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EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
Public Meeting
Tuesday, December 11, 2001 - 10:00 a.m
441 West 5th Avenue, Suite 500
Anchorage, Alaska

TRUSTEE COUNCIL MEMBERS PRESENT:

U.S. DEPARTMENT OF AGRICULTURE, U.S. FOREST SERVICE (Chairman)	MR. DAVE GIBBONS Trustee Representative
U.S. DEPARTMENT OF COMMERCE, NMFS:	MR. JAMES W. BALSIGER Director, AK Region
STATE OF ALASKA - DEPARTMENT OF LAW:	MR. CRAIG TILLERY Trustee Representative for the Attorney General
STATE OF ALASKA - DEPARTMENT OF FISH AND GAME:	MR. FRANK RUE Commissioner
U.S. DEPARTMENT OF INTERIOR:	MS. DRUE PEARCE Senior Advisor to the Secretary for AK Affairs, U.S. Department of Interior
STATE OF ALASKA - DEPARTMENT OF ENVIRONMENTAL CONSERVATION:	MS. MICHELE BROWN Commissioner

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TRUSTEE COUNCIL STAFF PRESENT:

MS. MOLLY McCAMMON	Executive Director
MS. SANDRA SCHUBERT	Program Coordinator
DR. PHIL MUNDY	Science Coordinator
DR. BOB SPIES	Chief Scientist
MS. PAULA BANKS	Administrative Assistant
MS. DEBBIE HENNIGH	Special Staff Assistant
MS. DEDE BOHN	U.S. Geological Service
MR. KEN HOLBROOK	U.S. Forest Service
MR. STEVE SHUCK	U.S. Fish and Wildlife Svc.
MR. BILL HAUSER	ADF&G
MS. CAROL FRIES	ADNR
MR. ALEX SWIDERSKI	Department of Law
MR. BUD RICE	National Park Service
MR. BILL HINES	NOAA/NMFS
MR. GEOFF SHESTER	INTERN
MR. JIM BODKIN	USGS

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P R O C E E D I N G S

(On record 10:17 a.m.)

CHAIRMAN GIBBONS: Good morning. Let me call the Trustee Council -- let me go on record and see who's in attendance. Craig Tillery from the Department of Law. Drue Pearce representing the Department of the Interior. Lynn Kent, representing the Department of Environmental Conservation. Jim Balsiger from NOAA, National Marine Fishery Services. Frank Rue, Commissioner of Fish and Game and myself, Dave Gibbons with the U.S. Forest Service. I think the first order of business is the approval of the agenda or any changes to the agenda. Anybody have any changes? Do I hear a move to approve the agenda?

MR. TILLERY: I move we approve the agenda.

MR. BALSIGER: Second.

CHAIRMAN GIBBONS: Second. It's been moved and seconded. Anybody against the agenda?

(No opposing responses)

CHAIRMAN GIBBONS: The next topic is the approval of the meeting notes from the August 6th, 2001 meeting. Anybody have any changes to the meeting notes or comments? Hearing none, is there a motion to approve the meeting notes from August 6th, 2001?

MR. RUE: So moved.

CHAIRMAN GIBBONS: Second?

MS. KENT: Second.
CHAIRMAN GIBBONS: Moved and seconded. Anybody opposed?
(No opposing responses)
CHAIRMAN GIBBONS: The meeting notes have been approved. The first item on the agenda other than the agenda meeting notes is the PAG report. Molly, do you want to.....
MS. McCAMMON: That's Chuck Meacham, the Chair.
CHAIRMAN GIBBONS: Chuck. Come on up, Chuck.
MS. McCAMMON: And I think our mike for there is a little -- is not quite working so you just have to speak up a little bit.
MR. MEACHAM: Good morning. We had our PAG meeting yesterday and the two areas of primary discussion revolved around deferred projects and the GEM program. We also had a couple of items that we covered including a presentation by the Prince William Sound Science Center on herring and marine mammals. We had a report on cooperative opportunities between GEM and the Alaska marine conservation organizations and we discussed future PAG activities. With regard to deferred projects, the PAG in general did agree with the staff analysis and recommendations that were made. It looked like a lot of effort went into there and the decisions looked like good

decisions. We did note that there was approximately $273,000 unallocated at this point and you may wish to reconsider a couple of good projects. But those were designated as lower priority projects and two that were identified, one was 2578, dealing with taxonomic and geographic information for some Prince William Sound animal species. The other one was 2659, having to do with developing a couple of manuscripts on avian predation. But again, those are lower priority projects and we don't have any problem with the designation.

There is some concern over overdue reports. We continue to be concerned about that. And those include agency reports, there's quite a number that continue to be overdue. And feel that reporting is a very important element to this process and should be used in evaluating future funding requests that come before you. There was also some concern that the geographic area from Port Graham along the outer coast to Resurrection Bay is an area that's not receiving as much attention as some of the other areas that are a little more accessible perhaps within Prince William Sound. Kodiak and so forth. So just identify the need to keep in mind that area along the outer coast.

With regard to our discussion on GEM, we focused on chapter six within the latest volume and that deals with public advice. We look primarily at the Public Advisory

Committee, the PAC, which is an expanded form of our existing public advisory group to include some scientist interests. But we discussed its composition and how that might best be accomplished. We had discussion about designating seats to specific interests or just in general seeing that certain interests were covered in the -- constituting this group. We did pass a resolution requesting that the staff start to draft a chapter -- excuse me, a charter for this public advisory group and then we'll try and deal with that over teleconference.

Okay, as I indicated, we did have a presentation on herring and marine mammals. Very interesting, there was no decision-making activities associated with that. Heard a report again on collaborative opportunities with Alaska marine conservation organizations and our thought was that we needed to do the same sort of thing for other interest groups such as fishing interest groups, commercial, sports, subsistence. With regard to future PAG activities, in January we will be involved with the annual workshop here in Anchorage. In February we're anticipating a teleconference with staff in terms of development of this charter for the new Public Advisory Committee. We'll probably shift our July meeting to June to link in with some meetings that are taking place here in Anchorage by the North Pacific Anadromous Fish Commission and others.

Let's see, it's a research group, isn't it? And in August we're anticipating a field trip and that would probably be to Prince William Sound. We haven't identified specific projects or community meeting events or anything of that nature yet.

And I think that pretty well covers my PAG report. We'll have a written version out before too long. This is just based on my notes from yesterday's meeting.

CHAIRMAN GIBBONS: Any questions? Chuck.

MR. BALSIGER: What's the reference to the North Pacific Anadromous Fish group again? I missed that.

MR. MEACHAM: Okay, it may have been an error but there are a number of groups that are scheduled to meet here in Anchorage in June and if our meeting could happen on one side or the other of that we just thought it would work out appropriately. And I think Molly has a listing.....

MS. McCAMMON: This is the June 18th, 19th symposium that's being planned that I'll report on.

MR. BALSIGER: Okay.

CHAIRMAN GIBBONS: Any other questions for Mr. Meacham?

MR. MEACHAM: Thank you.

CHAIRMAN GIBBONS: Thanks, Chuck. Next item is the Executive Director's report. Molly.

MS. McCAMMON: Yeah, thanks. There's a couple of things I wanted to call your attention to in your packet today. Quarterly project status reports and quarterly financial reports. And the quarterly project status report goes through -- and this is actually what Chuck was referring to in terms of the number of overdue reports. Sandra Schubert is in charge of tracking this for the office and it really is an inordinate amount of time following up on this and ensuring that reports do get done in a timely fashion. There's always reasons, and legitimate reasons, why reports are often delayed, but ensuring that we do get them. There are a number of reports still from the early years, a lot of them NRDA reports that we actually paid -- gave some funding to agencies to redo and get them updated. They have not been done. We're looking again at whether it's worthwhile to continue this effort and keep them on our books, monitoring them. Some of them we have been monitoring and saying we're going to have them done now for over eight years. It's, you know, a lot of this, especially some of the early work, I think, is still really valuable information that we want to make sure the data is captured and that we don't lose that and that's one of the advantages of the reports are capturing data.

So this was a concern of the PAG, we discussed it a

little bit yesterday. It's difficult because in most cases the original PIs have left the agency and so the agencies have committed to doing those reports with existing staff that are not being paid that already have full-time or double-time jobs. So it's a difficult situation and we don't have a whole lot of leverage unless we don't give different agencies any money at all for other projects. But I would ask for your commitment as trustees to try to make an effort within your agencies to get these reports updated.

I also wanted to -- we're under the process now of our annual audit and all of your agencies' staff have been meeting with our auditors, Elgee Rehfeld and Funk out of Juneau, and at this point there seem to be no major issues that they have observed or brought to our attention but we will have that draft audit done in January. A couple things we're working here, the annual workshop in January, and you do have a draft agenda in your packet. This is a little bit different than we've done in past years, it's actually a loose series of four workshops, kind of under the umbrella of our January EVOS workshop. The first half-day is on lingering oil spill injury and this will be a report from all of our PIs on where we are in terms of lingering oil effects. The afternoon of the first day and the second day is finding ways for regional science

programs to work together, common interests and approaches to problem solving. And this is a collaborative workshop that we're doing with the Southeast Sustainable Salmon Fund Initiative and they're bringing 30 to 40 individuals up from Southeast and we're talking about issues that we have in common. Southeast Alaska is the southern Gulf of Alaska, they're actually upstream from us in terms of the Alaska coastal current, we're downstream current-wise, even though to the north of them. And we have a full agenda, a day and a half agenda, of presentations and panel discussions that I think will be really a good meeting.

Fish and Game is also committing some funds to bringing in some individuals from Western Alaska because they are not quite as far ahead as Southeast Alaska is in terms of some of their planning efforts. But just bringing them in to also get kind of a taste of what's going on in terms of these regional programs.

Day three is focusing on the nearshore environment, detecting and understanding changes, exploring options and setting directions. We have a project underway now where we have two PIs, Carl Schoch, the National Estuarine Research Reserve System in Homer and Tom Dean, a private consultant from California. We're putting together various options for a nearshore monitoring program. Most of the day will be devoted to presentations. We're now talking

about adding a smaller workshop on day four for people who want to specifically focus on the actual plan and have more questions and more interaction on the plan. At the same time on day four, we have an all day workshop on watersheds, detecting and understanding marine terrestrial linkages in watersheds. Half of the first morning, presentations and panel discussions and then the afternoon will be a planning meeting of a project that we're partners in funding, a Kenai River nutrient study, which is kind of a prototype of a watershed planning effort.

So it's a full agenda, we have the downstairs of the Egan Center booked for the workshops. We're still putting together keynote speakers. We'll have a revised agenda on the Web and distributed probably in about a week. So it's still kind of in flux as we get speakers confirmed. We're also working collaboratively with a number of groups, with the State of Alaska, with NOAA, with EPA, USGS, Department of Interior and the Alaska Coastal Policy Council for a statewide oceans and watershed symposium in June of 2002. And that is scheduled tentatively for June 18th and 19th. The location hasn't been decided yet, it's going out to bid, I think, this week. And that's a two day meeting. We have an agenda that's been distributed, it's still very much in draft but it includes a number of invited talks that will actually go into a report to be

published after this symposium and then a number of panels. But the idea is to get policy makers, individuals, research groups from statewide who are involved in marine oceans and watershed issues and actually get them in one symposium for a day and a half to two days.

As part of that effort, it's our goal, what we would like to have is a signing of the memorandum of agreement that you directed me to begin the process of working on and developing last summer. And that agreement would be a cooperative agreement among at least the EVOS Trustee Council, the North Pacific Research Board, potentially the Northern Fund, the University of Alaska and other partners as an effort to start collaborating to a greater extent with developing research priorities, research planning efforts, data sharing, sharing of resources and really trying to have a much more coordinated effort in terms of addressing a lot of the issues facing Alaska's oceans and watersheds. That MOA is in draft, it's been circulated to a fairly small group. It's getting wider circulation now. I have heard nothing but positive response to it. There's been a little bit of tweaking of language but overall I think almost everyone I've talked to is very excited.

Kevin Duffy with Fish and Game was supposed to be meeting with Northern Fund about a week ago to talk to them

about it. That is the only group that's bilateral and so I don't know what difficulties that might pose. It's not a treaty so hopefully the State Department wouldn't get involved in any way but we'll see how that goes and whether it's possible to get the Northern Fund completely put in. But the goal, kind of our target date, is this symposium for getting that MOA completed. So that is definitely underway and lots of activity on that.

The other thing we've been working on is the GEM report and the last time we were here in August we talked about the report to Congress. That was completed through the good graces of Drue Pearce's office in Washington D.C., we were able to deliver it to Congress, I think, at 5:00 p.m. on the last day possible. Much of that was due to the fact that it was due September 30th and after September 11th things were pretty chaotic in Washington D.C. So the fact that it did go through the Office of Management and Budget review and all the Federal review process, really we're very grateful to Drue's office for getting that through. And it was received and I have heard nothing from anyone on that report so it obviously had great impact.

MS. PEARCE: Their buildings immediately shut down because of anthrax so.....

MS. McCAMMON: Exactly, so the reports.....

MS. PEARCE: .....it's probably stuck in the Hart

building and nobody's ever seen it.
MS. McCAMMON: That's probably the case, yeah.
MR. RUE: I hope they don't send it back.
MS. McCAMMON: Yeah, don't send it back, it may have some. We did submit our latest draft of the GEM report to the National Research Council at the end of August. They have had two meetings since that time. We've had lengthy discussions with them on it. I think the overall response has been very positive. Of course you get 15, 20 scientists in a room together and they're going to pick at all kinds of little things. There's never unanimous agreement in that sense. But I think on the big issues there's overall support for it. The report is due -- the unpublished report but the final report will be delivered to us in April and then the actual published report will be in June. But we will see the report in April. For that reason we're doing our invitations for proposals a little bit differently this year. We didn't want to prejudge the report and put out our invitation asking for proposals in February, which is our typical schedule. And for that reason we're doing actually two invitations this year. The first one would be under our regular schedule, it would go out February 15th, proposals due April 15th. And that will be for those kinds of proposals that deal, address lingering oil injury, that

address synthesis efforts, that are a continuation of projects that we started either last year or this year. Kind of part of the program that we know is going to go forward or has a high likelihood of going forward next year anyway. We would then wait until the report from the NRC is reviewed, is received, the GEM program document is revised and then do a second invitation, hopefully in September -- it would go out in September which would be for kind of the beginning of the GEM program.

Our other option was waiting until the following year and we've been doing planning on this program for so long that people are starting to wonder whether GEM will actually exist or just be a continual planning process. So we felt it was really important to get things underway in the next fiscal year and for that reason we're going to subject ourselves to having two invitations this coming year. Yeah.

MR. TILLERY: Molly, do you get to interact with NRC? Do you get a draft, have a little dialog before they put the final report.....

MS. McCAMMON: We had two dialogues.

MR. RUE: Ongoing -- you won't get another shot?

MS. McCAMMON: Probably not unless there's a question about something. Yeah.

MR. RUE: Okay.

MS. McCAMMON: Yeah, probably not. Let's see, the other thing we're working on right now is we are in the process of hiring a data manager for our office. We received over 80 applications. We did phone interviews with seven people and we will be interviewing four of those in the next two weeks. And so we do -- we just had a great response to it and we hope to have someone hired within the next few weeks. I also wanted to take this chance -- is Geoff -- Geoff is here. We have had the pleasure this fall of having an intern from the University of California at Santa Cruz environmental studies program, Geoff Shester. And he has been a really great help in the office and we've been trying -- I mean, it's wonderful to have an intern who starts in the fall and actually, you know, is in the winter and isn't a, you know, one of those summer interns. And Geoff will probably be extending and working with us a couple more months this winter also and helping out with the annual workshop in January. So it's been great having him here.

The other thing I wanted to mention is that this is our first meeting in our new facilities here and we do -- I wanted to especially mention the conference room here because we were touring the ARLIS library this morning and there was mention about the ARLIS conference room and that it is available to the founding agencies, which includes

all of the Trustee members and the Public Advisory Group. But this conference room is also available to Trustee agencies and to the public upon request. So if you do have meetings that you want to have here, just contact Brenda Hall, our receptionist, and she has a schedule and it is available for your use. We do consider this a service to the Trustee agencies and to the public for use of the conference room.

And one last item that I wanted to report on is that I wanted to thank Carrie Holba this morning for giving us a wonderful tour of the Alaska Resource Library Information Service. And I also wanted to note that in your binders you all should have received a copy of this packet here which is a description of the awards for museums and library service. This is the only national award given for libraries in the entire country. There are 125,000 libraries and museums that are eligible for this award and ARLIS was one of three national recipients this year. And we are extremely proud. This is a very prestigious award and we are extremely proud that they are one of the winners this year. They have a really wonderful little brochure describing ARLIS and Carrie got her picture in the brochure, you know, in the award brochure, which is wonderful.

The one unfortunate thing about the award is that

there was supposed to be this great ceremony at the White House on September 17th and the award was going to be handed out by the First Lady, Laura Bush, and unfortunately the timing was such that all travel was frozen, all events were cancelled. And so they cancelled the awards ceremony for this year, which is really too bad. Maybe they can give it to you next year too. But they do have the award in hand and it will be framed at ARLIS and I just wanted to make special note of the effort that Carrie has done on behalf of the Trustee Council and behalf of the ARLIS staff. They really have done a wonderful job. So thank you, Carrie.

I think that concludes my report. Everything else just comes kind of in the agenda.

CHAIRMAN GIBBONS: Thank you, Molly. Any questions? Jim.

MR. BALSIGER: One question, Molly, would you say that -- which symposium were you hoping to have everyone show up to sign the MOA?

MS. McCAMMON: The June symposium.

MR. BALSIGER: Do you think there's an opportunity for groups like PICES to approve that on their side, outside of their annual meeting cycles or.....

MS. McCAMMON: It should be if the Board could. I mean, we are putting provisions in the draft for other

entities to sign on to it. I think one of the major questions that I think needs to be addressed is, when we first started this it was the idea of entities that had -- research entities that had dedicated pots of money, if you will, such as the EVOS Trustee Council, the Northern Fund, North Pacific Research Board. And then there's been a lot of discussion whether the members of those groups should also sign on behalf of their agency as the agency itself. For example, National Marine Fisheries Service, other divisions of NOAA, so that they would also commit to joining in this collaborative planning process, committing to sharing of data. I don't know if that gets too overwhelming and it kind of falls of its own accord or if it would be better to keep it simpler, but we do have provisions for adding other entities to it at any time.

CHAIRMAN GIBBONS: Any other questions?

(No audible response)

CHAIRMAN GIBBONS: Thank you, Molly. I think you're on next with the investments.

MS. McCAMMON: Yeah, and I'm looking for our November reports. Do we have those handed out?

CHAIRMAN GIBBONS: Yeah, they were.

MS. McCAMMON: Okay, how come I don't have mine?

CHAIRMAN GIBBONS: Oh, Molly, on the agenda here, excuse me, there's a NOAA budget address.

MS. McCAMMON: Oh, yes. A small little item here. Okay, let's go back to the NOAA budget adjustment. This was another little NOAA slip up in the past year just because of some of the chaos in terms of the project management and some personnel issues that NOAA had in the past year. And basically one project was overspent in the amount of $28,000. And primary cause was an accounting oversight related to the failure to reduce the project budget following the approved agency transfer of $23,000 to the U.S. Forest Service for project support. And basically they didn't catch the fact that those funds had been transferred to the Forest Service and so they thought they had the full amount and went ahead and spent it. What the request is, to reprogram between FY01 project budgets, which would reduce the project funding amounts. And they have a schedule here and it's not a request for new money, it would be just using some lapsed money from other projects to cover that over-expenditure. If the amount had been less than $25,000, they wouldn't have had to come to the Trustee Council but under our procedures, since it was over 25,000, they have to come begging. Did you want to add anything, Jim?

MR. BALSIGER: Sorry.

MS. McCAMMON: And I recommend that it be approved.

MR. RUE: You recommend that it be approved.

