have so many, like the Science Center,  
22 like the Forest Service. You know, we've already developed  
23 that in our business that -- the city has a seat at the  
24 table. Everybody -- all the partners who invest actually  
25 have a seat at the table. They oversee the endowment, the

1 operations and maintenance endowment and the oversight of  
2 the building. So it's established in the business plan.

3 MR. HARTIG: Okay. I was curious on your  
4 business plan, I mean, you do have the Valdez Convention  
5 Center, and I've been in that for other meetings and it is  
6 quite an impressive facility for that community. Have you  
7 looked at, you know, their business plan and, you know, how  
8 they're meeting their financial goals and what -- how that  
9 may or may not relate to the Cordova Center?

10 MS. SHERMAN: We did actually but it was a  
11 long time ago. I want to say it was back in 2003 or 2002  
12 when we first started. And we did look at their -- we  
13 worked with them and talked with them about how they  
14 determined the size and the operations of their facility.  
15 And then we took that back to our community and in our  
16 community discussions that was where we came up with --  
17 their civic theater is 400 people, 400 seats, and it sits  
18 empty a lot of the time. And so what we tried to do was  
19 develop a theater that was 200 seats that was going to be  
20 full most of the time. So those kind of decisions weighed  
21 into it. We did -- Valdez and Sitka I think were the two  
22 communities.

23 MR. HARTIG: Oh, good.

24 CHAIRMAN LUTHI: Larry?

25 MR. HARTIG: Yeah, that's it for me for

1 now.

2 CHAIRMAN LUTHI: That's it. Second round?

3

4 (No audible responses)

5 CHAIRMAN LUTHI: Seeing none, thank you  
6 very much for coming back.

7 MS. SHERMAN: You're welcome.

8 MR. O'CONNOR: But don't leave.

9 MS. SHERMAN: I would just say that the  
10 only reason I'm up here is because it's longevity. I mean,  
11 this is my fifth city manager since we started this  
12 project. This is my fourth mayor since we've started the  
13 project and I'm on my seventh city planner since we started  
14 the project. And my third trustee council.

15 (Laughter and applause)

16 CHAIRMAN LUTHI: Thank you. Again,  
17 trustees, what I'd like now, again, is some general  
18 discussion. And normally, if we were following how I would  
19 normally run a movie [sic] -- or run a movie -- if feels  
20 like a movie tonight.

21 (Laughter)

22 CHAIRMAN LUTHI: How I would run a meeting  
23 would have to have a motion on the table before we had  
24 discussion. But considering the complexity of this, I  
25 would like to take a few moments and offer the opportunity

1 just for general discussion before any motions are made by  
2 Trustee Council members.

3                   And since I started here last time, I would  
4 start with Larry.

5                   MR. HARTIG: Okay. Well, earlier I was  
6 trying to put together a list of what I think would be to  
7 be in a motion. And maybe I can just kind of run through  
8 this, you know, what I think the elements of the motion  
9 would be that maybe could pass mustard tonight and what  
10 some of the contingencies might be, and see if people have  
11 other ideas on this. And that might help us all together.  
12 Maybe we could take a break and then try to formulate a  
13 motion, a couple of us together or something like that.

14                   CHAIRMAN LUTHI: Break?

15                   MR. HARTIG: It's going to have to be.....

16                   CHAIRMAN LUTHI: Break? Did you say break?

17                   MR. HARTIG: Well, we would -- some people  
18 have a break; some people will be writing.

19                   CHAIRMAN LUTHI: Oh, okay.

20                   MR. HARTIG: Because this is a little more  
21 complicated just to whip something out and it's a big item.

22                   CHAIRMAN LUTHI: Why don't you go on  
23 generalities then. This is discussion.

24                   MR. HARTIG: So generalities for  
25 discussion. First, it would be what the amount would be.

1 And what I hear is seven million, is what's being asked for  
2 as a minimum, but some people would prefer 14 million.

3 (Laughter and applause)

4 MR. HARTIG: But there's a range there.

5 I'm not

6 suggesting anything by that comment. And that would be  
7 towards the construction. You know, I see here that we  
8 needed money for planning and design work. It would be the  
9 Cordova Center in Cordova as proposed by the City of  
10 Cordova and that would be their January 19, '07 proposal as  
11 provided to us. And it would be subject that there would  
12 be a minimum of the sum amount of square footage of the  
13 center to be devoted for -- and I heard education displays  
14 and other forms of communicating with the public primarily  
15 relating to EVOS impacts and restoration of those impacts.  
16 Maybe that could be expressed better. There would be a  
17 conference center with a plan to house conferences,  
18 workshops, symposiums, focused on, again, impacts of the  
19 '87 EVOS and restoration of those impacts. And that there  
20 would be a library or other depository of documents and  
21 recordings of the impacts of the spill and restoration.