MS. McCAMMON: I do.
MR. BALSIGER: I probably should add that in the letter that I said that we have made some changes in the accounting processes in the Trustees' account so it probably won't happen again.
MR. RUE: Okay, do we need a motion or is there a motion?
MS. McCAMMON: No, you need a motion.
CHAIRMAN GIBBONS: I think we need a motion to approve the reprogramming.
MR. RUE: I move that we approve the reprogramming requested by the National Marine Fisheries Service.
CHAIRMAN GIBBONS: Okay.
MR. TILLERY: Second.
CHAIRMAN GIBBONS: Second, okay. You have a motion and second. All in favor say aye.
IN UNISON: Aye.
CHAIRMAN GIBBONS: Opposed?
(No opposing responses)
CHAIRMAN GIBBONS: Motion passes. Now, Molly, the investments.
MS. McCAMMON: Yes, yes. I should mention, though, that as part of -- under this transition to the GEM program in the next year, that we are reviewing all of our procedures and policies that are currently in place,

including our procedures, our financial auditing procedures, to see if there are things that may need to be streamlined or improved or taken another look at. And so we will be working with all of the Trustee agencies on that review process and we may come back with some recommendations for changes next summer.

So looking now at our investments, and we do have John Jenks from the Department of Revenue online and also Bob Storer from the Alaska Permanent Fund, who is a member of our investment working group and one of our financial advisors. We have very good news to report, that October and November -- I didn't look today but -- I haven't looked at December's but October and November were very good months for our account. We're actually now only about 1.3 million or so less than what we started a year ago, which is very good news compared to where we were a few months ago. We've actually made up a lot of ground in the last couple of months in terms of our investments. The other good news is that, if you look at -- under November investment reports there's a memo -- but if you look at the second page there, I think what's really important to note, on the column to the very far right, inception to date, the EVOS investment fund, inception to date, has lost 3.69 percent. But our investment fund index, which are the indexes that our funds track and follow and kind of check

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to see how we're doing, lost almost seven percent. And so I think that is really good news, actually, that we're doing much better than what everyone else is kind of out there and what the current indexes are. So that means, I think, that the investment, the active management done by the Department of Revenue is doing much better. We also, it turned out in September that our funds were really out of balance because stocks had lost so much and we had to rebalance. We waited until we received our payment from Exxon and the timing was such that we had not rebalanced as of September 11th, which was very good because we ended up rebalancing after stocks took a really sharp dive. We were really able to buy things at a very low cost and a lot of the gains that we've actually seen in October or November are a result of the fact we were able to buy so many equities at a very low cost in late September. So the timing was -- I'd like to say it was, you know, we just knew this -- we were able to foresee things but it was just luck and we were actually at an advantage that way.

We had some discussions last spring, especially when it appeared that kind of the whole economy was changing, about whether we should change our asset allocation mix. And our investment work group spent a lot of time meeting with the consultants, Callan and Associates, and looking at all of the projections. We had

a discussion with the Trustee Council at that time and the decision was made basically to hold the course and continue on with the current asset allocation. We'll be looking at that again in the spring, it's part of our regular review and discussion process. The other thing though that you do have control over is the payout, the annual payout. And we thought it was appropriate at this time to look at that payout and look at some various options and see whether that should be reviewed and possibly modified. And in your packet you do have a copy of the payout resolution that was adopted almost two years ago, about a year and a half ago. At that time, the fiscal year 2002, which is the current fiscal year, the annual Work Plan and administrative cost shall not exceed six and a half million. 2003 and 2004, their fixed cost not to exceed six million. Beginning in fiscal year 2005, the annual Work Plan and administrative costs shall not exceed four and a half percent of the average market value over the past three years of the trust fund. By 2005 the fund will be fully capitalized and we will have a three year history of investments. In 2006 it would be the average market value of the fund over the past four years and beginning in 2007 and for the future years it would be averaged out over five years. And the whole idea of this approach was, first of all, to inflation proof the fund. Secondly to allow for some modest growth, real

growth of the fund over time. And thirdly, to allow for kind of evening out the highs and lows of investment earnings. We did not want to find ourselves in a situation that the Science and Technology Foundation found itself in this past year, which spends its annual earnings every year. And when you make a lot of money, you can do a lot of great things but if the next year you lose a lot of money, you've maybe started commitments or started programs that the next year you can't fund. We want to have fairly level funding over time to even out some of those highs and lows. This means that the years that our fund does really well, we're not going to spend all the earnings but it gives us the ability when the fund isn't doing as well in some of the low years that we still have funds to do a very meaningful program. So we did take a look at that and under payout options you should have a handout given to you called projected EVOS funds available using endowment payout. And this was put together based on all of our cash flow assumptions that we gave John Jenks and his staff. And John, are you on the phone?

MR. JENKS: I am on the phone.

MS. McCAMMON: Okay, great. And what I'd like to do is have John briefly go through this and then I would also like to have Bob Storer give a few comments because Bob in the Permanent Fund was certainly a real instigator

in helping us set up kind of the system that we have now. But do you want to describe this, John?

MR. JENKS: Certainly. Thanks, Molly. This project started out I think because some people were thinking, you know, the investment environment has been very difficult and maybe the payout plan that was in place was going to cause or expose your research program to a bit of a shock. So we took the opportunity to sort of model a little bit of the future, starting with what we knew about at the beginning of November of this year. And what we did, and you have the results in front of you, is we assumed at base case, which is the returns that your investment policy calls for, it's about 8.15 percent for this year would be the expected return. And for all future years we assumed 8.25, which was sort of consistent with the five percent real return investment objective that had been articulated by the Council. But we also wanted to say what if things continue to stay bad and what if things continue to be good and then take a look at what difference would it make if you as a council changed your research funding in FY03 and 04, where you have six million dollars as a fixed funding target. And what would the results be in FY05 when all of a sudden you sort of are living in a new environment of this endowment payout percentage of assets world. And so you have in front of you sort of --

the results of this analysis presented the top two blocks of numbers, the first one projected funds available for budget, base case and right under where it says base case, you know, it says five million dollars. These are the results if you stepped down from five million and it shows what funds would be available and also what the principal balance would be for the research endowment.

I'd like to skip down to the next two blocks and really talk about exactly how we did this and let you look at the results. And I think everyone was pleasantly surprised at what might happen. And I think the area to focus on as a policy matter is the bottom quartile column. And what we assumed that is that in the statistical sense we can measure out how poor the returns would be if you had a bottom quartile experience in FY03 and the same thing in FY04. And the combined probability of that happening is just a little over six percent. And when we combine that with the probability that we would have experienced in the last year what we experienced, it turns out that only in .2 percent -- not even a percent, that's .2 percent of the cases would you ever experience those three years in a row if these things are sort of statistically uncorrelated and our estimates of risk are right and we think they're reasonably good. So this bottom quartile really is the worst case scenario and, you know, the base case is still

very, very much achievable because we're basically saying we're just going to achieve the expected median experience going forward. And for that bottom quartile we did, for FY03 and 04, assume these poor returns and then it reverted to the mean after that, so it goes back to assuming, you know, the average. We did the same thing on the top quartile experience which is for 03 and 04, assume that you would have sort of very good returns. The kind of returns that in each year you could only expect to have one quarter of the time and link those two sets of returns together. And so you can see in this case that we're going to start out with the base case. You start out and we assume that you would have funding of six million withdrawn at the beginning of each fiscal year to support your research operation. And you can see what the transition in FY05 would be. You should expect to take something like 5.4 million dollars. And even in the worst case scenario, it's 4.6 million. And, you know, I think that people -- it was certainly not an unrealistic expectation that, wow, that could really maybe be a low number and really shock your system and so we provided this analysis and I know the working group chatted about it. You know, that's when the working group talked about it and Molly can share the results of that with you.

In the block below it you see what the endowment

balance we would expect in each of these cases. And again, even in the bottom quartile experience, you know, we're still looking for an endowment of over 100 million dollars, which would support basically just short of five million dollars going forward but on a base case scenario we have it growing basically with inflation and a little bit more than inflation to 135 million dollars. The other thing you might find interesting is if you compare say the FY03 base case -- or FY05 base case under the top two blocks of analysis where there's a five million dollar research budget for the next two years and then compare what would be available under the six million dollar budget, the one you sort of have been planning. I think the thing that's interesting is it makes almost no difference if you were to -- as far as the amount of money that would be available. And this analysis also takes out the habitat funds when they're scheduled to be taken out so they're included in the fund for earnings until they're withdrawn but they're not included in this balance for the purpose of calculating out how much would be available under the four and a half percent, the moving average calculation. So we tried to carefully incorporate all the cash flows, reasonable investment assumptions about what could happen both on the up side and the down side and give you a way to look at what you may be facing in FY05.

So if anyone has any questions at all about how we did this or how at least we were thinking about interpreting it, I would be glad to answer them.

CHAIRMAN GIBBONS: Doesn't look like there's any questions. Molly.

MS. McCAMMON: I think there are just two things that I wanted to know. I think the amounts in here are on the conservative side because they do take into account our cash flow needs but they assume that all of that cash is spent immediately, which isn't the case. Typically it stays in our funds earning interest as it's expended. It also doesn't take into account the fact that we're averaging somewhere between seven to 10 percent lapse of every annual project's -- annual Work Plan's budgets. It makes a lot of assumptions here that small parcels will all be purchased and the funds will go out by next February, which is definitely unrealistic. So I think for the most part it's a conservative cash flow. What we're really trying to see is, would it make a difference if, instead of spending six million next year we only spent five million, would that help us down the road and I think what this clearly shows is that it's a pretty marginal improvement. It really doesn't make that much of a difference. The only way we could really improve things in FY05 would be if we were to just totally shut down the office for the next two

years and not fund anything, which I think is unrealistic. And I think what kind of pleased us was that even the bottom quartile, which is kind of -- we were viewing as the worst case scenario, we were still looking at 4.6 million dollars a year in FY05. So close to five million, which you can still do a reasonable program at that level. Obviously we'd rather be in the top quartile which is over six million but even the very worst case scenario, it's still not that bad. So I think the recommendation of the investment work group was basically to continue with the current payout scenarios and not make any change at this time. And for FY03, continue with the six million dollar year anticipated funding.

And I don't know, Bob Storer -- Bob, are you online?

MR. STORER: I am here.

MS. McCAMMON: Yeah, do you want to comment? We always appreciate your comments.

MR. STORER: Well, thank you. One, I believe that a disciplined approach is the appropriate approach. You have that with this methodology. I think your payouts are realistic and they're designed to be able to make the payouts in all types of markets. It's pretty easy to extrapolate the present well into the future. It was pretty easy to extrapolate untold riches in the bull market

and it's pretty easy to extrapolate negative returns now. That's why it's so important to build a disciplined approach that is realistic for all types of markets and you've done that. I think one of the things you've seen here is that by using the moving average payout based on a percentage of the fund over a five year period really smooths the volatility in the payouts at the end. What's important about that, you need to be able to budget in a realistic fashion, moving forward and not get caught up in the swings of a one year, two year bear market or bull market and I think what we've seen here says you've achieved those objectives. And I think the four and a half percent is also a very realistic objective. So you've started out by designing a payout methodology that many would be envious of.

MR. RUE: I knew there was a reason we wanted to have Bob speak to us.

MS. McCAMMON: We've got that on the record, too.

CHAIRMAN GIBBONS: Jim.

MR. BALSIGER: I have just a couple simple questions, probably everyone else knows this -- just to remind me. So these payouts now, does that include office overhead and all that stuff or is this.....

MS. McCAMMON: Yes.

MR. BALSIGER: .....all going to projects?

MS. McCAMMON: No. Everything.
MR. BALSIGER: So this is your total budget?
MS. McCAMMON: Yes.
MR. BALSIGER: Okay. And then on the.....
MS. McCAMMON: This year it's six and a half million, so.....
MR. BALSIGER: And on the charts, of course, you note that the jump up from August and September is due to Exxon's last payment. So that's it, that's all the money we get unless the reopener comes through? There's no more money coming in from Exxon?
MS. McCAMMON: That's correct.
MR. BALSIGER: Thank you.
MS. McCAMMON: That's correct. Yeah, I think the other opportunity for additional funds, and we've talked about this actually with the attorney general's office, is that if there were any other oil spills or, you know, some other kinds of activities that need some form of mitigation or punishment or whatever, there is the potential still for any kind of settlement to include some kind of payment into our fund, which is also, I think, another potential opportunity for increasing the fund.
MR. BALSIGER: We want to be careful how we couch that opportunity, I guess. Thank you.
CHAIRMAN GIBBONS: Any other questions?

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(No audible response)
CHAIRMAN GIBBONS: Thank you. Thank you, Molly.
MS. McCAMMON: Thank you, John. Thank you, Bob.
MR. STORER: Thank you.
MR. JENKS: My pleasure.
CHAIRMAN GIBBONS: Next on the agenda is the public comment period. I know we have folks here in Anchorage.....
MS. McCAMMON: Cordova.
CHAIRMAN GIBBONS: .....and Cordova. I'd like to remind you to try to keep your comments to three minutes and I think we'll start first with Cordova. Ken Adams, are you there? Ken? Ken? Is anybody on the line from Cordova?
(No audible response)
CHAIRMAN GIBBONS: Is anybody else on line from any other communities?
(No audible response)
CHAIRMAN GIBBONS: Looks like we'll come back to them.
MR. ADAMS: Hello.
MS. McCAMMON: There he is.
CHAIRMAN GIBBONS: Ken?
MR. ADAMS: Hello.
CHAIRMAN GIBBONS: Yes.

MR. ADAMS: This is Ken in Cordova.
CHAIRMAN GIBBONS: Okay, Ken, you're on for public comment.
MR. ADAMS: Thank you very much. This will be brief. Let's see, I think I'll begin by just going back to Molly's earlier made comment with respect to the NRC review of GEM. I'd like to offer the comment that I am a colleague and have submitted a proposal to you folks for consideration today. And offer that this proposal would be one means, one additional means to comply with the NRC's recommendation for meaningful public involvement within the GEM development process. We offer this proposal as a commercial fishing prospective. And if we are successful in winning your support, we would look forward to working with the restoration office staff in the way of resource managers and other dependents within the community in attempting to identify research projects that the Trustees have supported over the years and that might be of potential benefit to resource dependent people by the way of application of those science results. I think it would be a challenging task but not necessarily an impossible one. And this might well be the means to help bridge the gap between some of the formerly supported Trustee Council research projects and GEM, which is in development. And I thank you very much for your time this morning and look

forward to working with restoration office staff and others in development of this proposal. Thank you.
CHAIRMAN TILLERY: Thank you, Ken. Any questions for Ken?
(No audible response)
CHAIRMAN GIBBONS: Thank you.
MR. ADAMS: You're welcome.
CHAIRMAN GIBBONS: Anybody else with you there in Cordova, Ken?
MR. ADAMS: No, sir. No, I am alone at my site. There may be another individual but I think he'd also be alone.
CHAIRMAN GIBBONS: Okay, anybody else in Cordova that would like to comment?
(No audible response)
CHAIRMAN GIBBONS: Okay, we'll move to Anchorage and then I'll move back to the line again at the end to see if anybody joins us. I've got one person I'll call first and then I'll open it up for other people who would like to testify here in Anchorage. John.
MR. FRENCH: Good morning. To do this in three minutes is an impossible task but I'll do my best. I'm John French, I'm the owner of Pegasus Enterprises which is the managing partner in the project 674 and I'm here today to encourage you not to reconsider and not to rescind the

funding for this project that you approved in your August meeting. The project was revised with no technical modifications but the most meaningful modification was the removal of my co-PI with the door left open to provide additional expertise within the body of the project. That was done for two reasons: one, to allow the possibility that my co-PI, George Divoky, might reconsider and want to rejoin the project; two because there's a perception that I'm not adequately trained as a bird biologist even though I've been the primary person working in the field on 327 over the last three years. This, I believe, is a very important project. It's on page 10 of whatever this packet that has the recommendations is called. It's in the category under strategies to improve monitoring. You considered it in August, this project really is more of an assessment of restoration techniques project rather than really projecting techniques. I still believe nest boxes are a useful technique but really the most critical and time critical issue here is the use of the birds that were released during 327 returning to their neonatal fledgling environment. And, indeed, during this year they've begun to do so. You have two letters related to this project, one nine-page letter dated December 8th. One three-page letter that was the cover letter to the proposal that was submitted in October 26th. It's undated but that's the

date it was submitted. And attached to the December 8th proposal should be the cover letter to that original July project that you approved for funding in August. Those letters give you much greater detail than I'm going to be able to give here in a few minutes. We are projecting, from actual observations of birds in front -- within 200 meters of the SeaLife Center, returns of pigeon guillemots to the SeaLife at a rate of approximately 30 percent, which taken the entirety of the 150 birds that were released, that could represent approximately 22 nesting pairs over the next couple of years. The SeaLife Center site is not by any means an ideal site although it's a good test site because it's a site that has not had pigeon guillemots occupying it for the past several years. Probably in excess of 20 years if not longer than that. It's in close proximity to large human activity and it's in an area where the water is relatively turbid and therefore not the best for foraging. For that reason you would expect that if the birds come back and fail to find appropriate nesting sites in the next two years, why they would go and find them elsewhere. This was typical of the normal behavior of pigeon guillemots and other philopatric alcids. So funding and continuation of this project in 02 and 03 is really critical if we're going to make effective use of the over $500,000 that was paid by the Trustees to project 327.

And on a personal note, the necessary change in senior personnel in my project, first of all, I feel that I have much better bird qualifications than the reviewer referred to. Hopefully, the reviewer was not a close friend of George Divoky's. But in any case, I think the credentials are there. I think, given an opportunity, I can find the people who would provide the necessary credibility to the project. The final project results are peer reviewed. There's a lot of additional hoops to assure the quality control of this project if you provide me funding to go ahead with the project. I lost senior staff because with previous actions in 327 and with the senior Trustee Council staff this year, he was allowed to develop the perception that it was permissible to try to disrupt a project and not follow through on his contractual obligations. I feel that if he had not been led to that conclusion that we'd still have a viable project as you approved it without having to require the change in senior personnel. But given the change in senior personnel, I still think it's a viable project and I would entreat you to allow me the opportunity to continue it and collect the data and show that that is indeed the case. And this is data we're going to lose. I want to emphasize that once again. This is a project that has two critical years in it -- 2002 and 2003. These are the years that these birds are still naive as they return.

They haven't found a previous nesting site. Once they find a nesting site, we're essentially looking at the same thing we would in terms of growth of the populations as a redistribution away from established nest sites. Right now they think home is where they fledge from at the Alaska SeaLife Center. They will be making that decision whether to return back there either this year, 2002 or 2003. And we really should follow through and provide the funding for this project to do so. As I said, there's normally a lot of quality control issues. If there's more quality control you wish to put on the project, that's fine. But I entreat you to allow me the opportunity to continue the project. Thank you.

CHAIRMAN GIBBONS: Thank you, Mr. French. Any questions?

(No audible response)

CHAIRMAN GIBBONS: Okay, thanks, John. Anybody else in Anchorage like to testify at this time? Please come forward and state your name and spell it please.

MS. STUDEBAKER: Good morning. My name is Stacy Studebaker. I live in Kodiak, Alaska and I'm the recreational users chair on the EVOS PAG. And I have some comments today regarding the Lesnoi land sale proposal on the Kodiak Island road system. And in special regards to one particular parcel, Termination Point. And I don't know

if you have been briefed by.....
MS. McCAMMON: They haven't yet.
MS. STUDEBAKER: They haven't yet. Okay, so they're not familiar with this. Okay. This is a publication that was produced by Lesnoi Native Corporation which kind of summarizes six or seven parcels that they are willing to possibly sell to willing buyers should some things happen in the near future that I'll explain to you. But I guess you have a copy going around there, okay. First of all, a history lesson because some of you weren't around in 1994 on this particular board. But in 1994 I heard about the EVOS small parcel acquisition program and I got the paperwork and did the leg work, the inventory of the resources and researched to nominate a roadside recreational gem of a parcel owned by Lesnoi Native Corporation. This consists of 1,028 acres known as the Termination Point parcel on the north end of our road system. And it's a unique old growth forest, Sitka spruce stand, it's a mono stand, which is very unique in Alaska, as you know. I linked it to the oil spill, there was oil on the beaches there. And also, it's habitat for many wondrous Alaskan species of birds and mammals including marbled murrelets and brown bears, foxes, beavers -- it's got the whole works. It's got everything. The reason and my motivation as a community member was to protect the

valuable and unique piece of property on our road system from being clearcut or developed by Lesnoi and further injure the habitat and to create a new state park for quiet recreation sports -- hiking, et cetera -- since only Fort Abercrombie State Park, which is a very small parcel, is really available to the public for that kind of recreation on our whole road system. And, as you know, the proposal was very well received by EVOS and Molly just mentioned yesterday that among the small parcel proposals, it got some of the highest community support of any of the parcels that's ever been nominated for small parcel acquisition. And it's very, very valuable to the community recreationers. And here is a copy in case you haven't seen a copy of the original proposal. I just made a copy for you guys to look at. So EVOS did an appraisal and probably would have negotiated a purchase many years ago if the Lesnoi Corporation hadn't been involved in the Stratman litigation that tied up the clear title to the land. There were other complications, too, but I'm not here to debate whether or not Lesnoi Native Corporation is a valid corporation, that their ANCSA claims are valid. Now recently, Roy Jones, a D.C. attorney has been hired by Lesnoi to get Congress to certify Lesnoi and thereby ending the Stratman litigation and giving Lesnoi clear title to their land so that they can sell some of them to EVOS and

other interested land trusts. And if these lands under the current proposal are bought and conveyed to the public, this will be an incredible addition of recreational lands to the public in Kodiak along our road system. Currently the public uses these lands anyway and since they're private, there are trespass issues, especially with ATVs and they are quickly degrading many of these parcels. And since Lesnoi has no enforcement capability the ATVs are just running rampant and degrading Termination Point and other pieces of their property. About 18 months ago Roy Jones, on behalf of Lesnoi, began working on this land sale proposal that you see going around and negotiating with the Kodiak Borough manager to get the Borough's support should Congress come through and the lands become available. And even though the Borough would not manage any of these lands, the Borough was included in trying to get the support. This has been done, many people in the public feel recently now that this has come out into the open that this has been done behind closed doors until last week when Roy came to town and met with a select number of groups, including the State Parks Advisory Board and the Kodiak Audubon Society, which I'm the president of, to get our support as a conservation community for this in case this should be a viable opportunity to attain some public lands. And lo and behold when I saw this packet for the first time

last week, the parcel that I had nominated in '94, this Termination Point parcel here, now has a line and road right through the center of it with a proposed boat launch to be managed by the Borough at one end of it and a 15 acre site set aside for Lesnoi shareholders to develop cabin sites and a lodge. And that was totally new to anybody who supported the original proposal. That just came out of the blue last week. And, let's see, this was not part of the original proposal, the proposal which the EVOS Trustees agreed to purchase intact way back. And so I did more leg work to try to track down the origin of the road idea to see who came up with that idea and it turns out that it came from the Kodiak Borough. No public process was ever involved in this part of the new package.

CHAIRMAN GIBBONS: Can you try to wrap this up, please?

MS. STUDEBAKER: Okay, yeah. And the question is, why was Kodiak Borough given the power to influence the integrity of this particular parcel, that's a big question and they would dramatically alter the nature of the parcel and the original proposal. Supporters of the original proposal are appalled. The State Parks Advisory Board and the Kodiak Audubon Society are opposed to the road, the boat launch and the development within the Termination Point parcel. We feel that the habitat would be destroyed

and further degraded. Since Termination Point led the way in this entire bridge between the EVOS Trustee Council and Lesnoi, that further compounds the tragedy. And there are clear alternate sites for a boat launch that already have existing roads to them. Likewise, the Lesnoi shareholders, should their land title be clear, will not only be able to sell these small parcels but they'll also be in clear title to the rest of their lands, many thousands of acres, which they can develop any way they want. So they clearly have alternatives for cabin sites. So there's very little, next to no public land on our limited road system. One end of the road was clearcut and developed in Chiniak, another end of the road has a rocket launch facility that's being taken over by the Department of Defense and the access is being increasingly restricted. The end of the road where Termination Point is located is the only potential place left on our road system where some land can be preserved in its natural state and managed, if purchased and turned over to State Parks, for those ever-increasing recreational users who enjoy quiet sports. As you know, very little of Kodiak Island is forested and the Termination Point parcel is the last case of intact old growth forest on our road system that could be protected for future generations. And if managed by the State park system, the ATV use could be restricted and the existing scars could heal in time as the

species injured by the oil spill are recovered. So I urge you to stand by the original proposal for Termination Point the way you accepted it originally and not allow the value of this wonderful land to be compromised if Congress eases the way to this land sale and you, EVOS, are still interested in purchasing in it. Thank you for your time. Do you have any questions?

CHAIRMAN GIBBONS: Thank you, Stacy. Any questions for Stacy?

MR. RUE: Very quickly, has the Borough taken an official stand on this?

MS. STUDEBAKER: No.

MR. RUE: Have they passed a resolution or anything?

MS. STUDEBAKER: No, they haven't. There was a meeting last week where Roy Jones briefed the Borough Assembly on the land sale package and they haven't.....

MR. RUE: Okay.

MS. STUDEBAKER: They haven't made any resolutions one way or the other.

MR. RUE: Okay.

CHAIRMAN GIBBONS: Any other questions?

(No audible response)

CHAIRMAN GIBBONS: Thank you, Stacy. Anybody else in Anchorage like to testify?

MS. OBERMEYER: Yes, Theresa Obermeyer. Good morning. I always have something to pass along and I might -- Molly, I have a little Christmas gift for you, a current directory of attorneys. I hope Mr. Tillery has one. And let's talk further because the great summary, Molly, is on page 110. And I hope you'll look at that, I paper clipped it. See, there are almost 500 of Mr. Tillery in this little state out of 2,200. It's unbelievable. Can we start realizing what's really going on? I just have a few things and I don't have enough copies. I'll just hand out a few things and if you're not interested, throw them in the trash. And good to see you, Senator. And let me just hand you the signature of the Chief Justice of the Supreme Court, which isn't worth a plug nickel. Please read yourself what's really going on here.

And then I have one other one, I'd never -- you know, what I do I do know is I would need a dolly to bring in all the transcripts and all the documents that we really do have. But just briefly -- and I just wanted to mention, it's kind of funny and sometimes the joke really is on me but I'm able to laugh with you. Of course, it's all about this and can we note that it is really about American law. I don't know -- all I can do is tell you but I assume you know that almost 18 years later in the only state in the United States that does not have a law school. This is

almost half of statehood, my husband still isn't licensed to practice law. And what it is, is if you went into any law library in our great nation you could see the set of volumes. Of course, go over to UAA, there are ALR 1st through 5th, this is the summary of American law. And in the case of my husband, it's called the American Law Reports 4th, volume 57, page 1195. It is a complete statement of all the case law on a given point. A precise, current and authoritative treatise that is the quickest way to all the law within the scope of the subject matter, that's what this is. In this case, it's every testing and licensing issue in the United States of America. It was published on April 18th, 1986. So if anybody knows how to count, how many years ago that was.

And just to give you -- kind of a funny story, you see, I of course have been on the Anchorage School Board and so all I can do is stay on task and what I continue to do is I continue to go to the Anchorage School Board meetings. Oh, I wanted to mention I live in a place where we have term limits, recalls and run-offs of our neighbors, the school boards and the assemblies. And U.S. senators are in office for life. We've never even met them and their main job is getting their own children in the State Legislature. How can we let this go on? I mean I see this year after year after year. But what I was going to

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mention, the fun -- last story. So I respectfully always write out what I would like to speak about to the Anchorage School Board. You know, 42 percent of the students of the state of Alaska go to the Anchorage School District. And we live in a place where we have 53 districts and over half of them have under 250 students. And we have -- 42 percent, that's 49,000. Can we start looking at the big picture? But anyway, I did that. I e-mailed over yesterday at about 4:00 o'clock, the items that I wanted to speak about. And I get over there and I'm ready to say hello, just momentarily, because of course, I don't stay that long. You know they're getting paid peanuts, I don't make anything. They don't make much and I do res -- I want to be nice and help them. But anyway, they wouldn't let me speak. Well, what happened was they -- this is Carol Comeau and Peggy Robinson, they called the police on me and, of course, I was told by Dick Tremain that there were seven police cars outside the Ed. building, well, they didn't come in. I think we're starting to win. You know, every one of those police officers probably has children in the Anchorage School District. And so I feel that was a really big victory last night. I mean, let's laugh, let's have a wonderful time. Oh, the last thing, is do we know that a picture is worth a thousand words. I want to leave you with this picture. I don't know how many of you saw

it. It was in the December 3rd Time magazine. So I am really pleased and look at it yourself and let's talk about it. If anyone had a question, I would be glad to field them. Otherwise, I just appreciate your allowing me to say hello and have a great holiday. Thank you so much.
CHAIRMAN GIBBONS: Is there any questions?
(No audible response)
CHAIRMAN GIBBONS: Thank you, Theresa. Anybody else in the audience like to speak?
MS. BLACKBURN: Yes, sir. About three sentences.....
CHAIRMAN GIBBONS: Please state your name, please and.....
MS. BLACKBURN: Oh, Chris Blackburn from the PAG. If I had known that Stacy was going to bring up Termination Point, I would have been right beside her. And that is a very special place. And when I agree with Stacy, you know it's really good. And that's all I wanted to say.
CHAIRMAN GIBBONS: Thank you. Anybody else in Anchorage like to testify?
(No audible response)
CHAIRMAN GIBBONS: Hearing none, anybody else online?
(No audible response)
CHAIRMAN GIBBONS: Hearing none. Hearing no other

opportunities, I'd like to close the public comment period and thank everybody for their testimony and move on to the next topic on the agenda, deferred projects. It looks like Molly and Bob Spies.

MS. McCAMMON: Yeah, Mr. Chairman, we're going to do -- there's one project in particular, the lingering oil follow up, I think that we wanted to do a special presentation on. So I think Bob will start with that one.

DR. SPIES: Let's take a minute to get the computer.....

MS. McCAMMON: Yeah, we need probably a minute here to get the computer set up and we'll start with that presentation and then go through the rest of the projects because that one has a special.....

CHAIRMAN GIBBONS: Okay.

MS. McCAMMON: We have several people in the audience that are going to speak to that.

(Pause)

DR. SPIES: Molly asked me if I would give an update to the Trustee Council where we stand with the question of lingering injury in Prince William Sound and there's kind of two parts to this, really. There will be a full review of the injured species list sometime in the next year, most likely this coming spring and then we'll report back to you at the end of those deliberations. But

in the meantime, last year you funded a project to look at the amount of remaining oil in Prince William Sound and to make an estimate of that and then there's been some follow-up questions about that and there's a proposal in your package relating to some follow-up work with that. So this is a little report based mainly on the summer's findings from this project.

The last complete survey of Prince William Sound oil was in 1993. We have had surveys of other parts of the spill area previously and although there is some lingering oil along the Kenai Peninsula in a few places and along the Kodiak Peninsula, it appears by and large -- excuse me, along the Alaska Peninsula and very little remaining in Kodiak -- it appears by and far the largest amount of remaining oil is where the heaviest impacted beaches were, generally in Prince William Sound. The methods that were used in 1993 to assess the amount of oil were really geared towards decisions to be made about whether it was cleaned up, they were using methodology that was developed by the Alaska Department of Environmental Conservation back in '89 and '90. The idea was that those were not necessarily the best methods to get a -- they were more geared for cleanup, they weren't the best methods probably for actually estimating the exact area and volume of oil that was still remaining. So there was new methodology proposed during

this project and approved during the review and a process which included a large workshop. So that was employed in last summer's cleanup efforts -- survey efforts, excuse me. There are continued signs of spill related effects in some of the top level predators in the intertidal communities and we want to give you a little bit of an introduction to some of those data today.

And finally, this is in fact an attempt to kind of put together a conceptual model here of what we want to be dealing with in terms of lingering injury and following forward on the findings from this last summer. I've got to get my -- there we go. During the oil spill, almost continuous large volumes of oil, like you can see in this video, hit the beach and penetrated deep into the cobble beaches which are on the predominant environments in Prince William Sound. And not only did it get into these cobble beaches but also got oil under mussel beds and this material was also washed into the subtidal environment. And what we're presenting here is kind of our conceptual model or hypothesis about what is occurring presently with that remaining oil in the environment.

The second part of this is that we have evidence in fact that oil is making its way into the food web. That this oil is remaining mainly below the surface in Prince William Sound and biologically available.

Thirdly, some of the oil contaminated prey that is absorbing this material is being consumed by sea ducks and sea otters. The ingested oil is being metabolized and their enzyme systems that can break this down and the metabolic products are causing tissue damage.

Let's take the first part of this conception model, oil deep in the cobble beaches under mussel beds and in the subtidal. Although heavy cleaning helped remove a lot of the surface oil after the spill, much of the oil that penetrated in these cobble beaches went down between the cobbles and has probably been slowly decreasing in the amount and extent. But still, one can find a lot of fresh oil in Prince William Sound and Jeep Rice is going to tell you a little bit about this. The oil is not being broken down to a very large extent subtidally. It's in isolated pockets that are not subject to very great rates of weathering. You can see in the right hand photo here that the deep oil is just fresh material, it's still somewhat liquid in places and much of it looks not too unlike the material that was still seen back in the early nineties.

There was some deep beach cleaning done in '97. LaTouche Island among others was particularly -- and the protected parts of that island, the north part of that island that received such a heavy oiling back in '89 were subject to cleanup. But still, much of the oil remains.

We just treated part of the environment. The second part as conceptual model is that oil is making its way into the food web. That is, the oil is biologically available. And this has been looked at in a number of ways. One of the experiments that have been done has been by the Auke Bay folks where they looked at the transport of water through the intertidal subsurface and this is a dye injection experiment done in the mouth of a salmon stream. You can see the rhodamine dye that was injected further up on the shore coming out down at the water's edge at the bottom of these streams on a low tide which indicates a mechanism of moving this subsurface water down into the intertidal and that material is going to come out with low levels of dissolved hydrocarbons in it.

The third part of this conception model is oil contaminated prey is being consumed by sea ducks and sea otters. And you'll hear from Jim Bodkin this morning about the studies on the sea otters and also the harlequin ducks. And there are indications from studies done over the last several years that there's ongoing damage evident in the sea otter populations and we do, of course, know that the sea otter populations around the Knight Island Archipelago are not recovering the way we'd like them to.

And finally, ingested oil is being metabolized. We've got evidence of this that Jim will present. I don't

have any graphics for this particular part of the introduction that I'm making but these enzymes are metabolizing the oil and finally, the metabolic products are causing tissue damage. And Jim will show you a couple of examples of sea otter livers. The one of the left is from Montague Island and the one on the right is from Knight Island and Jim will be talking about some of the problems that -- some of the disease situations that occur in these Knight Island sea otters and whether they might be, in fact, linked to the oil. So without a lot more introduction to that, I would give us a couple of minutes to change computers here and Jeep will give you a little introduction on the oil survey in Prince William Sound. How they designed the survey, how much oil they found, where it is and some ideas about bio-availability.

(Ms. Brown arrives - 11:40 a.m.)

CHAIRMAN GIBBONS: While you're changing that, just for the record, Michelle Brown is present now. Welcome.

(Pause)

MR. RICE: All right, I'm going to talk about how much oil remains and a project that we did last summer. And Bob's kind of given an introduction to that in some ways. In 1999, the 10 year anniversary of course, there was a lot of effort out there by the media to get people like us out there to see if there was oil for them and that

sort of thing. And so by '99, of course, we could easily still find oil. But that raised the question of whether those are just isolated spots that we continue to study, study, study or whether the oil we were finding was really not that isolated. That then stimulated this assessment that we did last summer. We really needed to know how much was still out there. So this is our general objectives, how much oil remains in terms of oil but where and basically a secondary question you might say is, what's the square footage of the oil that's out there. So the volume and the square footage, we want to know both those questions.

We went to the usual suspect sites, so to speak. We went to 91 sites, over 7.7 kilometers of impacted shoreline were assessed last summer. We dug about 7,000 pits. Now, the places we went to were taken out of population sites that were judged to be heavily oiled and maybe moderately oiled back in 1989 through 1993. If you're judged to be heavily oiled in each of those years, you have a higher probability of being selected. And basically we went into about 20 percent of the heavily oiled sites out of that population, one out of five. This 91 sites, that's really 91 days of working the field, do a site per day. So this is not a casual effort to get through seven or eight, 91 days in the field to dig these

7,000 pits or so.

There are two parts to the design, stratified random is one and also an adaptive sampling and I'll cover that in a second. The way we did this is that we would go to a beach, survey it out using some sophisticated laser stuff and GIS stuff, et cetera and we stratified the thing -- maybe I got a pointer that I -- no -- in terms of half-meter drops. Thank you. So we stratify it down in half-meter drops vertically so while we only went a half a meter, that might be 10 feet where, you know, we went another half a meter, it might be 10 meters or so in terms of lateral distance, but we were just going down vertically. And we would develop, in about a hundred meter section, we'd have these columns that were around 12 meters wide and then, of course, we'd get all the columns in this segment. And then out of that we would randomly dig two pits in each one of the little quadrants. Well, the little quadrants were really pretty large but in each of those we would do that. And of course we would do that by the entire segment. So in terms of a hundred meters then we were digging about 96 randomly selected pits and for the summer that added up just shy of 7,000. So it's not a casual effort.

The other sampling aspect, a little bit dependent, but also independent, was when we did run across a pit that

had oil in it, then we would sample all around this pit in order to assess how big this oil patch was. And so here you can see that, for example, we were hitting zero, zero, zeros but here in squares one through five through 11 there, we hit oil. Okay, so then we would map out just how extensive this patch was and was it running horizontally on the beach or vertically or was it just one little isolated spot. We'd get that sort of assessment when we were digging. This added more pits so that in addition to the 7,000 random pits, approximately, we dug another 3,000 for a total of 10,000 pits. The design was rather sophisticated, the digging is rather simple but very physical.

Here is a layout of the grid, the vertical columns and here you can see some orange pegs, not very well, so this is between here and here is half meter drop. You can see the nice pits to there, another couple and another couple, et cetera. So this is divided up into the half-meter vertical drops. This is a very easy beach to assess. With conditions like this, we couldn't stop the diggers from digging. But this is more of a typical beach, very well armored and bouldered, very physical. And what you have to do here is take a pry bar to this 250 pound bedrock here and pry it up and over and then underneath you take out the basketball or football sized pieces of rock and

then you can dig a hole and assess. You can look to see if there's oil there in the surface first and then you dig a hole to see if there's oil. Now, we couldn't just go to a spot and say, well jeez, there's a big rock there, we'll move our spot to here. No, if this is where the peg came on the random assessment, this is where we dug and if it was bedrock and you couldn't assess, well, you came up with a zero. But we did not adjust the spots that we dug to where we felt like we could physically dig easier.

Before we actually did the digging we would first assess the surface, were there are tar spots, there's about five, six, seven different classifications, but were there tar spots, was there some -- these are the worst cases, sheen in a tide pool -- that you could just see from walking around. These are the sort of assessments that were made last in 1993. They were looking for these sorts of contamination. And they did a more -- a lot of walking. Walked, I don't know how much, hundreds of kilometers in 1993. They did a heck of a job, it took them the bulk of the summer but they didn't dig very many holes. They did dig holes but not very many. And so their assessment was a little bit different.