22 And then the -- and I left out the oil  
23 spill portion for now. It seems to me that leaving it out  
24 now and exploring other options might allow us to move  
25 forward tonight and that we can always come back to that.

1 And that wouldn't preclude them going forward with their  
2 other efforts at this point.

3                   Moving on, other contingencies that I heard  
4 is that we would want to see, before the EVOS money was  
5 spent, that they were successful in securing the additional  
6 funding they need to construct the project.

7                   And then, one of the things I was a little  
8 uncertain on is whether we would -- and I guess there's  
9 several ways we could approach this -- how we would get  
10 assurances, you know, that the space would be used for EVOS  
11 purposes, because it really would be our space, you know,  
12 to put it bluntly. And that one would be a more detailed  
13 business plan, you know, with -- I don't know what the  
14 mechanism would be to assure that it's being followed. It  
15 could be, you know, representatives on some group, you  
16 know, that manages the facility. You know, it could be  
17 return of a certain percentage of the money to the extent  
18 that it's not being used, but how would you make that  
19 finding. That could be difficult.

20                   The last thing is that they would have to  
21 meet these contingencies, I guess, by December 31st, 2010,  
22 and to start construction by some other date, you know, or  
23 the commitment would be over.

24                   Just in time.

25                   MR. ZEMKE: Sorry.

1 (Pause while microphone being moved)

2 CHAIRMAN LUTHI: And you're through?

3 MR. HARTIG: I'm through. Just in time.

4 CHAIRMAN LUTHI: Yeah. Steve.

5 MR. ZEMKE: Yeah, just speaking in  
6 generalities, just like Larry. Obviously those weren't  
7 generalities there, the specifics.

8 MR. HARTIG: Well, I'm planning to move for  
9 approval.

10 MR. ZEMKE: But really I think what you  
11 were suggesting was very good. You know, one of the things  
12 to think about too is that what we have here, other --  
13 maybe the oil spill response center -- most of the rooms  
14 are kind of synergistic in my mind from hearing what people  
15 are saying that they all accomplish somewhat the same  
16 mission, or kind telling the same story. And you don't do  
17 something just separately in the museum versus the  
18 conference center. It's -- you know, you can use both at  
19 the same time in kind of a synergistic fashion.

20 And I think one of the things some people  
21 talked about, we -- you know, we spent a lot of money in  
22 habitat acquisition to protect resources, and by doing that  
23 outreach, information, education, and interpretation, I  
24 think, as a way for people to understand what happened out  
25 there and not -- and how less likely to impact resources in

1 the future so that the recovery, whether it's natural or if  
2 the -- I saw some like -- we actually can do direct  
3 restoration also that that recovery occurs in a quicker  
4 fashion. And so by having a comprehensive facility here in  
5 Cordova, which, you know, I guess is somewhat ground zero  
6 for the spill area, it seems sensible to put it in an area  
7 like we have here.

8                   Looking at the square footage figures,  
9 originally I think they had 14,000 or so square feet out of  
10 the 33,000. And if you drop the oil spill response  
11 facility out you'd have down to about 11 out of the 33,000.  
12 So that's actually 33 percent. But then if you used the 21  
13 million figure, then you're back up around seven thou -- or  
14 seven million dollars. So I guess it all depends on how  
15 you account the books on the motion. And that's all I've  
16 got.

17                   CHAIRMAN LUTHI: Thanks, Steve. Denby.

18                   REPORTER: Steve, will you pass the mic?

19                   MR. ZEMKE: Oh.

20                   REPORTER: Not that one, the other one.

21                   MR. ZEMKE: Oh, the other one there.

22                   REPORTER: The live one. Thank you.

23                   MR. LLOYD: Thanks. Well, I appreciate the  
24 process we're going through here. I think the communities  
25 had an opportunity for a fair amount of catharsis, let

1 alone sharing their viewpoints with us.