Okay, when we got to our spot we dug holes. We went down about two feet, half a meter. This was a case here of LOR, lightly oiled. Okay, here's a medium because

there's droplets that are showing up but they're not continuous where there's a sheening. But this is just plain oil here. Here the oil is saturating all the interstitial spaces in the sediment there. And this is down about six or seven inches or so. And to answer your question over there on the wall there, these are all 2001. These aren't 1989 or 1995 or something. These were all taken in 2001. When we assessed the hole we would sometimes take samples on every beach to assess whether it will or will not fingerprint back to Exxon Valdez oil. And this would give us a weathering state. I'm almost certain that the 99 percent (indiscernible - away from microphone) when we get the chemistry analysis back that this will fingerprint to Exxon Valdez. There's no doubt in my mind.

We also were taking some holes, not every hole, but we would assess in a very rigorous way what's the volume of oil. I don't have the chemistry data back yet, that will be coming in the next couple of months. We're heavy into it but we're not done and so the volume estimates I won't be giving to you today but I will give you the square footage type of data that we have. So of the 91 sites that we went to, 53 had oil within the site. That's over half, five-ninths, some percentage there. But more than half. That's more than we expected and our design was really based on the assumption that we wouldn't find that much

oil. When you calculate out the square footage on that beach and then expand it up for that zone and whatnot, you come to an estimate of 20 or 22 acres, depending on which of those two sampling methods you use. So you can see that those are in pretty good agreement. And this is a confidence bound for one of them from eight to 32 acres (indiscernible - away from microphone). What the whole point of showing the range there, the bound is that that's a pretty tight estimate given the physics and all the digging and the geography and site selection and all, I'm very, very happy from the scientific basis with that bound.

The oil distribution versus tidal zone. Over here we got the tidal height going down from the very top, the first half-meter drop, the next half meter and the next half meter. And as you can see, we only went down to about three meters here. So it's only about halfway down an intertidal zone. We didn't get to the lower half usually. If we first look at the surface oil pits, don't look over here, look at the surface oil pits and you see that it peaks at 56, 58 and 60, between one and two meters. This is reflecting basically the bathtub ring. This is surface oil. This is what you could just walk along and see a tar spot there, a little piece of mousse maybe or something between rocks. But this is a visual walk, if you will. This replicates the 1993 survey at this particular site and

this data here reflects the bathtub ring, okay? Now, if you notice the subsurface pits, they're peaking at two and a half and three meters down and, in other words, at the lower end of the beach that we're surveying, which is only halfway down. The mussels start about right there, okay? So we didn't get down to the biology zone so it begs the question then if we'd have gone further down in here, what would we have found? We certainly would have found some oil, would we have found as much as that? I don't know. But the point is that our square footage of 20 acres or so is going to be an underestimate because that 20 acres applies to three feet on up -- three meters on up, rather.

Okay, so real quickly there's some preliminary conclusions. There may be surprises, is another way to phrase it. We found more oil than we expected. We found our expectations were based on the 1993 surveys which were walking surveys. And the amount of oil we found was more than twice the amount found in 1993. Okay, and again, they didn't dig the number of holes and walked an awful lot more beaches than we walked and we surveyed but they didn't dig as many holes. So we found a lot more oil. And again, as Bob pointed out, their objectives were a little bit different than ours. It had more of a cleanup objective to it. The oil has been found in the lower intertidal. We

didn't expect that because the conventional wisdom was focused on that bathtub ring zone, is what the project did. And so when we found a patch and continued to work it on down to the water's edge, we found oil below our sampling grids and lower down in the intertidal zone. The significance is that that's the biological zone. There's not a lot growing up there at the one-meter drop area. If you're going to feed on plants and mussels and whatnot, then you're down below that three-meter drop and that's the biology zone. That's where the otters are going to feed, the harlequin sea ducks, et cetera. And the point is, there's oil there.

Okay, the oil state ranges from asphalt which the significance of that is it's not very biologically available, it probably has no damage to animals whatsoever. Maybe from an aesthetic point of view but not from a biological or toxicity point of view but the states range to nearly fresh oil. Do you remember the one heavily oiled hole? That is nearly fresh oil. It doesn't have benzene, tolerene and (indiscernible - away from microphone) which evaporated off but it's got the two rings, three rings, four rings, five rings. It's pretty fresh, it flows easily and if you can get it to an animal, if it's available to the animal, it's going to be toxic, very toxic.

Okay, and that raises the question that we have.

The first part of the question, is the oil there? The answer is yes. The next follow up question is, is it bioavailable? And that's the question. The research that Jim will talk about, his work and Dan Esler's work with harlequin ducks, the answer that they've gotten in '98, '96, '98, '99, 2000, is that the answer is that yes, it probably is bioavailable. However, their studies weren't conducted at the precise place we went and assessed oil. We didn't assess oil necessarily where they were doing their studies and that's unfortunate in a way but we didn't know how this was all going to work out. So in the future then, one of the deferred, this number here, lingering oil, bioavailability and effects of prey and predators is that we need to tie these studies that are still finding effects with those that are still finding oil and tie them together primarily and get the sites where they do the studies. Get commonality between those places. So we want to investigate a linkage then between oil persistence, whether that oil is bioavailable and whether the impacts on otters and harlequin ducks are still taking place.

Our laboratory will take the lead in looking at the bioavailability of oil. We'll want to know if the oil that's in those patches, whether it can be mobilized, first of all, can be mobilized within the interstitial water below the surface, can get to above the surface. Can it

get to the prey animals, we'll sample prey. We'll look to see if there's oil in the prey. We'll also look for some damage to some prey animals. One of those things we're going to use is this simple plastic strips, polyethylene bags, think of a little baggie, only we'll use strips. It costs about a penny for a hundred feet. The analysis is a little more expensive, to say the least, but the materials aren't. And it's advantageous to use these plastic strips because these are, in a way, synthetic mussels but they're a heck of a lot cleaner and cheaper to analyze. A lot of them help to assess whether the oil is bioavailable or not.

That's about all I have. The second objective is, is that oil still causing impacts to sea otters and harlequin ducks and GEM and USGS will take the lead on that. And I'm going to say, take it away, Jim. We'll probably hold questions until after we're both done, I suppose.

MR. BODKIN: Probably need a fancy guy here to.....

MS. McCAMMON: Change computers?

MR. BODKIN: No, we just need to call up the next talk, which is already right there. I'm going to speak today on the status of harlequin duck and sea otter populations in Prince William Sound as well as summarize the research that's been ongoing since 1993 regarding these two species. I'm going to present the harlequin duck work --

Dan Esler was the principal investigator on this work, he's now assigned with Fraser University. And I've been the principal investigator for the sea otter work. We're going to talk about population status; in other words, what's the trend in these populations over time. What are the factors contributing to those trends and in both cases we have estimates of mortality. And we're also going to look at biomarkers of exposure to oil. And it's probably important to recognize at the onset that harlequin ducks and sea otters share a great deal of similarity, both in the habitats that they utilize and in their natural history, their habits. They both forage on benthic invertebrates, and these are animals that don't metabolize hydrocarbons but they sequester them. Both these animals live very close to the shorelines. Those areas that Jeep just described where they found residual oil. Sea otters in particular are diggers. They excavate large amounts of sediments and extract clams. In Prince William Sound, 70 percent of their diet are benthic clams that requires excavation from the sediments, providing at least a potential pathway for animals to gain exposure to the residual oil both through their food as well as through their activities of foraging.

First we're going to talk about harlequin ducks. I'm going to talk about harlequin ducks in a series of

slides and then I'm going to show sea otters and it's going to be the same pattern. Basically the study areas, the population trends, the estimates of mortality and the links to exposure to oil. Now, harlequin duck work was initially done in an oiled and unoiled comparison between Montague Island. The study sites are highlighted in yellow. Along Montague Island and also in the oil spill area, Main Bay, Crafton Island and also Green Island. So I'd like you to try to recall the locations of the residual oil that Jeep showed. I know it's hard, there was dots all over the map but basically they were concentrated, the residual oil, along the Northern Knight Island archipelago but at various sites throughout the spill area.

Harlequin duck population trends. This is data that's been collected by the Alaska Department of Fish and Game and basically in eastern Prince William Sound there's been a slight trend to increasing populations although it's been non-significant. In western Prince William Sound, in the oiled areas, there's been a significant decline in the abundance of harlequin ducks between 1995 and 1997. We posed a question in 1994, what's potentially constraining recovery or why are not these populations increasing and we had two hypotheses to test, one of them is that food was limiting recovery. In other words, there wasn't enough food available for these animals to reproduce and grow.

And the other hypothesis was that they were potentially being exposed to oil, residual oil that could have added to mortality and constrained recovery.

Here's basically the summary of survival rates of harlequin ducks in oiled and unoiled areas of Prince William Sound between 1995 and 1998 and there's additional data that's being collected as we speak. Basically the short story here is that in the oiled areas, harlequin duck populations exhibit a mortality rate that's 10 percent higher than in the unoiled areas. That mortality rate coincides with the short days of winter and the hard environmental conditions that occur in the January and February period. These animals require daylight to feed and because of the short daylight during this time, they probably are spending most of the daylight time feeding. But anyway, elevated mortality in western Prince William Sound in the oiled area and that mortality translates into that declining harlequin duck populations.

We next looked at potential exposure to hydrocarbons in harlequin ducks. Basically we -- again this represents several hundred ducks, 250 ducks -- we had significantly higher levels of cytochrome P450 1A. This is an enzyme that vertebrates produce to metabolize hydrocarbons and basically we had levels that were about four times higher in the oiled area. This is a strong

indication of exposure to lingering oil. And in the case of harlequin ducks, we also tested for PCBs and these were found to be absent in the animals. They would also induce the production of this enzyme. So we could discount the possibility of PCBs contributing to this pattern. So for the story with harlequin ducks, they're exposed to oil, the populations are declining and mortality rates are elevated.

Now, sea otters are a little bit different study areas, we concentrated our efforts at Northern Knight Island because this is the area where mortality was greatest, it approached 90 percent in 1989 in some of the bays, Herring Bay in particular. And we knew that because of these declining populations that this was the area that was most heavily impacted and probably the last place that we would anticipate seeing recovery. And we also used the Montague area as our unoiled reference site. A little bit different picture in terms of population trends, for sea otters in Prince William Sound since 1993, we've had an increase of 900 animals in the western Prince William Sound area. That's represented by this line. In the Northern Knight Island area our intensive study site where mortality was high and exposure to oil was extreme, we've basically seen no change in population between 1993 and the year 2000. And the population abundance is about half of what we knew occurred there before the spill. So we definitely

haven't seen a recovery at Northern Knight Island whereas over the large area of Prince William Sound there's evidence of recovery.

These two graphs show predicted population trends in western Prince William Sound. This is this curved line and the actual data points. And at Northern Knight Island population trends based on mortality rates that were estimated from carcasses and the actual survey data from that area. Basically what this tells us is that there's an elevated mortality that's contributing to this lack of recovery at Northern Knight Island that we're not seeing in the western Prince William Sound area as a whole. Next we looked at, again, the same enzyme, cytochrome P450, we looked at that in sea otters from Knight Island and in Montague Island. The blue bars are the values from animals from the oiled area in Northern Knight Island. The pink bars from Montague Island. Basically we have significantly higher levels of this same enzyme in sea otters as we saw in harlequin ducks elevated in animals from the oiled area and indicating exposure to oils which we've also tested for PCBs and can discount the possibility of that contributing to these patterns.

We also looked at a wide suite of basically blood parameters in all the animals that we handle. One of the enzymes that we look at is GGT, it's a non-specific liver

enzyme that's used to detoxify materials in the body. It's also an indicator of liver function and in liver disease. We had very high levels. These are the proportion of animals that exhibit elevated levels. The normal level is about 14 units, these are just the proportion of animals that exceed 20 units. This is from 1992, these two bars here, adults and pups, 1968 and 1998 adults and 2001 adults. And what we see is a declining rate of persistence of elevated GGT but still and even in 2001, a proportion of the animals have elevated GGT, indicating liver disfunction or disease. These are those two liver slides that Bob showed us a little bit earlier. This animal up here is one of those animals that had an elevated GGT level. We saw three of the 15 animals that we sampled, these are with endoscope biopsies, so these are gross pathologies as well as microscopic pathologies that are associated with these livers. Three individuals of the 15 that we sampled demonstrated these pathologies along with the elevated GGT levels whereas all of the 15 animals that we sampled from Montague had these normal livers. Basically the veterinary pathologist that looked at these slides concluded that at least two of these animals had got fatal pathologies associated with those livers. In other words, that they would almost certainly result in the near term death of those animals.

So in summary, sea otters and harlequin ducks, they share habits and habitats in the nearshore, in areas where oil lingers. In both cases populations are failing to recover and it's elevated mortality as opposed to reduced reproduction that's constraining recovery. There's elevated biomarkers of oil exposure that are consistent amongst these two species and there's accumulating evidence that's linking the residual oil and its continuing injury. Our plans, as Jeep indicated, we're to continue the sea otter and harlequin duck population surveys to monitor trends in abundance as well as to continue the estimates of mortality. We need to increase the number of sea otter and harlequin duck liver biopsies. That's because of the relatively low incidence of this disease that we've found in the population. Even though it translates into fairly small increases in survival, as you can see these small increases -- decreases in survival -- these small decreases in survival can lead to declining populations or a lack of growth in populations which should be growing. There's harlequin duck work going on with controlled oiling experiences. They're dosing animals with oil and that work will continue. But more importantly we need to now spatially integrate the lingering oil studies that Jeep talked about with these sea otter and harlequin duck studies. It's about time that these linkages could be

made. We couldn't make them in the past until the results of these most recent surveys of remaining oil were completed. And I think that's it.
MR. RUE: I've got a question.
CHAIRMAN GIBBONS: Frank.
MR. RUE: Quick question. On the trends that you showed, I think you said western Prince William Sound sea otter populations were level?
MR. BODKIN: Western.
MS. McCAMMON: Western's increasing.
MR. BODKIN: Western Prince William Sound as a whole.....
MR. RUE: Was increasing.
MR. BODKIN: .....was increasing but just Knight Island was not.
MR. BODKIN: Right.
MR. RUE: Okay.
MS. McCAMMON: That's eastern.
MR. RUE: That's what I was trying -- yeah.
CHAIRMAN GIBBONS: Jim.
MR. BALSIGER: On that same point, I thought you said that on Northern Knight Island that 90 percent of the animals died in the spill.
MR. BODKIN: It was up to 90 percent and that was in Herring Bay, that's the only place that we -- well,

that's the place I was at where I could count the number of animals that we've removed and the number that remained. In the broader area of all of Northern Knight Island, that study area, we really don't know what the mortality was. It's probable that it approached those values but there were probably some refuges that remain in those areas as well.

MR. BALSIGER: Well, my point was, and maybe now your explanation makes my point go away but it sounded like 90 percent of them died but now we're at half the level that there was prior to the spill but they're not increasing. So does that mean those animals came in from some place else or how did you get from only 10 percent left alive to now 50 percent?

MR. BODKIN: I think that my -- part of the answer could have been in my explanation that mortality was -- the maximum that we saw was -- approached 90 percent. We also know that there's apparently continual immigration of animals from the outside. Young animals that are probably looking for territories, home ranges to establish. And the results of our marking and recapturing suggest that those animals aren't surviving. They're either leaving or they're moving from the area. Now, how we got from -- let's say that there was 10 percent left, how we got from 10 to 50 percent is uncertain. We don't know. I would

suspect that that 90 percent mortality was the maximum if there was some higher level of say residual sea otter population but we don't really know what it was.

CHAIRMAN GIBBONS: Any other questions?

(No audible response)

CHAIRMAN GIBBONS: Thank you, good presentation. Looks like we have an executive session. What's the topic for the executive session, Molly?

MS. McCAMMON: Craig, you have a question.

MR. TILLERY: Mr. Chairman?

CHAIRMAN GIBBONS: Yes, Craig.

MR. TILLERY: I would move that we go into executive session for purposes of doing the executive director evaluation and for seeking advice of counsel on legal issues.

MS. BROWN: Second.

MS. McCAMMON: And lunch.

CHAIRMAN GIBBONS: And lunch. Okay, we have a move and second, all in favor say aye.

IN UNISON: Aye.

CHAIRMAN GIBBONS: Opposed?

(No audible response)

CHAIRMAN GIBBONS: Closed.

MR. TILLERY: What time?

CHAIRMAN GIBBONS: How about 1:15?

MS. McCAMMON: We should be able to do 1:00, I think.
CHAIRMAN GIBBONS: 1:00?
MR. TILLERY: People go and do things and make phone calls.....
MS. McCAMMON: Yeah, 1:15.
MR. TILLERY: 1:15.
CHAIRMAN GIBBONS: We'll reconvene at 1:15.
(Off record - 12:15 p.m.)
(On record - 1:39 p.m.)
CHAIRMAN GIBBONS: Call the Trustee Council to order. We've got continuing deferred projects to be discussed for, I think for an hour so maybe I'll just turn it over to Molly for a brief introduction.
MS. McCAMMON: Okay, just real quickly I wanted to call your attention to a couple of things. Just as a reminder, in August the Council deferred action on 25 projects totalling a little more than two million dollars. I'm now recommending that 16 of these projects totaling 1,378,900 be funded and that three -- well, I guess that's total -- and that three additional projects totaling 235,000 be deferred further. In addition there is $47,900 recommended for funding for the Lower Cook Inlet Waste Management Plan outside of the Work Plan cap. So the total December recommendation for today is 1,426,000. This would

bring the Work Plan total to a little more than 4,700,000, which is a little bit under the five million dollar cap for this fiscal year.

I also wanted to note that Spreadsheet A is the numbers spreadsheet and Spreadsheet A is also the text spreadsheet. The text spreadsheet should be Spreadsheet B but it was mistakenly called Spreadsheet A. So we have two Spreadsheet As. And I'm glad I noted that after you did my evaluation, hopefully.

I also wanted to note just a few -- make sure you saw a few of the public comment that we received. One from Cordova District Fishermen United, which was on the Ken Adams project proposal and I can't remember the number on it now.

MS. SCHUBERT: 02-636.

MS. McCAMMON: What is it?

MS. SCHUBERT: 636.

MS. McCAMMON: 636. And then all of the information from John French about proposal 02-674. There is also a letter of support for a contribution to PICES for work on their North Pacific ecosystem status report and there is $10,000 included for that in the 630 GEM planning budget. And those were the only pieces of public comment that we received on the Work Plan. And with that, we do have Bob Spies here to go through cluster by cluster. And

what we would do is go through just in order of the projects that you have. Typically, as we've done in the past, we go through the projects that are proposed for funding or deferral and we haven't talked about the ones that are do not fund. And so as we go through each cluster, we can ask you if there's anything in particular about a do not fund that you wanted to bring up and ask why or for further information.

MR. TILLERY: Mr. Chairman.

CHAIRMAN GIBBONS: Yes, Craig.

MR. TILLERY: Just to clarify one point, you talked about the five million cap for the Work Plan and then the Work Plan and administrative costs is 6.5. So is the 1.5 administrative costs including.....

MS. McCAMMON: Yes, and that was already approved in August, yes.

DR. SPIES: Okay, you'll note in your spreadsheets that we're continuing to use the new classification system for projects and these are kind of loose categories. In some cases the projects don't exactly fit or perfectly fit but we find it convenient, since we're in this transition between the restoration program proper for the first 10 years after the settlement into the GEM program that these new categories seem to make a lot better sense rather than having huge amounts of projects in the GEM transition

category that we had previously that we've now got a number of GEM transition type project categories.

The first group of projects is under oil injury category and there's three projects here for a total of $448,000. The first of the projects is Project 190, it's recommended to continue. This project is the culmination of a six-year effort to map the pink salmon genome, a number of traits that can be mapped onto the pink salmon genome. And then to use this information, look at the survival value of these gene combinations. There was experiments done in 1998 and 1999, crosses in Alaska SeaLife Center, those fish went out to sea and they had returned the summer of 2000 and the summer of 2001. And this project is to analyze the 2001 returns. The 2000 returns, there was some problems with the water flow, if you recall, in the fish passway at the SeaLife Center. And the effort this last summer was to try to get out there and make a very aggressive collection effort with public notification to try to recover as many of those returning pink salmon as possible. The investigators had set up kind of a goal of getting 200 pink salmon in order to be able to really analyze the survival traits -- the survival of various kinds of traits in the environment and they actually got 262. They put a good successful field effort in so we feel good about recommending that this proposal go

forward given this number of fish and we think we can achieve all the project's objectives in the coming year. They may come back and ask for a little bit of final report funding, we're not sure yet, but hopefully get most of it done in fiscal year '02.

The second of the projects in this category is a method to discriminate herring stocks. And this was deferral of, I believe it was 27K and we were still in kind of a deferral. We're recommending this go forward but we want a contingency here that we're able to look at the results of the 2001 analysis. And if you'll recall, this is -- try to look at new ways of trying to discriminate herring stocks in the Prince William Sound region using micro element composition of the otoliths, the inner ear bones and also the fatty acids using heart tissue and free fatty acid residues. This project would get then at the whole idea of how many stocks of herring do we have in Prince William Sound. So that's a small amount of money, we're recommending that that fund contingent -- that it be funded contingent on successful review of the first set of data analysis from the spring 2001 samples.

The next project is 585. You heard about this project this morning in the lingering oil session that we had. What we're doing is shutting down project 543 and recommending beginning 585. And this would include the

follow up on 543 and also the additional work that would look at the biological components availability of this oil low in the intertidal and how it's passed up to the prey and any evidence of lingering injury, particularly focused on the prey of harlequin ducks and sea otters and harlequin ducks and sea otters themselves. And again, the idea here is to focus these studies geographically in the same areas so that we can make a better determination of the potential linkage between remaining oil and evidence we have of continued potential injury to these valuable resources.

The next category is the spill recovery monitoring. There's two projects in here. The first is Project 159 and the Fish and Wildlife Service had asked for money to continue these boat surveys that you recall we've done quite frequently over the restoration program. The last one was done in 2001 but we did have quite a fairly dense run of these things in '89, '90, '91 and then a number of them in the middle 90s. We also have data that go back into the '70s and '80s and was the basis for a kind of -- see these long-term shifts after the -- we had shifts after the spill that could have been due to long-term changes in the environment or to the spill injury. The data is getting to be a quite valuable data set because it goes back into the seventies, it's back about 30 years now. And we would like to -- we've never

seen a final report but we would like to see kind of all the data analyzed and interpreted carefully with regard to oil injury and effects of climate because we think -- and investigators think that there's pretty good evidence for decadal scale shifts in the populations of all these birds and mammals, mainly sea otters that they're looking at in Prince William Sound.

The other thing we would like to see done within the context of the final report is trying to identify a set of measurements or a sampling strategy to allow us to get kind of a low frequency, low cost sampling approach for the GEM program. And so we're asking for these things and rather than going out and doing another survey -- we just did one in 2000 -- rather than doing another one this year, we're asking that they write the final report, identify a strategy for long-term monitoring. We don't think we're going to lose much data by skipping a year or two or even three. Most of these trends that we see are very long-term time scales and the principal investigator pretty much agrees with that approach.

The second of the spill recovery monitoring projects in this category is a request for 95,000 to do a first year of a two-year study on bivalve recovery. One of the indicators of continuing injury in the intertidal is the lack of clams and other bivalves. And essentially

these are on cobble beaches that had sand and finer grain material down on the interstices between the rocks and during the cleanup you see in these aerial pictures, you see these big plumes of material off the beach. And so lost a lot of silt and sand and apparently those beaches have not been renourished with that kind of fine grain material and these worms and clams have not settled back into there. So that's the idea here, the last set of data we have is actually from the NOAA hazmat study, which has been going along in parallel with some of our injury studies done in 1997. The idea here is to take a wider objective, the NOAA studies are on particular identified beaches and we can't really extrapolate the results to the entire Sound. You've got to do a low cost study to extrapolate these results, focusing on the bivalve populations, see if in fact there has been recovery since '97.

The next category is the ecosystem recovery and function and we only have one project in there and that's a modest request for 2K to print the SEA bound report. The SEA program was one of the flagship programs of the restoration program. A large seven-year effort to document effects on pink salmon and herring larvae from various kinds of conditions in the Sound, focused on trying to bring something down that's useful in terms of

understanding the system and its production of pink salmon and herring. So this is money well spent to kind of put a cap on that printing of the SEA final report. Now, there is, by the way, finally acceptance in Fisheries Oceanography of all the constituent articles for a special volume of that journal dedicated to SEA results. People have worked very long and hard to complete that under relatively low funding. So that's something we can look forward to receiving soon and it's a real milestone, I think, in our program.

Molly talked about this next project which is grouped under the spill general restoration, that's the lower Cook Inlet Waste Management Plan. That's an off Work Plan request for I think it's 50K. And to get that program moved along and back on track. The next.....

MS. McCAMMON: Let me just make one note here, Bob.

DR. SPIES: Yeah.

MS. McCAMMON: There was 800,000 set aside for this project originally and phase I had been a contract with Montgomery Watson to do a needs assessment in Port Graham, Nanwalek and Seldovia. We've received the report, it was peer reviewed and then we started trying to go through the process of implementing it this year and it turns out in that time there's been some personnel changes at DEC. We met with the other staff. It turned out that a lot of the

folks at DEC had not been fully integrated into the original planning part of the process nor had the Kenai Peninsula Borough. And so what became apparent in our discussions was that we needed to really go back, take that report from Montgomery Watson, go back to the communities with DEC and with the Borough staff and with Chugach Regional Resources Commission and reassess those needs that were in that original report. I think there was things in it that probably were things that if money was available, yeah they would do them but really might not be essential. And so we worked with all the parties to come up with this revision. So they will make site visits, all the parties will go out there, make site visits, spend a few days with the communities and then come back with possible requests for additional funding or not, depending how the case may be. There was a little bit of concern by DEC also because this requires doing a small contract with Chugach Regional Resources Commission. There was concern about the staff time to do that. There really is no other entity to do that contract. The Borough isn't in a position to do it. It doesn't make sense for Fish and Game to do it. We will have staff here to assist with that to try to make it as easy on DEC as possible. But I did want to note that this is quite a bit different than I think when we had reported out to you last May or June.

MR. BALSIGER: This is not a different project so maybe.....
MS. McCAMMON: No. Okay.
MR. BALSIGER: Dr. Spies, you skipped over, probably intentionally, the do not fund one, which was the avian predation one.
MS. McCAMMON: The Mary Anne Bishop one.
DR. SPIES: Yes, yeah.
MR. BALSIGER: And my question was, we have the typical format here where there's a project abstract which looks like the same as we saw before but these recommendations now are new -- on this particular sheet, this isn't what the chief scientist's or the executive director's recommendation was when we looked at this before, is it?
MS. McCAMMON: In August the original recommendation was to defer, lower priority, and now we've come back at this time and said, lower priority, do not fund.
MR. BALSIGER: Okay, that was my question. If these sheets were redone or was it just an exact photocopy and you're telling me that it's redone to reflect the current recommendation.
MS. McCAMMON: The current recommendation, yes.
DR. SPIES: Right.

MR. BALSIGER: Thank you.
DR. SPIES: I should have been clear when I started. What we're showing here are the projects we're recommending for funding, with one exception which is the pigeon guillemot study, which we want to explain a little bit due to the interest in that particular project. Okay.
MR. RUE: Mr. Chairman, before we go on. Did we decide we were going to go through the entire list and then come back to the ones we want to talk about? Or did you want to talk about any of these?
MR. BALSIGER: No, I was just curious to know what I was reading, rather than debate any issues right now.
MR. RUE: All right. We're going to wait.
DR. SPIES: I'll be pleased to proceed either way, either ask for questions as they occur to you or wait until the end.
MR. RUE: I'd just as soon ask them as we go.
DR. SPIES: Feel free to interrupt me, if you wish.
MR. RUE: I'd just as soon, if I have -- ask as you're going.
DR. SPIES: The next category -- we're getting started on a series of categories labeled GEM transition and this one is strategies to improve monitoring. And we have a deferral recommended on Project 556. The project is to map marine habitats and the idea here is to use a

sampling that was developed on the PISCO program. There's actually a program that goes all the way from Southern California all the way up to the Gulf of Alaska and somewhat into the Bering Sea. And this is a large scale program looking at the nearshore consequences of long-term anthropogenic and climatic changes on these systems. And we had another set of -- that's Carl Schoch that's heading up this effort down in Kachemak Bay area and the NERRS. And Molly referred to another effort in Prince William Sound, we have intertidal nearshore biologists, particularly Tom Dean and we had two separate proposals.

We have some, if you recall to do recommendations to come together and try to formulate some kind of a strategy. So they held some preliminary talks and there's going to be a workshop on the third day of the annual meeting to discuss the whole strategy of the nearshore and intertidal habitats and the GEM program and how to look at long term changes in those particular habitats. This project is being recommended for deferral until after those workshops are completed. The idea here on the project again is to, since the -- you go up along the shoreline, you see a point, you'll see a sandy beach, you'll see a little cove and so forth. And so you got to be -- when you're looking at change, you have to be sampling the same kind of region every time, particularly in a random

sampling effort. The idea is to identify the strata for a stratified random sample by being able to map on a meso scale some of these features along the Kenai coast where we want to be doing this work.

The next project is the controversial one that you heard public testimony on and this is Project 674, the pigeon guillemot restoration techniques project for 64K. You voted to approve this project back in August and subsequent to that time one of the principal investigators came back and said, gee, we've got some pigeon guillemots showing up down in Resurrection Bay in numbers larger than we originally anticipated. We would like to refocus the program more on looking at those. The other investigator, French -- this is doctors Divoky and French -- could not agree on how to go forward in this project. We essentially kind of had a deal based with the Trustee Council -- with these investigators based on what was in that original proposal and we had a qualified bird biologist and John French has had a lot of experience, a Ph.D himself, has a lot of experience in the field. And this project was originally recommended for approval by the reviewers based on the strength of their credentials and the history of the project. It was not a really high priority project in terms of the Work Plan but it made the cut.

Since we now do not have Dr. Divoky in this

proposal, we don't feel it has the strength to carry on. Any kind of other funding agency that would fund research on seabird biologists, you'd expect to see a published, recognized seabird biologist leading it up. And Dr. French disagrees with that assessment of the reviews but that's our recommendation. It's regarding the point as to whether we can miss an opportunity here. Pigeon guillemots are a long-lived species and the reviewers feel that if we did feel that there was high enough priority to following up on some of these returning birds in fiscal year 03 that the project could be resurfaced at that point.

The next category in GEM transition is tools to improve monitoring. And we have two projects here recommended for funding. The first project is Project 584, this is a request for $75,000. The principal investigator had requested $280,000 for year two of the project and we kind of want to wait on the recommendations to kind of wait on that larger number but to get the first year going. And I think there may be, because of the intense interest in the kinds of synoptic work that's being proposed under this and the potential funding partners that are out there and working in the North Pacific that we might see some cost sharing. And at the end of the first year it might become clearer what kind of sources of money are available to kind of share the cost of this relatively expensive project in

out years. It's essentially trying to establish some new tools here and they're really sampling different parts of the electromagnetic spectrum in terms of -- there's a high frequency light, the LIDAR, that can penetrate and get images of things down to about 50 meters. And there is some infrared and the video work that's going on and some infrared video work that helps with the sea surface temperature and chlorophyll in birds and mammals, also being synoptically done. And we think it's got a lot of promise for this and we can -- particularly all these physical characteristics between environment and the biological activities that take place that are not normally picked up with standard kinds of sampling techniques and surveys. But this kind of large scale, synoptic data collection could be very, very important in future monitoring. So recommending a first year work on this project for $75,000.

The second of the two projects in this category is Project 624. And this is a Ships of Opportunity program. These investigators had two years' funding from the -- I'm trying to get all the names straight but the North Pacific Research.....

MS. McCAMMON: North Pacific Marine Research.

DR. SPIES: Marine Research, right. They had two years of funding to get this technique under way. I think

we need a few more years of proof or principle to -- and this is a potentially really wonderful program for the North Pacific. There's data being reported already and this really builds on a system and approach that was developed first in the North Atlantic Ocean for looking at distribution of plankton and the original samples were taken back in the thirties. And we have sixty-some years of data from the North Atlantic on Ships of Opportunity where they're towing these plankton nets and they have this gauze that rolls back and captures things. And they preserve the gauze and they pick the animals out. And they're able to kind of show maps of the North Atlantic and show the distribution of different species of plankton, which are really the base of the food web in North Atlantic, and look at how they've changed over time and relate those to changes in climate and so forth. It's a wonderful data set and just a tremendous way to understand long-term changes in the ocean. So we think there's a lot of potential.

The first two years of the project they are putting these hardy plankton recorders, as they're called, on the oil tankers going down from Valdez to Long Beach. And this is to continue that and we think it's a great opportunity for the GEM program. There's also a related project, I forget the number, but it was proposed by Steve Okkonen to

put sea chests on these same tankers to record sea surface temperature and salinity, which would be useful data and also chlorophyll A, which gives you the phytoplankton component that these plankton nets don't pick up. They're coarser nets and they picked up the zooplankton. So that's $120,000 request that we're very high on -- we recommend that highly to you for funding.

MR. RUE: Dr. Spies, before you go on. On the improved monitoring, the LIDAR and those others, NASA was in town trying to get people interested in some of these things. Is there a chance to co-op with NASA on some of these things?

DR. SPIES: Yeah, the principal investigator is Evelyn Brown, who you know I'm sure, and she has been working both with NASA and NOAA and other agencies to -- everybody is kind of interested and kind of converging on this. So we're hoping with this first year of funding that they'll move that train down the track and we'll be able to kind of see who the potential partners are for year two of that.

MR. RUE: So for year two she's looking at partners?

MS. McCAMMON: Yes.

DR. SPIES: Yeah, yeah.

MR. RUE: Okay.

MS. McCAMMON: She has partners for this year already.
DR. SPIES: Right.
MR. RUE: Oh, she does?
MS. McCAMMON: I think she has some NASA funding already for this year.
MR. RUE: Oh, really?
DR. SPIES: Right.
MS. McCAMMON: Yeah.
DR. SPIES: Okay, the next GEM transition category is synthesis and.....
MS. McCAMMON: Retrospective analysis.
DR. SPIES: Yeah, I'm just trying to find my notes on this one. Here it is, yeah. GEM synthesis retrospective analysis. This is a -- three projects in here. The first project is actually one that I'm actually proposing to the Trustee Council. It's to do a book on what we've learned during the whole restoration program in terms of the scientific aspects of the ecosystem, dealing both with what we've learned about the ecosystem and what we've learned about the spill and its long term effects. So it's got both those components in it. It was deferred early in the Work Plan with a couple of concerns. We've addressed those concerns. The main one was whether I'd have time to do this or not and Molly asked for a

spreadsheet and so forth. We talked it over and I proposed spreading this project out over three years instead of two. I won't talk about a recommendation, obviously that's kind of a little bit of a conflict of interest but Molly could address it if you've got questions in terms of a recommendation or review. I did not do the review on the project myself.

The next project in that group is Project 622 and this is a request for a small amount of money, $36,000, to conduct the project. It's actually taking the environmental sensitivity maps that are available for Cook Inlet and Kenai Peninsula and putting them in digital form and making them available on the Web. ESIs come out of kind of the oil spill things that happened originally in the Eschtok (ph) spill. Jackie Michele back in the late '70s, the oil was kind of racing towards the beaches of Texas and the idea was, what are the resources that are out there at risk and how can we kind of map those out for everybody to understand what's involved in the process. So they do things like marine mammal congregations and haulouts and bird colonies and shellfish beds and human use areas and hatcheries and so forth. And put those on maps so that -- those are pretty valuable compilations of data. They're not the highest level of scientific data but they give a nice geographic overview and specific locations of

aggregates of valuable resources. We're recommending this project for funding. It's kind of a lower priority but it made the cut in our recommendation.

The last of these group of three in this particular category is Project 636 for 50K. You've heard the testimony of Ken Adams this morning. That was a proposal put in by him and Ross Mullins, two Cordova fishermen. And their interest is in taking the products of the SEA Program that we have these models. We've got about four or five different models that deal with circulation of the sound where the zooplankton is. What the shape of the -- or what the primary production in zooplankton bloom is going to look like based on sea surface temperature and in depth density measurements of the water column and wind fields and so forth. So there's a number of these different products that came out of SEA but they haven't actually all been taken all the way to the ground in terms of what's useable by the fishermen. And when we first started the SEA it sounded like it was going to be easy to figure out. Well, we'll have these products and they'll be useable but when you actually start to think about how we can actually use these things, it's not as simple as it first looks. And Ken and Ross have been particularly interested in the SEA project as it's gone along and would like -- they're kind of a voice in the fishing community saying we want to

be able to take these to the ground, get together with the scientists.

The first proposal we got didn't -- it was fairly general and it wasn't really clear exactly what they wanted, which probably had to do more with the difficulty of approaching the subject matter than anything else. We're suggesting or recommending that this project be funded but we'd like to see even a further revision beyond the second revision. We think we need to identify particular workshops or things that will happen in a specific -- specifically designated in a revised proposal. And we think maybe several workshops, getting together to see where we go from here in terms of what the fishing community can use, what the scientists have available at the end of the SEA program.

The next transition category for GEM is the long-term monitoring. And there's four projects in here. Project 552 is the continuation of a long-term effort in Hinchinbrook entrance in Prince William Sound to measure the currents. And the idea here is trying to get at the exchange of water between Prince William Sound and the Gulf of Alaska. This we feel is a very important part of understanding potential change in the production of Prince William Sound and its biological health. And we've been taking these measurements throughout the SEA program,

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supplemented occasionally by other efforts that have gone along. A couple things could probably be improved through the review process. The physical oceanographers have identified a larger effort than we actually think we can afford to fund right now so we want to maintain at least this effort to get some long-term data because the current acoustic doppler current profile that they have, it measures the bottom of the water column but it doesn't get an upper 40 meters. There's some real significant obstacles to doing that, including the ship traffic. Investigators were able to move the buoy over to the side of Hinchinbrook entrance to avoid some of those problems but the probably ideal thing would be to have a number of buoys out there and some surface radar installations and so forth. There's a lot of people -- a lot of different entities interested in this, a request for qualifications for the Regional Citizen's Advisory Council right now in Prince William Sound. Then we have a conference call tomorrow to talk about the qualifications of the proposers. So there's a number of them and then there's Dave Musgrave, University of Alaska, Fairbanks, who's got a salmon project on the university internal funding to look at some of the same oceanographic processes. So I think we're going to be able to add things on to this project as it goes along. The buoy was redeployed for nine months in early November

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so essentially the buoy is in place and we're recommending that the $102,000 to continue these measurements is a valuable contribution to the ongoing understanding of long-term changes in the oceanography of this area.

Project 603 is the second in this group of projects under long-term monitoring. It's for 80K and it's for an ocean circulation model for an area broader than Prince William Sound. There's a couple of models that are working now in Prince William Sound and some ongoing efforts at the Prince William Sound Science Center under the Oil Spill Recovery Institute to do some more modeling. There's an in-place model that was developed by the Trustee Council funding. It was developed both by Chris Moores and then refined by Jia Wang. But the same proposal here, Jia Wang is proposing here to build a larger scale oceanographic model of the Gulf of Alaska, using tides, winds and fresh water input mainly. And I think a key to setting the boundary conditions for models -- because crucial to the outcome of these models is what conditions that the margins of your geographic area and the boundaries of the problem and it will be important to have a wider scale circulation model and it develops an in-state capability and maintains that as well. It's a relatively modest request considering the size of the work that's being undertaken here. The request is for 80K and I'm recommending that this project

go forward.
Project 667 is a request for 1.2 thousand dollars and.....
MS. McCAMMON: It just corrects an error that was made in the August number.
DR. SPIES: Corrects an error, yeah. Yeah, it's a correction of an error that we originally -- I think you voted to fund this project back in August.
Again going back to this nearshore GEM process, Project 681 is a deferral. It's to actually develop a inshore, nearshore and intertidal monitoring program for GEM. This is a $50,000 request and again, we hope after the workshop in January that this project will go forward and we're deferring it until after everybody can get together and kind of hash out what we really need to do in the nearshore area.
And two more categories to go here. Data management and information transfer. There's a request for 16K under Project 668. And this is by the Cook Inlet Keeper. And the idea here is to provide some funding to help evaluate how effective the citizen monitoring program is and to start to look at quality assurance. The biggest barrier to getting community involvement in a lot of these potential GEM program activities is going to be the acceptance of the data that is gathered by citizens and

volunteers. And so this project is directly focused on that hurdle. And it will be evaluating data that's been taken and looking at the quality control.