2                   What I'm concerned about in our own  
3 deliberations here, however, is the potential of  
4 establishing a standard for this project that may be well  
5 higher or much more specific than a standard we've applied  
6 to ourselves for funding other projects. I'm going to  
7 remain concerned about that, even though I think it's  
8 healthy for us to go through a number of these types of  
9 specifics.

10                   But for example, a lot of the scientific  
11 endeavors that have been funded through the Trustee Council  
12 have gone forward based on a evaluation of scientific and  
13 scientific review. But I don't know that we've gotten down  
14 to an evaluation, for example, of the number square inches  
15 of herring produced or other metrics like that that we're  
16 trying to apply to square footage of building space here.  
17 And for other projects, construction projects where those  
18 types of metrics may have been appropriate, I'm not sure  
19 that there was a similar detailed evaluation.

20                   So I'm persuaded in large measure by the  
21 fact that the potential for restoration of human services  
22 here in Cordova. And restoration can restoration can take  
23 many forms. We've heard a number of expressions of it,  
24 even restoration as art, which is, I think, a wonderful  
25 concept for a community that's been affected. It's a

1 valuable concept and it's something that we should very  
2 seriously consider.

3                   Getting down to individual single digit  
4 percentage points of floor space versus cost appropriation,  
5 things like that, again, it might be an interesting  
6 exercise and I'm happy to go through it, but I hesitate to  
7 be bound by an exchange, I suppose, of 48 percent of floor  
8 space, 32 percent of cost, and constantly trying to figure  
9 out escalating inflationary cost figures. So I'll be  
10 taking a more general approach, I guess, in my view of this  
11 program and I think in general we do have an abundant basis  
12 to believe that this provides for a substantial amount of  
13 restoration from the spill, a legacy and an ongoing suite  
14 of benefits for not just this community but people who  
15 visit the community and learn more about the spill.  
16 Thanks.

17                   CHAIRMAN LUTHI: Thank you.

18                   MR. COLBERG: Thank you and I appreciate  
19 the opportunity to be here tonight. I guess I kind of echo  
20 what Denby Lloyd just said in terms of my perspective on  
21 this. And I look at the detail to which we're examining  
22 this and what I would compare it to is the roughly 800  
23 million dollars that has been spent by the trustees over  
24 time and the comparison I would make is this, that the  
25 premise of all deliberations is supposed to be about

1 restoration or what's damaged. And Prince William Sound  
2 being the center point, and if you try to break that down,  
3 it's the creatures, the ocean, the land around it, and the  
4 people. And, you know, there's been over 400 million  
5 dollars in habitat acquisition and, you know, can you --  
6 what is actually restored? It is not an absolute equation  
7 that you can point to that says this much money went to  
8 this much land and something was technically restored  
9 directly in a way that you can quantify.

10                   When you get into, you know, the creatures,  
11 it's a similar proposition. There's a \$170,000 in studies,  
12 what actually has been restored, and trying to learn about  
13 what happened, and try to set baselines, and try to figure  
14 out what can be helped and what can be done about it, but  
15 not all the money actually restored something directly that  
16 you can point to in each and every dollar that was spent.  
17 When you talk about people, obviously a lot of the people  
18 that were here when it happened aren't with us anymore.  
19 They're different people, so you're almost forced to look  
20 at people collectively as a community. And there's no  
21 doubt that, you know, even in the briefings in the most  
22 recent round with the U.S. Supreme Court that there's  
23 plenty of evidence to show that communities suffered  
24 through disproportionate statistical increases in crime,  
25 drug abuse, domestic violence, things that show there was a

1 wounded community.

2                                   And so what you could, I think, very  
3 reasonably say is that what can be done to restore that  
4 community to what it was before. And you can approach it  
5 different ways and say, well, one way, if you were looking  
6 at projects, you know, as hospitals or prisons, but this is  
7 a more positive approach. And, you know, if you look at,  
8 you know, how do you counter problems with social problems  
9 like that, libraries, museums, and science centers seems to  
10 me to be a very nice way, and as it was put earlier, a  
11 synergistic way of comprehensively bringing a community  
12 together as it clearly has done here without any dissenting  
13 testimony in the community itself, a way for us to come  
14 forward.

15                                   And so I also would be reluctant to get too  
16 involved in the equations about precise footages and  
17 percentages as though that becomes the criteria. I think  
18 that what we do have is a reasonable example here of  
19 restoring the human damage and it's, I think, an  
20 opportunity in the context of 900 million dollars to say,  
21 you know, here is going to be a project that already has  
22 united a community in a way. Apparently it's not normally  
23 united here and.....