The last two projects are grouped under the community involvement public outreach. Project 052 is a community involvement project. It's a longstanding project with the Trustee Council. It's being recommended for deferral. And I think that the thinking here is to reevaluate kind of the goals of this particular project given that fact that the objectives in the Native communities have changed over the years and there's more emphasis on the tribes kind of co-managing their own resources. And I think the thinking here, and Molly can certainly comment on this better than I, that we need to kind of reevaluate where this project is and possibly redesign it. And there's some issues also with the late reports and the reporting problems with this project.

And the last project for your consideration today is Project 630. It's a request for $240,000 and it's essentially the funding to get the GEM program in place. So it's a funding for staff efforts here and time for the staff to get these proposed committees together, get the nomination process for the Scientific Advisory Committee together and so forth, assuming that the NRC and your concurrence, so we're moving along the right road here. So

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we're planning ahead for the rest of the year and this is the estimated cost for that.
So that concludes my comments. I'd be pleased to answer any questions.
MR. RUE: Whirlwind tour.
CHAIRMAN GIBBONS: Any questions? Michele.
MS. BROWN: It's not a question. Thank you, Dr. Spies. That was well done and I agree with Frank's whirlwind tour. I just wanted to express some support for some of the -- at least two of the synthesis projects that are on here, 2600 and 2636. And the idea of really trying to pool together years and years worth of research and figure out ways to put that to use that people, you know, the Cordova fishermen, their letter was persuasive about the need to put some of this information to use. So I just wanted to put in a good word for those two projects in particular.
MR. RUE: Those were both recommended for funding.
MS. BROWN: Yes.
MR. RUE: Right.
CHAIRMAN GIBBONS: Jim.
MR. BALSIGER: I guess on that same project, I think that the synthesis 2600 was deferred until we could figure out how Dr. Spies' other duties are going to be covered. So is there any -- can you tell us how you intend

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to do that?
MS. McCAMMON: He mainly -- the original proposal was to do it all within two years and so we basically scoped out what he needed to do this year and then next year, in terms of bringing in particular the oil spill injury part of the program to a conclusion and also the transition of managing the peer review process from his office back to our office in Anchorage. And so between that, by spreading it out over three years, we looked at all of his hourly time for all of the things he was expected to do and he figured that he had enough time in the week to do that. So that was the main difference was by doing it over three years.
MR. BALSIGER: Two to three years. And so the peer review management would be overseen in your office here by you?
MS. McCAMMON: Yes. Or by contract, we haven't decided that completely but it would managed out of this office rather than out of Bob's office in Livermore. Although he would be continuing the conclusion of the oil spill part of the program until that's done because it doesn't make sense to change the peer review of those particular projects. But those are becoming smaller in number and will phase out within the next couple of years.
CHAIRMAN GIBBONS: Craig.

MR. TILLERY: Yeah, one of the projects that was recommended for not funding is 680, which is persistent organic pollutants.
MS. McCAMMON: Page?
MR. TILLERY: Page 18. I mean, it looks like it says, good effort, qualified investigators -- it's a very important topic. I guess it looks like the only reason it's not funded was because you couldn't find somebody else to throw in money, it's not recommended. And my question will be, what are we doing to try to connect with other groups that might support this kind of study and when -- do we think this might be ready for next year?
MS. McCAMMON: I think it could potentially be ready for next year or the year after. What's happening is that within all of the departments and agencies statewide there is a huge amount of attention right now on POPs. There is money that the park services receive, that Fish and Wildlife Services receive to do similar kinds of studies. There's supposed to be 3 million dollars in the Federal budget for the State to start a program on contaminants. So there's a lot of effort, there's efforts to start coordinating that and where our niche is is very unclear and what role the GEM program will play. We know that contaminants will be an important part of our long-term program but we don't know exactly how and where yet.

And so it seemed prudent given that there are all these other kind of uncoordinated efforts at this time, to participate in this effort to try to coordinate things and then come out with more of a deliberate plan at some point in the future.

MR. TILLERY: Are any of these symposiums going to try to sort that out?

MS. McCAMMON: We don't have anything in January/February particularly -- although when we look at nearshore -- when we look at all the various habitats and start working on those habitats and what needs to be done in each one, contaminants is an issue in each of those habitats. So it will be looked at and examined from that perspective. So it could very well be when we do the second phase invitation in September that contaminants could be part of it. Right now our focus on contaminants is oil spill injury. That is where we're devoting most of our time in terms of contaminants and pollution. We do see that phasing out over time. And that's where POPs and other efforts would probably come in at a higher level.

MS. BROWN: Yeah, I picked up on that one as well, too. I mean, at DEC we have a modest $300,000 effort going into some similar monitoring so I made a note to get in touch with them and see if there's some way that we could come up with a common research plan. That would leverage --

here is other matching funds in the sense of common work going on.

MS. McCAMMON: Well, one of the reasons, I mean, if you go back to what our recommendation is for today, it is underneath the cap by not quite $300,000 and yet we're recommending certain projects not be funded as lower priority. And one of the reasons for that is that we are at a real crossroads in terms of opportunities for partnering and leveraging with all kinds of entities and different activities like POPs. North Pacific Research Board may have some activities that they'll try to get up and running in February and March. And so this does have -- also sets aside a certain amount of money for some potential partnerships that might develop in the next six months. So it gives the opportunity to come back for some things like that.

MR. RUE: Now you've piqued my interest.

MS. McCAMMON: Uh-oh. I shouldn't have said that.

MR. RUE: I know. Maybe which ones are you actively pursuing or are you being actively pursued on?

MS. McCAMMON: Which ones are we?

MR. RUE: Yeah.

MS. McCAMMON: Nothing.

MR. RUE: Nothing is being active -- there's no action. Okay.

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MS. McCAMMON: No, it's just kind of out.....
MR. RUE: We know there's stuff out there.
MS. McCAMMON: There's stuff out there.
MR. RUE: That sounds like Michele's about to do some active pursuing. Okay.
MS. McCAMMON: Maybe that was active pursuit right there.
CHAIRMAN GIBBONS: Jim.
MR. BALSIGER: This will demonstrate how long I can remember things because I asked this morning, is this Work Plan numbers we're looking at administration or just projects and you assured me it was all of this. Now this 5 million cap set by the Council, that's project work or whatever and that doesn't include the operation of your office here because you said that was six and a half.
MS. McCAMMON: You set a cap of six and a half million and you've already approved one and a half million for administration operating so that leaves five million for projects, yes.
MR. BALSIGER: Okay, thank you very much.
CHAIRMAN GIBBONS: Any more questions? Mr. Tillery.
MR. TILLERY: Yeah, I had a question on the pigeon guillemot thing. One of the concerns was whether -- the argument was made that this would be a lost opportunity and

you said it wouldn't, the birds live a long time. But I sort of thought the argument that was being made wasn't that they were going to die but that they were going to go somewhere else. That they might not stay in this artificial environment and they go somewhere else. Is that a concern?

DR. SPIES: They recruit back over a number of years, the ones that were released from the SeaLife Center and the reviewers feel that there will be enough birds out there in '03 to be able to do things nearly as well as in '02. Now Dr. French disagrees with that point but that's another issue.

CHAIRMAN GIBBONS: Any other?

(No audible response)

CHAIRMAN GIBBONS: No? You look puzzled.

MR. TILLERY: No.

CHAIRMAN GIBBONS: Okay.

MR. TILLERY: I mean, I'm sure I am but.....

CHAIRMAN GIBBONS: Well, do we have a motion?

MS. McCAMMON: There is a -- we do have a motion and we do have a motion here. And the motion says the two -- the two spreadsheets say.....

CHAIRMAN GIBBONS: Take a moment to read this.

MR. TILLERY: Mr. Chairman.

CHAIRMAN GIBBONS: Mr. Tillery.

MR. TILLERY: I move that the Trustee Council adopt the recommendations for FY02, defer projects as outlined in spreadsheets A dated December 3rd, 2001 and spreadsheet B with the following conditions: one, if the principal investigator has an overdue report or manuscript from previous year, no funds may be expended on a project involving the PI unless report is submitted or a schedule for submission is approved by the executive director and two, a project's lead agency must demonstrate to the executive director the requirements of NEPA are met before any project funds may be expended with the exception of funds spent to prepare the NEPA documentation.

MR. RUE: Second.

CHAIRMAN GIBBONS: Any discussion?

(No audible response)

CHAIRMAN GIBBONS: All in favor, say aye.

IN UNISON: Aye.

CHAIRMAN GIBBONS: All opposed?

(No opposing responses)

CHAIRMAN GIBBONS: The motion passes. Where are we? Habitat.

MS. McCAMMON: Habitat.

CHAIRMAN GIBBONS: The next topic on the agenda is habitat activities and we'll start off with the status of the current activities with Molly.

MS. McCAMMON: In your packet you have two status reports dated November -- small parcel status report dated November 29th and the large parcel status report dated November 28th. And I'll start with the large parcel because it's simpler. Less activity on that one. Basically there hasn't been any activity on the large parcel front with the exception of the Koniag acquisition. And we had anticipated that the original temporary conservation easement on kind of the Upper Karluk River, Koniag lands was set to expire December 2nd and we had planned to have a bridge easement until next October when the new 10 year easement would go into effect. That easement is still not in place and so we're now working on, I think, a bridge for the bridge easement for about two months. We anticipate it will be about two months until it gets completed. And there's no conflict between the governments and between Koniag on it, it's just a matter of getting the paperwork done. So it's just taking a little longer than it was originally anticipated but it's still under way. So that's all we have to report at that time. There's no activity on the Lower Karluk -discussions with the Karluk IRA Council. The IRA Council is still considering what possible package they might come back to the Trustee Council with.

In terms of small parcel status report, there's a

number of tables before you just kind of showing you where we are with all of these. Table 1 is the amount of funds available. By your resolution March 1, '99, the Council had designated 6.3 million for small parcels as outlined with an additional 25 million for habitat protection beginning October 1, 2002. And it shows, under Table 1, how the various designations for that 6.3 million, with about 270,000 as undesignated.

Table 2 includes all of the small parcels on which the Council has made purchase offers and this is a total of about 371,000 to purchase 128 acres. And all of these are listed on here in kind of their various -- where they are in terms of their status.

On Table 3 is the list of parcels under consideration by the Council. In most cases these are ones that appraisals were approved by the Council but you have not yet authorized funding to purchase them. And they're also included in Table 1.

And then Table 4 goes through all of the acquisitions to date for the small parcel program. And you can see, especially when we're dealing with all of these 10-acre parcels, that just the accounting process of all of these is becoming somewhat challenging. To keep all of them straight and to keep the various status of all of them straight. The ones that have been authorized for purchase

agreements or offers, sometimes they have expired and just trying to keep track of which ones haven't expired, have expired, which ones have gone back to the Trustee Council for approval, which ones have been notified to the court is becoming kind of an accounting nightmare there.

But there has been some progress on things. It's been a lot slower in the past six months to a year in terms of activities. There are a number of parcels on this list that we had thought would close this past summer and have not. I think part of it reflects there usually ends up being some issues that just become difficult to resolve in the final end. I think a number of the agencies also have had significant staff reductions in their, kind of their land departments and so they haven't been able to devote as much attention to these. They aren't as high priority because they are -- they tend to be smaller. So all of those things I think have combined to make some of these things move more slowly.

I guess the good news maybe would be, if we were making money, the money is still in our funds and it would be earning interest. I'm not sure that's been quite the case in the last year or so. But we are really hoping that in the next year, most of these do get resolved in some fashion or another. So we do have some activities in front of you today for actual Council action. There are three

10-acre parcels on Kodiak that are ready for offers to be made by the Trustee Council. The appraisals have been reviewed and approved and they are ready to go. And you do have a resolution in your packet plus maps and benefit reports of those. And we do have Fish and Wildlife Services here to speak to those parcels.

CHAIRMAN GIBBONS: Are they here?

MS. McCAMMON: Yes, they are here.

MS. MULLANEY: I guess I didn't know I was actually going to speak.

MS. McCAMMON: Well, mainly if there were any questions.

CHAIRMAN GIBBONS: Oh, okay.

MS. McCAMMON: So was there any questions on any of the other parts of the program?

MR. BALSIGER: I have a question on your accounting nightmare, I guess, with so much paper and it gives me one. So I can see that you got 2070, 1, 2 and 3, the material back here but where does that show up on the summary report of like Tables 1, 2 and 3 -- or doesn't it?

MR. RUE: Tables 1, 2 or 3 -- there are funds -- parcels under consideration.

MR. BALSIGER: Under the habitat status report, the second page is the tables that Molly just went through.

MS. McCAMMON: The tables, yes.

MR. RUE: Right. Right. Right.
MS. McCAMMON: Yes.
MR. BALSIGER: And those are small parcels which include some Kodiak stuff but then these three new ones, are they part of this list?
MS. SCHUBERT: They're just in Table 1 that's designated for additional Kodiak grant (indiscernible - away from microphone) parcels.
MS. McCAMMON: Right.
MR. BALSIGER: Thanks.
MS. SCHUBERT: So they would actually.....
MS. McCAMMON: Right, it would be the $135,150. It would be within that amount.
MR. BALSIGER: Okay, thank you.
MS. MULLANEY: So these last three.....
MS. McCAMMON: Do you want to come up here, Chris?
MS. MULLANEY: The three 10-acre parcels that we're asking for funding for now are sort of the last of the bunch. I have sort of contacted everybody that I can find, these three were ones I had a little bit more trouble finding out exactly who the owners are and I really don't see much more activity on the 10-acre parcels after this.
MR. TILLERY: Mr. Chairman. Yeah, I had one question on that. On the maps, the blue that are denoted as 10-acre parcels, are those ones 10 acres we've purchased

or 10 acres we haven't purchased?
MS. MULLANEY: We have not purchased.
MR. TILLERY: Okay.
MS. MULLANEY: Those are still private parcels.
MR. TILLERY: And so you don't anticipate any of those being purchased?
MS. MULLANEY: Not at this time. You know, I guess every time I go to Larson Bay though I have a couple more people come up and ask me if I'm interested in buying their parcel.
MR. RUE: Question. After you purchase these it looks like you still have about, what, 90,000 left in that account? Somewhere in that range. I was trying to do a rough map.
MS. MULLANEY: Yeah, it's a moving target but yeah, something like that.
MR. RUE: What's the status of that account then if there are no more parcels of interest, what happens to that 90,000? Do we allocate it?
MS. McCAMMON: At this point it would just stay there until you took some other action on it.
MR. RUE: Decide to do something.
MS. McCAMMON: Right. And just as we have under that table designated for Tatitlek homesites, 180,000 and there's nothing happening on those either.

MS. MULLANEY: I think at some point we'd also like to address the fact that there's a bunch of parcels that are kind of owned by Larson Bay that they never deeded out. If we could ever solve their title problem, we'd like to go in and actually buy the rest of the little pieces that are still owned by the Larson Bay Tribal Council, which show up as brown on the map.
MR. RUE: So do we need a resolution?
MS. McCAMMON: There is a resolution in your packet. And it has been reviewed and approved by all of the attorneys.
MR. RUE: Do you want any further discussion, Mr. Chairman?
CHAIRMAN GIBBONS: Do I have a motion?
MR. RUE: I move that we adopt the resolution that's been drafted for us regarding the three 10-acre parcels, KAP 2071, KAP 2072 and KAP 2073.
CHAIRMAN GIBBONS: Is there a second?
MS. BROWN: Second.
CHAIRMAN GIBBONS: Second.
MR. RUE: I don't read the whole thing, I think we've all had a chance to look at it.
CHAIRMAN GIBBONS: Any discussion?
(No audible response)
CHAIRMAN GIBBONS: So that would total 42,000, is

that.....
MS. McCAMMON: Correct.
MR. RUE: Yes. Where's the exact number -- 42,000 is the total.
CHAIRMAN GIBBONS: Is there any other discussion? Mr. Tillery, you look like you're looking.....
MR. TILLERY: Well, I'm a little bit puzzled on 2073.
MR. RUE: 2073?
MR. TILLERY: Yeah, could somebody go over the benefits of that one? It's off the shoreline, it doesn't seem to really be on the stream except for a small niche.
MS. MULLANEY: It's surrounded by refuge lands, would be one of them. It's totally surrounded by refuge land so.....
MR. TILLERY: But in terms of restoration value, other than administrative convenience for the refuge, what's the sort of value of that particular piece?
MS. MULLANEY: Well, it is on that part of the Browns Bear Lagoon which has very high habitat of salmon going up there. It's a big brown bear feeding area. We've bought an awful lot of parcels right next door to it. So I think it has just as much habitat value as some of the ones right next door. If somebody wanted to put a cabin there, they can certainly hunt all the rest of the lands around

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it.
CHAIRMAN GIBBONS: Which ones were purchased by the Trustee Council around it? I'm just trying to figure out.....
MS. MULLANEY: They actually show up as green but you can see the little square around them. We purchased all of those.
MR. BALSIGER: Is this area open to hunting?
MS. MULLANEY: Uh-huh (affirmative).
MR. BALSIGER: I'm sorry, I didn't follow that. Show up as green but they have a square around them.
MS. MULLANEY: They're green but they look like they have a little square around them, all of these.
MR. BALSIGER: Okay, so it looks like the -- what do you call -- a legend over here would make it look like that's Kodiak National Wildlife Refuge.
MS. MULLANEY: It is now because we purchased them with.....
CHAIRMAN GIBBONS: We purchased it and assigned it to them.
MR. BALSIGER: Thank you.
MS. MULLANEY: Yes, we purchased them with EVOS money.
MR. TILLERY: Mr. Chairman, then it looks like to me that if we purchased that, that would essentially make

the back half of the lagoon would either be -- with a couple of exceptions of the Larson Bay lands -- would either be owned in the National Wildlife Refuge or the US would have a conservation easement on it.

MS. McCAMMON: Chris, the purple ones, though, are in the Koniag Phase II extension of the easement, correct?

MS. MULLANEY: Correct.

MS. McCAMMON: And so there is the option in 10 years for all of those purple ones to be purchased as part of that package. So then you would have that entire area protected, the back part of the lagoon.

MR. TILLERY: Right. So it's just the brown and the blue then that would be unprotected?

MS. McCAMMON: Correct. Kind of the -- yeah, the front part of the lagoon.

MR. RUE: And very often the head of the lagoon, Mr. Chairman, is the most important part where the stream comes in. You have a lot of activity with bears. So if you had to pick one part of a lagoon to protect, you would do the head of it. At least I would look there.

CHAIRMAN GIBBONS: Any other discussion?

(No audible response)

MS. McCAMMON: We have a motion but no second.

CHAIRMAN GIBBONS: We have a motion and we have a second.