24                                   (Laughter)

25                                   MR. COLBERG: .....it's, I think, an

1 opportunity to do something positive in a restorative way  
2 that clearly would be nice 20 years into the process. So  
3 my view on it, I would support Larry's motion when he  
4 articulates it all in one sentence.

5 (Laughter)

6 CHAIRMAN LUTHI: Craig.

7 MR. O'CONNOR: I've said enough and I've  
8 heard enough.

9 CHAIRMAN LUTHI: Well, not quite enough.  
10 Just a couple of items as we maybe approach the end of the  
11 meeting. Again, thank you all for the time that you have  
12 taken this evening. Thank you for your patience with us.  
13 Thank you for taking the time.

14 Is that a hint that you would like some  
15 time?

16 MR. TILLERY: Chairman, I have a couple of  
17 -- just some historical housecleaning -- keeping things.

18 CHAIRMAN LUTHI: If you.....

19 MR. TILLERY: If you have just a second.

20 CHAIRMAN LUTHI: If you want to interrupt  
21 my eloquent words, that would be fine.

22 (Laughter)

23 MR. TILLERY: Only if you're finished, then  
24 I.....

25 CHAIRMAN LUTHI: Please go ahead, Mr.

1 Tillery.

2 (Laughter)

3 MR. TILLERY: I'm sorry. Just two things.  
4 One, because we've had experience with this in the past,  
5 one of the things we found useful in a resolution is a  
6 requirement of the sponsoring organization, in this case it  
7 would be the community, that it will in fact cover all  
8 operations and maintenance expenses and the council -- they  
9 will not be coming back to the council. Experience has --  
10 we've done that both ways and experience has shown that to  
11 be a good thing to do.

12 The second thing is that there was some  
13 discussion, I think, of having sort of a general resolution  
14 and then taking a break and doing a written resolution. As  
15 a general rule what we've done is simply had as specific a  
16 oral resolution as we could do and then we will carefully  
17 over the next several days draft up a written resolution to  
18 conform to the transcript on that and that way we get a  
19 much more precise document. So I would recommend that as a  
20 way to proceed.

21 CHAIRMAN LUTHI: Thank you, Mr. Tillery.  
22 Mr. Tillery, actually, and I have a long history and I can  
23 tell you Exxon Valdez wasn't his entire legal career,  
24 because he was already with the State of Alaska before I  
25 got to meet him on -- I think it was what, about April

1 12th, 1989, I believe.

2                   Anyway, again, thank you so much for your  
3 patience and your time. What I'm going to recommend is  
4 that since the Trustee Council operates in an area that's a  
5 little odd to me about consensus -- I'm an old state  
6 legislator and, you know, when you had the votes, you  
7 counted the nos as you've made the vote and you went home.  
8 We don't operate that way on the Trustee Council. It's  
9 done by a 6-0 or it doesn't happen. So I'm going to ask  
10 that Mr. O'Connor and Mr. Hartig get together in a five  
11 minute break and come forward with a -- the most articulate  
12 oral resolution that they can make, a motion, in the form  
13 of a motion. We will have opportunity for the Trustee  
14 Council members to discuss it, and if someone calls for a  
15 question, we will vote on it.

16                   Let me just wrap up with saying some of my  
17 thoughts of tonight. Again, I've heard a lot about Cordova  
18 over my some almost 20 years of connections with Alaska.  
19 And if it's right, I think you're absolutely right. This  
20 is the first time I've heard of a project that has such  
21 unified support. My concern has always been -- and again,  
22 it comes from the stickler in me and being new on the  
23 council -- is we heard a lot about the fishing industry,  
24 particularly the herring industry, and how that absolutely  
25 crashed right after the spill. The center will not replace

1 the fishing. I don't think there's any question about  
2 that. It won't replace the fishing opportunities. But you  
3 know, a generation or almost a full generation has gone by  
4 now without that particular industry. And I think we often  
5 forget it. I know the older I get, you know, the faster  
6 times goes. So there might be a time when you actually  
7 look that we're actually doing other services and restoring  
8 other services, that this might work.

9 I think you're going to see the Trustee  
10 Council wants to make this work. It's been a long time  
11 happening. We've had varied concerns over bricks and  
12 mortar projects, just because it's so hard to relate back  
13 to the actual critters that we were paid money for to do.  
14 But I'm hoping that we can work something out.