MS. McCAMMON: Did you get a second?
MR. RUE: Was there a second?
CHAIRMAN GIBBONS: Yeah.
MR. BALSIGER: Yes, we both seconded it.
CHAIRMAN GIBBONS: Hearing no other discussion, all those in favor say aye.
IN UNISON: Aye.
CHAIRMAN GIBBONS: All opposed?
(No opposing responses)
CHAIRMAN GIBBONS: Motion passes.
MS. McCAMMON: Thank you.
CHAIRMAN GIBBONS: Molly, I think you're up -- the Afognak resolution.
MS. McCAMMON: Right, the next item before you is a resolution that you requested at the August meeting after hearing a presentation from the Kodiak Brown Bear Trust, the Rocky Mountain Elk Foundation and the American Lands Conservancy about various efforts under way to protect lands on Northern Afognak Island. We prepared this resolution at your request -- I'm trying to think, there is a, I think, a revised proposal now, amidst all the paperwork, I'm looking for it right here.
MS. SCHUBERT: It was on the table this morning.
MS. McCAMMON: Okay, it was on the table this morning. So it should be dated 12-11-01 at the bottom of

it. And this reflected some changed language in one of the whereases and now I'm trying to figure out which one it was that changed. The fifth one?
MS. SCHUBERT: Yeah.
MS. McCAMMON: One, two, three, four, five. Okay. Got it. This reflects some language requested by the Department of Law on the fifth whereas, whereas as the Trustee Council sought to acquire these additional lands in order to provide contiguity -- I'm not sure that's the right word.
MR. TILLERY: That was not a Department of Law word.
MS. McCAMMON: I'm not sure that's a word.
MR. TILLERY: Contiguity.
MS. McCAMMON: Contiguity. It just doesn't sound right. In protection land management strategies and ownership, it had insufficient funds available to purchase them. And basically the resolution talks about the past efforts that the Trustee Council has expended on protection of Northern Kodiak Island, which has been extensive in the past and is in support of additional efforts. There was some discussion, I heard from one of the Trustees, because there are other efforts under way in addition to those by the Kodiak Brown Bear Trust, American Lands Conservancy and Rocky Mountain Elk Foundation. And so there was a

recommendation that when we get down to the, therefore be it resolved, that it be that the Trustee Council strongly supports and encourages the efforts underway to seek funds for protection of the coastal habitat in Perenosa Bay. And eliminate specific reference to the Kodiak Brown Bear Trust, American Lands Conservancy and Rocky Mountain Elk Foundation. Not because those efforts aren't supported but because there are additional efforts by others going on.

And just in case there is any question about what the Council has done in the past on Afognak Island, to date there have been three major land acquisitions, Seal Bay and Tonki Cape in November of '93. Shuyak Island in March of '96 and then around Perenosa Bay and timber reservations east of Paul's and Laura Lakes with Afognak Joint Venture in November of 1998. Those total over 100,000 acres and about 155.6 million dollars. So there has been a significant effort made in terms of protection activities on Afognak. Certainly it was one of the more expensive -- the most expensive area within the spill impacted area. And that was one of the reasons we weren't able to do as much at that time.

In addition, when landowners were originally contacted back in '93, there were a number of landowners who were not interested in selling at that time. These included Ouzinkie Native Corporation, Afognak Native

Corporation, Natives of Kodiak, at that time, Afognak Joint Venture was still -- and still is in place but they're in the process of demerging. So there are now landowners that have approached the Trustee Council and others with interest now in selling interests in their lands, and that was not available at that time.

CHAIRMAN GIBBONS: Mr. Rue.

MR. RUE: Mr. Chairman, one of the reasons we're doing this obviously is to help those folks who are working on this make a case with whoever is going to help them with funding.

MS. McCAMMON: Private funders, yes.

MR. RUE: Demonstrate our interest and our support. By changing this last paragraph, do we weaken that sense of support? It's just a question I'd put out there. Certainly it doesn't in my own mind but inasmuch as we're providing support for folks to go out and do good things and raise money, have we hindered them in any way. Perhaps if they're here we could ask them.

MS. McCAMMON: I did talk to Jerry Wells with the Rocky Mountain Elk Foundation yesterday afternoon. And he wanted to express his appreciation for the resolution. Of course they would like to see a financial commitment in any resolution but they understand that the Trustee Council might not be at that point in making that commitment now.

They are meeting with various foundations and trying to get commitments. I mean, I think another way of handling this would be to say encourage the efforts under way, including those by the Kodiak Brown Bear Trust so that they are referenced but not limited to just those.

MR. RUE: We do mention them throughout but it seemed a little odd to take them out here unless there's a compelling reason, I'd rather leave them in somehow.

CHAIRMAN GIBBONS: If I could comment on that. I just want to encourage all people out there to encourage to purchase. Not just limit it to these three, that was my.....

MS. McCAMMON: Right.

CHAIRMAN GIBBONS: There's other activities going on in this arena out there so we shouldn't just limit to the three, was my only one. We should encourage a bunch of activities out there.

MR. TILLERY: Mr. Chairman, I agree. I think it's nice to leave the names in there but I think perhaps after Rocky Mountain Elk Foundation we could simply say, and others. Which would -- because you're right there. Not only are there some more that you're aware of but there are some others that we're not currently aware of that perhaps these people be approached.

MR. RUE: So it would read, encourages the efforts

underway by Kodiak Brown Bear Trust, American Lands Conservancy, Rocky Mountain Elk Foundation and others to seek funds. I'd prefer that.

MS. McCAMMON: Uh-huh. Okay.

MR. TILLERY: Mr. Chairman.

CHAIRMAN GIBBONS: Yes.

MR. TILLERY: The one thing that the Department of Law had requested in that fifth paragraph is it originally was sort of -- the statement as originally drafted was sort of speculative as to what the Trustee Council would do or would have done, which is probably not something we want to get into. But when we went back and looked at the -- I mean, to make sure of this, looked at the record, the Trustee Council actually did seek to purchase these lands that are being described in here. We made an offer for these lands and we simply came up short of money because we had to ensure there was sufficient money to establish a viable long-term scientific research program. So certainly we thought that it was important that that paragraph be changed to reflect that in fact we did, the Trustee Council did unanimously seek to purchase those lands, we simply weren't able to do it because of funding limitations.

MR. BALSIGER: I was going to offer the same suggestion as Mr. Tillery.

CHAIRMAN GIBBONS: Oh, okay.

MR. BALSIGER: On the others part.
CHAIRMAN GIBBONS: Any other comments?
(No audible response)
CHAIRMAN GIBBONS: Do we have a motion?
MR. RUE: Excuse me, Mr. Chairman. I move that we adopt the resolution of the Exxon Valdez Oil Spill Trustee Council concerning protection of lands in Perenosa Bay as amended in the last paragraph to say, efforts underway by the Kodiak Brown Bear Trust, American Lands Conservancy, Rocky Mountain Elk Foundation and others to seek funds for the protection of the coastal habitat in Perenosa Bay.
CHAIRMAN GIBBONS: Okay, do we have a second?
MS. BROWN: Second.
CHAIRMAN GIBBONS: It's been moved and seconded. Any other discussion on this?
(No audible response)
CHAIRMAN GIBBONS: All those in favor say aye.
IN UNISON: Aye.
CHAIRMAN GIBBONS: Opposed?
(No opposing responses)
CHAIRMAN GIBBONS: Motion passes.
MS. McCAMMON: It needs to be amended. Oh, is this.....
CHAIRMAN GIBBONS: No, that's KAP.
MS. McCAMMON: Oh, okay. That's the other one.

The three tax parcels. All right, now.....
CHAIRMAN GIBBONS: Microwave station.
MS. McCAMMON: Yes. Okay, this is a proposal and there's information in your packet and we have some representatives of the project here to give a presentation to you. But basically Alascom is seeking permission to locate a microwave repeater site on land purchased by the Trustee Council as part of the Afognak Joint Venture acquisition that was completed in 1998. The State of Alaska now holds title to the land and the United States holds an conservation easement on the land. Permission from both governments is required for this activity. In addition, because this land is acquired through the EVOS process, basically the informed consent of the Trustee Council is being requested although it is not required. And there is a packet in here that's been provided by New Horizons Telecom, which is Alascom's authorized agent. And they have a project description, drawings and a map. And we do have folks here who are available to answer specific questions. Before they get into that, I do need to just make note real quickly of some comments that were brought up at the Public Advisory Group meeting yesterday on this. There was some concern expressed because there have been, in the past few years, a couple of activities like this that are being sought on lands that were purchased through

the Trustee Council process.
And the Council process is a very open public process and there is some concern that -- and I don't think there is concern necessarily with any of the activities that have been considered but there is some concern that by just requiring permission of the governments, there was a question about whether there was a public process included in that and whether there would be opportunities for the public if they didn't like certain activities to actually have some kind of involvement in what the governments had to say about things. I know the State of Alaska has a process, I'm not sure something like this qualifies for that public process in terms of a best interest finding and I'm not sure that the Federal side has any kind of process, other than just a government review. But this was a comment that the PAG -- a couple of the PAG members wanted me to pass on to you. That there was a little bit of concern about that expressed.
And going back now to this particular proposal, the proposers originally did seek a site on Shuyak Island, within Shuyak Island State Park. And they met with State Park staff who actually objected to the original proposed site and working with the proposer, they came up with this alternate site on Northern Afognak. So with that, do you just want to come up and if there's any -- do you want to

go through the actual proposal and then if there are any questions.....

MR. LeCREN: I'm Doug LeCren with New Horizons and we're working with AT&T Alascom to create a microwave link between Homer and Kodiak. Kodiak as of right now only has satellite telephone service, which you get that delay in there. A satellite communications does not allow you to have high speed Internet access or any of the new high tech telecommunications that are coming online these days. As Molly pointed out, we worked with the Park Service and we actually looked at two or three sites on Shuyak and also looked at the site that you're looking at right now, which is Big Waterfall Bay.

Basically there's five hops in this going from Kodiak to Homer. All the sites are vital. Due to the microwave links, the sites can only be a certain distance apart from each other. We also have sites in Kitoi Bay, Ushagat, Bede Mountain and then on Diamond Ridge in Homer. We have been working -- Ushagat Island is actually in the Fish and Wildlife Refuge. We've been working with them. That is not totally approved but we have gotten, procedure-wise, we have a few questions that we're dealing with right now. The other two sites are in Native owned land, which we are dealing with them. The site itself would have two 12 x 16 buildings, one's going to be an equipment building;

the other one will be a power generation building. And then we'll have a 6,000 gallon above ground storage tank, double wall. And then we'll have a hundred-foot free standing tower with, I believe there's four antennas on it. Two shooting north; two shooting south.

AT&T has -- the fuel system would all be monitored back at AT&T Toll Center here in Anchorage, which both monitors the level of the tank; the double-wall interstitial space of the above ground storage tank; the day tank inside; the actual floor of the equipment room, if there's anything to spill inside it and all that is monitored back here. That's basically the overview of the whole thing. We would be building the buildings actually in town, out in Palmer and they'd actually be helicoptered into the site so that minimizes time at the site for construction. We basically go on site and build the foundation, which is a pier building so there's no leveling of the land, it's basically just columns of concrete. And then heavy lift helicopters come in and set the buildings where they are and then we do all the tie ins together. The tower itself would be stacked on site, either with a helicopter or with equipment that would fly in. The site is designed to operate for a full year without refueling and in that case, during the summer months we would refuel and also do all the maintenance on it. So you're only

looking at maybe once or twice a year actually going to the site unless there's a major, major maintenance problem with it that they'd immediately have to go to. And that's basically it. The site's .6 acres. If you look at figure 3, it's 200 feet by 110 feet, which would involve all the buildings, the tank, the tower and the helicopter pad.

CHAIRMAN GIBBONS: Mr. Rue.

MR. RUE: How far along are you in your discussions with DNR? Is DNR the land manager that would have to approve this?

MS. McCAMMON: Yeah, State Parks.

MR. RUE: Okay, State Parks.

MR. LECREN: State Parks is actually through the process of eliminating the sites that -- Chugach actually approved the site verbally. It's basically a Catch-22. We're waiting for your approval to get their approval to go to the underlying, which is actually BLM and then -- what was the other.....

MR. RUE: On the subsurface, you have to go there?

MR. LECREN: Right.

CHAIRMAN GIBBONS: So they'll have -- you'll have containment around the tanks and all that is part of your permit then?

MR. LECREN: Yeah, the 6,000 gallon tank is a double-wall tank which is the outside tank. Basically if

the inside one were to rupture, it'd catch that. All the piping from that tank to the building is in double-wall containment. It's got all the spill preventions of CFR and they're also required to have a SPCC plan, which is a spill prevention counter measure plan, basically. Which AT&T has at all their sites.

MS. BROWN: What kind of electronic monitoring or other kind of remote monitoring are you going to be doing on the integrity of the tanks and the lines?

MR. LECREN: There will be -- if you look at the table, there will be electronic monitoring on the second wall containment piping, actually inside the building. The double-wall tank, the double wall interstitial space, the above ground storage tank and the above ground interstitial space and also the level, so they can actually gauge the generator usage for what's actually in the tank.

CHAIRMAN GIBBONS: Mr. Tillery -- I mean, Mr. Rue.

MR. RUE: Mr. Chairman, as I recall, when we looked at the parcels and purchased the land, this was not the highest value of habitat. I mean, it seems to me they've located -- they've done a good job of finding a good spot for this that avoided the highest values that we were seeking to protect when we bought these parcels. It is my best recollection of this area.

MS. McCAMMON: I think that's correct.

MR. RUE: And so for that reason, I think they've done a good job of finding a spot that works for everybody. So that's my initial read on it. Unless others here see something I don't see.

CHAIRMAN GIBBONS: Jim.

MR. BALSIGER: No, I think that's right but Molly asked something about the public process. But I presume that the citizens of Kodiak is largely for this. Is there anyone that finds a problem with it? They don't want better communications?

MR. LECREN: Not that I know of and this actually puts in the backbone and from that backbone you can actually go to all the villages. To both English Bay, there's a few villages on the sites that we're dealing with their property that are basically saying, what's in it for us? We've actually done calculations to shoot microwave into more of the villages. It's a line of sight thing so you've got to either jump over mountains or have a tower high enough to shoot into some of the villages. But no, we have not gotten any objections.

CHAIRMAN GIBBONS: Mr. Tillery.

MR. TILLERY: I'm trying to sort of sort out in my mind the Council's role in this. My recollection is that there is a -- the agreement that has certain covenants in it and then there's a conservation easement to the other

government. It would seem -- I think, and I could be wrong about this, I haven't looked at it -- is that the Council's role really would be that of a recommendation to the government that owns it and the government that has the conservation easement. We really wouldn't approve this, per se.

MS. McCAMMON: Correct.

MR. TILLERY: And then as far as public process, that would be the State -- would do a best interest determination and that would.....

MS. McCAMMON: That was unclear, whether there was. Whether this qualified for that or not. I did consult with Alex about that and he wasn't clear on that.

MR. RUE: Whether this is a significant enough action?

MS. McCAMMON: Right.

MR. RUE: Yeah, that's really up to DNR to decide.

MS. McCAMMON: Right.

MR. TILLERY: In any event, I don't think that we are really saying yes or no, we simply would be making a recommendation to the two governments.

MR. RUE: Do we have a form of the recommendation here, Mr. Chairman?

CHAIRMAN GIBBONS: I have.....

MS. McCAMMON: We actually don't, although it's

similar to, I believe it's the Old Harbor Hydroelectric activity that was done on Old Harbor lands. So, I mean, there has been precedent for this before. It's difficult in a lot of these large parcel acquisitions to foresee what kinds of needs and uses might come up. So I think it was, you know, it's appropriate that things like that come back for the Council to make a recommendation. And we do have, I know, a -- there was some kind of a recommendation that was made at that time. I can't remember what the actual language was but you could do a conceptual recommendation that we could then draft language and send it around to you, if that's sufficient.

MR. RUE: Mr. Chairman.

CHAIRMAN GIBBONS: Mr. Rue and then.....

MR. RUE: I'd feel comfortable having the Executive Director write a note saying that the Council had a presentation and felt that the site as proposed didn't conflict with the purposes that we had in mind when we purchased it. Or something to that effect. Although I'm not sure we want to -- I do worry a little bit that we're getting into a precedent. That we're going to start sitting here and looking at every single project as opposed to letting the process work and.....

CHAIRMAN GIBBONS: That's my con.....

MR. TILLERY: Well, I don't think that's a bad

precedent. I mean, I think that we should hear about projects that effect lands that this Council paid restoration dollars for. And one of the other things that we're eventually going to get into at some point is where the lease money is going to go for this site. But I just want to make sure that we don't have a.....

MS. McCAMMON: That's a good question.

MR. TILLERY: Let's make sure that people are aware that we don't have a yes or no role in this. It's really, you know, it's left up to the governments under the terms of the conservation easement and the deed.

MR. RUE: Okay. Do others think we should write a letter or should we just have a voice resolution or something?

CHAIRMAN GIBBONS: Michele, do you.....

MR. TILLERY: What's the timing? What's the timing on this?

MS. McCAMMON: Doug, what's the timing on this?

MR. LECREN: As soon as possible.

MS. McCAMMON: Last week.

MR. LECREN: They're going into construction this summer so this or next month would be most beneficial. We're trying to wrap up all the land acquisition by next month.

MS. McCAMMON: By next month.

CHAIRMAN GIBBONS: Michele.

MS. BROWN: My comment is somewhat similar to what Frank was raising in terms of our role of -- you know, I am concerned about the public process. I do appreciate that fact that you brought it to us so you would have a full discussion. It seems like our role is more one of saying, we don't object or oppose but it's up to the land manager. We don't see that it conflicts with the purposes but it's up -- so that we're not looking like we're directing the land manager. In any way influencing abundantly the outcome of that. And then my second question was the money on it. Does the Council have any kind of role in that or -- I just don't understand how all those financial arrangements work and we always need more money in GEM, you know.

MS. McCAMMON: I think we need a creative attorney to work on that. No, actually it was the landowner who asked Doug and his group to come to us, too.

MR. LECREN: Yeah, we're.....

MS. McCAMMON: I don't think he would have come necessarily to another one on your own.

MR. LECREN: Well, we were directed from the -- actually the Parks Service.

MS. McCAMMON: State Parks -- Alaska State Parks, yeah.

MR. LECREN: State Parks because they actually directed us, of course, to this island because they didn't want us on the other island.
CHAIRMAN GIBBONS: Mr. Tillery brought up an interesting thing, we do a lot of this in the Forest Service and -- do we have a mechanism? I would think the payment would still go to the State. Why would it come in to us? I was thinking about that and I don't know how much the State charges but it wouldn't be a whole big windfall.
MS. McCAMMON: It's probably not a lot, it's.....
MR. LECREN: We'd pass that off to AT&T to deal with that, so -- we just fill out all the paperwork and then when it goes into negotiations it goes over to Jim Wicks in real estate on AT&T and I would have no idea what they pay in those lease agreements.
CHAIRMAN GIBBONS: And if you think you have a paperwork nightmare with small habitat, these guys don't?
MS. McCAMMON: Right.
CHAIRMAN GIBBONS: Mr. Tillery.
MR. TILLERY: It seems to me that if we do submit something that says we don't object to this which would go to the governments, we might at the same time submit something to the governments that's suggesting that payments, whether -- you know, for example, if they were to go to State Parks for management of these lands and I think

they will eventually be managed in these under kind of a land management agreement, it sort of mitigates the damage and so forth or any harm that might come from this. So again, we can't direct things but it might be worth suggesting that they look.....

MS. PEARCE: But the State can't dedicate funds.

MR. TILLERY: No, but if they take it in as -- you know this better than I do. They can't take this in as program receipts.

MS. PEARCE: I don't think they can take it as program receipts.

MR. RUE: They can ask for them.

MS. PEARCE: Not a right of way, this isn't -- that would come in DNR under their rights of way into the general fund.

MR. RUE: Maybe what we could ask, though, is that Parks budget for using these funds. And they have to get approval to do that. Right? That's how it works.

MS. PEARCE: We're getting a little too creative.

MR. RUE: No, that's how it works. And they would say.....

MS. PEARCE: Why don't you just privately say to the Commissioner of Natural Resources, here's an idea rather than us doing that?

MR. RUE: I propose Molly write a letter saying we

don't object. It doesn't conflict with purposes of the purchase and the only question is, do we have this about we hope that the rentals are used for managing the lands or something.

MS. BROWN: As long as that doesn't encourage other uses to offset budget cuts.