15 Again, after today's meeting with the  
16 herring group, all I heard was do something, and that's  
17 probably, after a generation, it's probably about time to  
18 do such. So Larry, Craig, if you'll work your magic and do  
19 it in four minutes would be even better.

20 (Laughter)

21 MR. HARTIG: Yeah.

22 CHAIRMAN LUTHI: I'd thank you all to hang  
23 around for a few minutes. We will take a five minute  
24 break. Thank you.

25 (Off record - 11:35 p.m.)

1 (On record)

2 CHAIRMAN LUTHI: Well, thank you and I  
3 apologize that -- I should have known once counsel was  
4 involved that would take more than five minutes, but now I  
5 have a -- I believe we have a -- what will be a joint  
6 motion. Who has the actual paperwork? Larry?

7 MR. HARTIG: You better give me the mic  
8 first because this is scribbles, I might forget it. Well,  
9 again, thanks for everybody's patience. We did have a few  
10 cooks here working on this language and the idea here is to  
11 put the motion out orally and then the attorneys can work  
12 with it and massage it a bit if it passes and put it in  
13 more readable form.

14 I make the motion that the trustees  
15 authorize the expenditure of an amount from the Exxon  
16 Valdez Oil Spill Trustees Fund equal to seven million  
17 dollars or one-third of the cost of construction of the  
18 Cordova Center, whichever is less, for the construction of  
19 the Cordova Center as described in the city's January 19,  
20 2007 proposal to the EVOS council, provided that first a  
21 portion of the facility be used as described in the January  
22 19, '07 proposal -- 2007 proposal, to educate the public  
23 and build scientific knowledge relating to the impacts of  
24 the 1989 Exxon Valdez Oil Spill and restoration of those  
25 impacts and further restoration goals.

1                   Second -- again, these are contingencies --  
2 that the city provide, before any expenditure of EVOS  
3 funds, documentation demonstrating to the satisfaction of  
4 Department of Law and NOAA that the city has firm  
5 commitments for the funding of all the anticipated costs of  
6 construction of the Cordova Center, and that the Cordova  
7 Center will be used for the -- our EVOS related purposes as  
8 described in the January 19, 2007 proposal.

9                   And third contingency, the city provide a  
10 written commitment that the city will fund all operation  
11 and maintenance costs of the Cordova Center and not request  
12 operation and maintenance funds from the EVOS Trustee  
13 Council.

14                   The authorized amount does not include any  
15 project management fees that may be incurred by any federal  
16 or state agency relating to this project.

17                   CHAIRMAN LUTHI: Is there a second? Mr.  
18 O'Connor.

19                   MR. O'CONNOR: I second the motion.

20                   CHAIRMAN LUTHI: Is there any discussion?  
21 Any discussion? Mr. Baffrey.

22                   MR. BAFFREY: Project management -- G&A, I  
23 mean, the nine percent. Does that cap include he G&A or is  
24 that -- do you need to add that to that big.....

25                   MR. HARTIG: Well, the.....

1 MR. TILLERY: The cap does not include --  
2 because that's what the last sentence.....

3 MR. HARTIG: Right. That's what the last  
4 sentence, I think, was intended to include. This line --  
5 I'll read that last sentence because they're two sentences,  
6 a long and a short one.

7 MR. BAFFREY: Actually the last sentence  
8 sounds like it's project management for us to manage the  
9 project. It doesn't talk about G&A.

10 MR. HARTIG: The last sentence, this --  
11 I'll read it again then and we can decide if it needs to be  
12 changed.

13 MR. BAFFREY: Okay.

14 MR. HARTIG: The authorized amount does not  
15 include any project management fees that may be incurred by  
16 any federal or state agency relating to this project.

17 MR. BAFFREY: Right. We will manage the  
18 project as ADF&G, and I've got figures for that. That will  
19 be a separate motion, but the seven million or a third of  
20 the project, you could simply say plus nine percent G&A.  
21 Don't want to do that? Or not.

22 MR. TILLERY: Mr. Chairman, can I say  
23 something?

24 CHAIRMAN LUTHI: Mr. Tillery.

25 MR. TILLERY: My guess is that this would

1 come down as a grant and if my recollection is correct, I'm  
2 not sure that ADF&G would even have granting authority.

3 There's.....

4 MR. BAFFREY: Okay.

5 MR. TILLERY: If it goes through the state,  
6 it would probably go through a different -- if you go  
7 through a different agency. And I think the concept here  
8 is that any management piece would be negotiated with  
9 whatever federal or state agency ended up managing the  
10 project. But surely it's not going to be nine percent.

11 MR. HARTIG: And that would be on top of  
12 the seven million.

13 MR. O'CONNOR: Right. Yeah.

14 MR. HARTIG: That would be a separate.....

15 MR. BAFFREY: It will be?

16 CHAIRMAN LUTHI: Uh-huh. (Affirmative)

17 MR. HARTIG: .....authorization.

18 MR. O'CONNOR: Yeah. Whatever the  
19 negotiated management fee is going to be.....

20 CHAIRMAN LUTHI: Mr. O'Connor.

21 MR. O'CONNOR: .....it's going to be in  
22 addition to the seven million.

23 MR. HARTIG: Right.

24 MR. BAFFREY: Right. That's -- that was my  
25 question. Thank you.

1 MR. HARTIG: Okay.

2 CHAIRMAN LUTHI: Any further questions on  
3 that? Mr. Baffrey, is that clear?

4 MR. BAFFREY: No, that's it.

5 CHAIRMAN LUTHI: Any further discussion?  
6 Mr. O'Connor.

7 MR. O'CONNOR: Hi.

8 CHAIRMAN LUTHI: Oh. I'm sorry.

9 MR. O'CONNOR: Did I have a.....

10 CHAIRMAN LUTHI: That wasn't a hello?

11 MR. O'CONNOR: Did I have another task?

12 CHAIRMAN LUTHI: You.....

13 MR. O'CONNOR: I would.....

14 CHAIRMAN LUTHI: Did you want to say  
15 anything?

16 MR. O'CONNOR: I would call for the  
17 question.

18 CHAIRMAN LUTHI: Question being called for.  
19 Is there a second?

20 MR. ZEMKE: Second.

21 CHAIRMAN LUTHI: Question being called for  
22 and a second. I will call the roll. Mr. Colberg?

23 MR. COLBERG: Yes.

24 CHAIRMAN LUTHI: Mr. O'Connor?

25 MR. O'CONNOR: I'm going to vote in the

1 affirmative with the understanding, I've got to run this  
2 back through DOJ, but I'm pretty comfortable and I'm very  
3 supportive. And I'm assuming there are no legal  
4 impediments to the federal government doing this.

5 CHAIRMAN LUTHI: Mr. Hartig?

6 MR. HARTIG: Yes.

7 CHAIRMAN LUTHI: Mr. Zemke?

8 MR. ZEMKE: Yes.

9 CHAIRMAN LUTHI: Mr. Lloyd?

10 MR. LLOYD: Yes.

11 CHAIRMAN LUTHI: The Chairman votes aye.

12 The motion has passed.

13 (Applause - background conversation)

14 CHAIRMAN LUTHI: Well, we're not -- well,  
15 that part's done. Where you all going? Excuse me, you all  
16 act like we're through. Mr. Talis [sic], did you have a  
17 secondary motion?

18 MR. COLBERG: I move to reconsider.

19 CHAIRMAN LUTHI: Mr. Talis [sic] has moved  
20 -- or Mr. Colberg has moved to reconsider. Is there a  
21 second?

22 MR. ZEMKE: I'll second.

23 CHAIRMAN LUTHI: All those in favor, say  
24 aye.

25 MR. BAFFREY: They haven't heard this.

1                   MR. O'CONNOR: What is this that we're  
2 reconsidering?

3                   MR. COLBERG: What we just voted on.

4                   MR. ZEMKE: Well, that's just a motion, so  
5 I'll second the motion.

6                   MR. O'CONNOR: Okay.

7                   CHAIRMAN LUTHI: Okay. It's motioned and  
8 seconded to reconsider. All those in favor say aye.

9                   (No audible responses)

10                  CHAIRMAN LUTHI: Opposed say no.

11                  IN UNISON: No.

12                  CHAIRMAN LUTHI: Motion fails. Any other  
13 business before the council tonight. Any other business  
14 before the council?

15                  MR. BAFFREY: Okay. Now.....

16                  CHAIRMAN LUTHI: Mr. Baffrey.

17                  MR. BAFFREY: Just one -- this is  
18 administrative. In terms of project management on this, we  
19 need to -- for the resolution, we need to get these  
20 figures, and I've got the figures for the project  
21 management. So the motion would be for project management  
22 fees and associated G&A for the Alaska Department of Fish  
23 and Game to manage this project and the figure is \$8,393.

24                  CHAIRMAN LUTHI: Is there a motion by the  
25 trustees? It has to be by a trustee, the motion has to be

1 made.

2 MR. HARTIG: Does Fish and Game have.....

3 (Pause)

4 CHAIRMAN LUTHI: The motion dies for lack  
5 of trustee interest at the moment.

6 MR. HARTIG: No, no, I just -- do we have  
7 to say Fish and Game or can we just say -- because I guess  
8 that's one of the questions.

9 MR. BAFFREY: Well, we normally designate  
10 an agency for a project, and this is a project.

11 MR. TILLERY: Mr. Chairman.

12 CHAIRMAN LUTHI: Mr. Tillery.

13 MR. TILLERY: It may not be Fish and Game  
14 is what I'm saying.

15 CHAIRMAN LUTHI: Right. That's my concern.

16 MR. TILLERY: When we did the Alutiiq, we  
17 ended up doing it through DEC because they had granting  
18 authority, which I think that no one did at the time.

19 CHAIRMAN LUTHI: And we don't.

20 MR. TILLERY: We've also done some projects  
21 through DC, an RSA from an agency. So I don't -- to say we  
22 manage -- to be managed by a certain agency, I couldn't  
23 tell you, but we'll work that out when we do the written  
24 resolution.

25 MR. BAFFREY: Okay.

1                   CHAIRMAN LUTHI: Okay. Mr. Baffrey, can  
2 that be worked out later?

3                   MR. BAFFREY: The agency could be, but the  
4 figure is going to be the same.

5                   MR. HARTIG: Is that the right figure, the  
6 \$8,393?

7                   MR. BAFFREY: Right.

8                   MR. HARTIG: So you need a motion  
9 authorizing expenditure of EVOS trustees these amount of  
10 \$8,493 for operation maint.....

11                  MR. BAFFREY: Project management.

12                  MR. HARTIG: G&A relating to the project by  
13 the appropriate state agency?

14                  MR. BAFFREY: Correct.

15                  MR. HARTIG: Okay. That's my motion.

16                  CHAIRMAN LUTHI: Motion made by Larry.....

17                  MR. HARTIG: That's my motion.

18                  CHAIRMAN LUTHI: .....by Mr. Hartig. Is  
19 there a second?

20                  MR. COLBERG: Second.

21                  CHAIRMAN LUTHI: Second by -- Talis, did  
22 you do that? Okay. Colberg. Yes. It's moved and  
23 seconded. Is there any discussion? Seeing none.....

24                  MR. ZEMKE: Call the question.

25                  CHAIRMAN LUTHI: Question being called.

1 All those in favor, say aye.

2 IN UNISON: Aye.

3 CHAIRMAN LUTHI: Those opposed, say no.

4 (No audible responses)

5 CHAIRMAN LUTHI: Motion carries. Is there  
6 any other business to come before the Trustee Council this  
7 morning?

8 (No audible responses)

9 CHAIRMAN LUTHI: Entertain a motion to  
10 adjourn.

11 MR. LLOYD: Move to adjourn.

12 MR. O'CONNOR: So moved.

13 CHAIRMAN LUTHI: Move to adjourn has been  
14 made. It's non-debatable. We're adjourned.

15 (Applause)

16 (Off record - 12:10 a.m.)

17 (END OF PROCEEDINGS)

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C E R T I F I C A T E

UNITED STATES OF AMERICA )  
 ) ss.  
STATE OF ALASKA )

I, Joseph P. Kolasinski, Notary Public in and for the state of Alaska and reporter for Computer Matrix Court Reporters, LLC, do hereby certify:

THAT the foregoing pages numbered 4 through 227 contain a full, true and correct transcript of the Exxon Valdez Oil Spill Trustee Council's Meeting recorded electronically by me on the 1st day of May 2008, commencing at the hour of 6:35 p.m. and thereafter transcribed under my direction and reduced to print:

THAT the Transcript has been prepared at the request of:  
EXXON VALDEZ TRUSTEE COUNCIL, 451 W. 5th Avenue, Suite 500, Anchorage, Alaska 99501;

DATED at Anchorage, Alaska this 14th day of May 2008.

SIGNED AND CERTIFIED TO BY:

\_\_\_\_\_  
Joseph P. Kolasinski  
Notary Public in and for Alaska  
My Commission Expires: 03/12/12