MR. RUE: I'm not worried about that. We want to encourage them to.....

MS. McCAMMON: Why don't I draft a letter and send it around to all of you?

MR. RUE: That's fine.

MS. McCAMMON: Before it gets sent.

CHAIRMAN GIBBONS: Okay.

MS. McCAMMON: Would that -- does a letter from me on behalf of the Council work for you, Doug?

MR. LECREN: Yes, that's all we're proposing.

MS. McCAMMON: Okay, and we'll do that in the next day or two.

MR. LECREN: We just need to get that letter and then we're going to back it up with the Parks Service, probably a recommendation from them, too, and then give that to DNR.

MS. McCAMMON: Okay. Do you need a motion then, I think or -- do you need motion?

MR. RUE: I don't think we need a motion.

CHAIRMAN GIBBONS: No, I don't think so.
MR. RUE: Just see if there's any objection.
MS. McCAMMON: Okay. Okay.
MR. BALSIGER: Just one last question of curiosity. Looking at your photos of Mount Ripinski and Point Howard, I can't detect any security fence around those? Are they so remote that you don't have to worry about.....
MR. LECREN: They're so remote they don't have security.
MR. BALSIGER: Nobody's going to climb them and.....
MR. LECREN: Basically the one -- the Big Waterfall Bay is at the top of an 800-foot cliff and the only way you're going to get there is either a very, very long walk or a helicopter.
MR. BALSIGER: It sounds like high school seniors would do it routinely.
CHAIRMAN GIBBONS: So just a thought, so you don't have any trouble with bears?
MR. LECREN: We don't. The two buildings actually have freezer doors on them. We built them with freezer doors on them so they don't -- both blowing wind and everything. And actually the tank is actually ballistic rated so you can all -- after the shot in the pipeline, you can't really say that it's totally -- but no, we have not

-- I don't think we've had any problems with any bears that I know of and we've been doing some fuel upgrades down in Southeast on probably about 22 sites down there for AT&T.

CHAIRMAN GIBBONS: I'm going to have to put some of those on my cabins. Okay, thank you.

MR. LECREN: Thank you for your time.

CHAIRMAN GIBBONS: Should we take a short break and then.....

MS. McCAMMON: Good, I think we've -- yeah, got a few things left so, yeah.

CHAIRMAN GIBBONS: Five-minute break.

(Off record - 3:05 p.m.)

(On record - 3:21 p.m.)

CHAIRMAN GIBBONS: We reconvene the Trustee Council. The next item on the agenda is another habitat, Jack Bay. And Ken Holbrook, do you want to come up and explain that to us.

MS. McCAMMON: Why, it's here again?

CHAIRMAN GIBBONS: Yeah.

MR. HOLBROOK: Good afternoon, Mr. Chairman, Trustee Council. My name is Ken Holbrook and I'm with the Forest Service and I'm here to ask today for the Trustee Council to reauthorize the Forest Service to acquire the Jack Bay parcel from the University of Alaska. You passed a resolution in December of last year authorizing this and

we were unable to come to a conclusion by June 21st, is when your resolution expired. We are very close with them now. We've had difficulty with the purchase agreement and with the deed but we've worked out those details, we're ready to go back. And you have a resolution and a benefits report. And if you'd like I could go through it but it's basically just reauthorization of what you did last December.

MR. RUE: I'm fine with it. I've seen it before, so I'm okay.

CHAIRMAN GIBBONS: Any questions from the Trustee Council? Has this resolution been reviewed by legal staff on both sides?

MR. HOLBROOK: That's correct.

CHAIRMAN GIBBONS: Okay.

MR. BALSIGER: Just so he doesn't get off without anything, on Page 2 there's a funny C in your outline. Instead of in parenthesis it looks like a copyright thing, so.

MR. HOLBROOK: Okay, we can clear that up.

MS. SCHUBERT: It's been fixed.

MR. HOLBROOK: It has been fixed?

MS. SCHUBERT: In the original.

MR. HOLBROOK: Okay.

CHAIRMAN GIBBONS: Drue.

MS. PEARCE: Thank you. Just for the record, while the Council and a previous DOI rep for the Council approved the original resolution to provide this funding, it's a little inconsistent for me personally in that I have voted a number of times in my previous life to try to give the University of Alaska land. Certainly not purchase it back from them.
MS. McCAMMON: This is the other hand.
MS. PEARCE: I understand and I also believe that it doesn't create much value for anyone for one government entity to purchase land from another government entity. Perhaps the University would have been better off trying to figure out a land exchange. But having said that, since the Trustee Council has previously resolved to move forward with this project, I think that it would be unfair to vote against it. But it doesn't seem to me that we're creating much value here for anyone.
CHAIRMAN GIBBONS: Mr. Tillery.
MR. TILLERY: Yeah, Mr. Chairman, the resolution would have this offer expiring on December 15th, 2002. I think that's contrary to our -- I think that's contrary to our resolutions dealing with the sort of division of the money which comes about on September 30th or September 1st, I forget.
MS. McCAMMON: October 1, 2002.

MR. TILLERY: October 1, 2002. Unless there's some reason that that date needs to be December 15th, it would seem to me that it would be better to have this either be done or not done by September 30th.
MR. HOLBROOK: I think that September 30th would be just fine.
CHAIRMAN GIBBONS: So that would be 4(b), change that to September 30th?
MR. TILLERY: That's what I'm kind of looking at. That's the only place I've seen it so far.
CHAIRMAN GIBBONS: Any other questions?
MR. SWIDERSKI: The only question I have is whether a mineral survey -- normally when the Council buys a parcel we don't get the mineral estate, where there's a potential, if there's any possibility or potential for mineral exploration the Council will ask for a mineral survey. And I'm just not sure that one was done there. I'd have no idea. Maybe the Forest Service has already done one. I know that there have been minerals located at Virgin Bay, which is very close and on some of the Tatitlek lands, which are also quite close to this parcel. That was my only comment on that.
MR. HOLBROOK: Mr. Chairman, we did not do a mineral survey although I did do an extensive review of past activities in the bay and on this parcel. There has

been exploration and mining occurred in Jack Bay and there's only been one operating mine, which is very close to the border of this, for gold. There's been a number of explorations within the area, both for gold and copper. Nothing as much as what you see around Telemar or Fidalgo or some of those other areas but there still is minerals in this area and we have not done a survey.

MR. TILLERY: Mr. Chairman.

CHAIRMAN GIBBONS: Mr. Tillery.

MR. TILLERY: My recollection is that before we did the -- one of the parks, I think it was Seal Bay, we did an exercise, we had DNR do an exercise that determined that there was no mineral value so we knew that we wouldn't be buying land that was then going to end up subservient to the subsurface estate and end up having a big open pit mine or something on land we have spent money for. Is there any reason why that couldn't be done as one of the conditions of this? That there be some kind of an evaluation that indicates that there is not effective mineral value?

MR. HOLBROOK: I won't object. I mean, if that's what the wishes are of the Council, we can arrange that.

MR. TILLERY: I guess I would be.....

CHAIRMAN GIBBONS: We've done a history of it. I think, you know.....

MS. McCAMMON: Would DNR do it?
MR. TILLERY: Well, DNR did them in the past I know but I don't know if DNR would do this one.
MR. SWIDERSKI: DNR has done them. We've contracted with someone to do -- we've done a number of them actually. There's someone that we've contracted with to do them. There is someone at DNR that's done them.
CHAIRMAN GIBBONS: It would be DNR -- it's DNR land subsurface.
MR. SWIDERSKI: But anybody could -- I think the concern is that someone would file a mining claim on it. It wouldn't be DNR that was going to mine it.
MR. RUE: So, Mr. Chairman, is -- Mr. Chair, are you suggesting that we make this contingent upon a mineral survey and if it says there aren't any significant values so there is no risk to surface estate, then it's a go? What if the mineral survey comes back and says it's very likely there will be an open pit copper mine here in 30 years or when the price of copper goes to X. Then if we hear that, then we say the deal's off? I'm not sure where you're going.
MR. TILLERY: Mr. Chairman, then I would think that the Council would need to make an informed decision as to whether that was essentially good use of our money. If there is an indication that there is some kind of mineral

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that could result in activity that would, you know, diminish the restoration value of the land then it's not money well spent. It seems like we should know the answer though before we spend money.
CHAIRMAN GIBBONS: Why don't we have the Forest Service work with DNR on a mineral evaluation of the 942 acres.
MR. TILLERY: And just for example.....
CHAIRMAN GIBBONS: Because would that be -- it may be valuable. I know DNR is redoing their Prince William Sound area plan. There may be a value to that public process too.
MS. PEARCE: Are you talking about an actual assessment? Mineral assessment or.....
CHAIRMAN GIBBONS: Right.
MS. McCAMMON: No, it's a mineral -- what is it?
CHAIRMAN GIBBONS: Mineral survey, I think -- what are they called?
MS. McCAMMON: Carol's here.
CHAIRMAN GIBBONS: Carol, do you have a.....
MS. FRIES: Generally what we have done in the past is gone to the Division of Mining and have them look.....
MS. McCAMMON: Can't hear you, Carol.
MS. FRIES: Generally what we've done in the past is gone to the Division of Mining and have them look at the

geologic structure in the area and give us an opinion as to what the potential for various minerals and other subsurface resources might be. They don't -- they're not going to give us a value, they're going to tell us whether or not it is likely that it would have economic potential or not, as the case may be.

MR. HOLBROOK: Mr. Chairman, I have done a complete review of Bureau of Mines activities. I have maps here that show the mineralization and also all of the actual prospects that have occurred in the area, which would be very useful in this review.

MS. McCAMMON: So I guess the question is, do you wait for that mineral assessment before you do the resolution or do you do some contingency and it only comes back if it's something else. Or how do you want to approach that?

MR. TILLERY: Mr. Chairman, I think it would be something like one of these A, B, C, D, E's. You know, like completion of a compliance with NEPA or completion of hazard materials survey. It would be completion of a mineral assessment that indicates something and I haven't -- I guess I don't know what the language is.

MS. McCAMMON: Well, we did have one for Afognak that said what, low probability of -- I know there was something on Afognak or.....

MR. SWIDERSKI: Yeah, was it in the resolution or did we come back to the Council and just explain that there was a low -- we hired -- we contracted with somebody and I think we came back with a report that said there was a low likelihood of.....

MS. McCAMMON: Of mineral development or something.

MR. SWIDERSKI: .....minerals. Right, minerals with economically viable harvest or something.

MS. McCAMMON: Yeah, something like that.

MR. SWIDERSKI: I don't remember what the words were.

CHAIRMAN GIBBONS: Mr. Rue.

MR. RUE: How long do you think it would take to do this and perhaps we should put it off until the next meeting? Is this a couple of week exercise?

MS. McCAMMON: Carol.

MS. FRIES: Off the top of my head, I can't speak for what the Division of Mining's priorities are. But generally when we've asked in the past they can usually give us an answer within a week or two. But I, you know, it would just depend on what their scheduling is like.

CHAIRMAN GIBBONS: Can we, don't you think just to pass this resolution with the contingency that they report back on the minerals before any purchase is received.

MR. TILLERY: Or perhaps we say that there be

completion of a miner assessment survey indicating that there is a low probability of mineral development on the land. If it turns out that that doesn't occur, then they can come back to the Council and say, well it's not low but it's just barely above low or something like that. But if turns out that it is low, then they just go forward and don't have to come back to the Council.

CHAIRMAN GIBBONS: Okay.

MR. RUE: Do you have a resolution -- I mean a motion to amend the resolution?

MR. TILLERY: I don't think we have a motion yet, so -- but that would be my suggestion.

CHAIRMAN GIBBONS: Do we have a motion on Jack Bay?

MS. McCAMMON: There is a resolution before you, so.....

CHAIRMAN GIBBONS: There's a resolution here, draft.

MS. McCAMMON: 0203.

MR. RUE: I move that we adopt the resolution of the Trustee Council regarding Jack Bay small parcel PWS 1010.

CHAIRMAN GIBBONS: Is there a second?

MR. BALSIGER: Second.

CHAIRMAN GIBBONS: Second. Discussion?

MR. TILLERY: Well, I guess.....

MS. McCAMMON: As amended?
MR. TILLERY: I would move that we amend the resolution on Page 2 to change the date to September 30, 2002 and to add a subsection 4.....
MS. McCAMMON: F, maybe.
MR. TILLERY: I guess, H, I, that would say completion of a mineral assessment indicating a low probability of mineral development on the land.
MR. RUE: Second.
CHAIRMAN GIBBONS: Okay. The motion's been amended as stated. There's a second to the amendment. Any further discussion?
(No audible response)
CHAIRMAN GIBBONS: All those in favor say aye.
IN UNISON: Aye.
CHAIRMAN GIBBONS: Opposed?
(No opposing responses)
MR. HOLBROOK: Thank you, Mr. Chair.
CHAIRMAN GIBBONS: Okay, the next item, consultation on grant priorities.
MS. McCAMMON: Mr. Chairman, if you'll recall we have a grant that you approved last January and that we finally signed in September with the Nature Conservancy and Conservation Fund for a million dollars basically for these two organizations to act as agents of the Trustee Council

for some small parcel acquisitions. As part of the steps that were agreed to in the resolution and under the grant contract, the two organizations are to consult. They are to first identify and evaluate parcels for possible protection. They are to consult with entities, the United States government, the State and others that would own the parcels. And then thirdly, they are to consult with the Trustee Council as to which parcels should be pursued for acquisition. They have put together a spreadsheet summary of proposed parcels and they are here to give a presentation to you today and to answer any questions on those parcels. And the consultation is to take place at a publicly noticed meeting, which it is doing right now. So, Randy and Brad?

MR. HAGENSTEIN: Thank you very much. I'm Randy Hagenstein with the Nature Conservancy.

MR. MEIKLEJOHN: And I'm Brad Meiklejohn with the Conservation Fund.

MR. HAGENSTEIN: And first, let me apologize for the two point font in the spreadsheet in front of you. We're trying to pack a lot of information in there into a small space. I guess what we'd like to do is just very briefly hit some of the high points on some of the properties that Brad and I both look at as hot prospects at this point. Things that look like active projects that

have passed sort of that initial muster, have some level of agency support and appear to meet the restoration intent of the grant. Let me just start by talking about a few pieces in Kachemak Bay State Park. First, a couple of University properties. One is the only private property on Nuka Island. The rest of Nuka is State owned, managed by State Parks. It's a 22-acre piece and I know State Parks has been working on that one with the University to try to find a way to bring it into park management.

At the head of Kachemak Bay in the unit of the State park on the north side of Kachemak Bay, there are also two adjacent properties. A 40-acre piece owned by the University that's currently available through their over-the-counter sale program. It had been in their sealed bid auction program a month or so ago. And a roughly 76-acre property adjacent to that. Those are two of three remaining in-holdings in that unit of the State park. Going up to the mouth of the bay near the Diamond Creek part of the State park and Overlook Park that the Trustee Council invested in a number of years ago, a 48-acre piece that spans about half the distance between Overlook Park and the Diamond Creek unit of the State park system. So collectively these parcels protect some important coastal forest habitat in the Kachemak Bay State Park. They provide restoration value for pigeon guillemots, harlequin

ducks, sea otters, bald eagles and others and also address some of the recreational concerns.

Moving a little bit up the peninsula from there, we've got really good projects brewing on the Anchor River right now. About a year ago, the Kachemak Heritage Land Trust and Conservancy got a joint grant from Fish and Wildlife Service to look at habitat values and look at threats along the lower portion of the Anchor River, lower 10 miles roughly. We've identified a number of properties there that both provide strong habitat values for over-wintering moose, bald eagles, steelhead, a few species of salmon, Dolly Varden, et cetera and are focusing considerable effort there. There's three properties that are almost adjacent. The Noll tract of 37 acres that we closed on a week and a half ago, Nakada property, five acres that we've lined up private money for and we'll do as a bargain sale and a 60-piece owned by Herndon and Thompson. These pieces, if we can purchase all of them, when combined with existing land trust properties and existing State land, will protect about a two mile stretch of the river, including the entire flood plain, which is important in a meandering river type situation as this.

These properties on the Anchor are going to be nicely complemented by some acquisition work we're doing at the mouth of the Anchor River and the estuarian barrier

beach area there. The State of Alaska along with the Conservancy and the Kachemak Heritage Land Trust have just been awarded a coastal wetlands conservation grant to the tune of about $310,000. So when you look at these as a combined package, we're getting really good leverage value out of it while protecting and enhancing recreational and habitat values.

Another property on the peninsula is the mouth of Deep Creek, an 11-acre tract owned by the Ninilchik Native Association. Nice coastal marsh habitat. Priority for State Parks there. And then down in Port Graham we've got kind of an unusual one, a proposal by the proposed Port Graham community land trust. And this is a -- I guess I would say it's not within the original mold or model of purchasing in-holdings in existing conservation area. But I think the project has some innovative components that show strong community support that would involve some limited compatible development along with conservation of roughly 85 percent of the property. We're evaluating it as a possible model to see about working with allotment owners up and down the entirety of that shore of Port Graham. So that one could, although it's a little bit out of the model, it's got some innovative aspects and I think is worth taking to the next step.

Finally, we're evaluating a number of other

properties that continue to come across the transom. Sandra Schubert just forwarded one. The only private property on Chisik Island in Tuxedni Bay, a unit of the Alaska Maritime National Wildlife Refuge and it's designated as wilderness. So there's an example of the kind of things that do come forward with some regularity. I guess I'll turn it over to Brad to talk about some of the projects that the Conservation Fund is working on and hope that -- well, I'd be happy to take any questions after that.

MR. MEIKLEJOHN: As Randy pointed out, the list seems to grow exponentially by the day. Carol Fries handed me another list of a half a dozen properties today on the Kenai River and yesterday called to remind me that DNR is very interested in acquiring properties in Kiliuda Bay subject to completion of the exchange between the State of Alaska and Old Harbor Native Corporation. I also received a list of additional properties from Steve Shuck of U.S. Fish and Wildlife Service. So this is a very open process, the list continues to grow and we're evaluating these properties as they come in and trying to stay in close consultations with agencies that will be receiving these properties.

As you all know, it's almost impossible to predict which of these deals will come together at the end of the

day. There's a very good chance that we'll have a 50 percent or less batting average so it appears that there's a lot more land available to buy than there is money and that probably is the case. But some of these deals will certainly never come together. The ones that the Conservation Fund is currently working on include the Kurka property in the top set of properties there. That was a property that the Trustee Council had identified as meriting special consideration. That's been a difficult deal to put together and apparently the property is under foreclosure and we may have a renewed opportunity to work on that one.

Down at the bottom of that first set of properties, Chokwak, Ericksen and Inga, are all Native allotments in Kiliuda Bay. Chokwak and Ericksen being on the north side of Kiliuda Bay, apparently fairly high priorities to the State of Alaska should the exchange between Old Harbor and the State be consummated. And the Inga allotment on the south shore of Kiliuda being the last private tract in the Kodiak Refuge on the south shore. Other deals that we've been working on for some time include about 650 acres owned by the City of Kenai on the Kenai River Flats. And we've had discussions over the last year and a half or so about the purchase of the conservation easement from the city and currently that deal seems to be dead in the water. So I'm

not sure if that's going to be resurrected.
The MIDCO property on Middleton Island is an interesting bird research site you've probably heard about. There's a long-term bird monitoring research operation going on out there. And we're hoping to secure that site for continued long-term research. The research has been going on on private lands and the owners of that property would very much like to sell. So we're trying to find some arrangement of working with Stan Senner of Audubon on that one. The Conservation Fund currently does have a grant of about $800,000 from the North American Wetlands Conservation Council for habitat protection on the Kenai River, so we're currently looking at additional properties. And we had hoped to use some of that money on the City of Kenai property but we're going to have to find another home for that money.
I guess those are the primary ones I'm working on. Do you have any questions about where we stand on these properties?
MR. RUE: Brad, maybe you could explain the City of Kenai property on the flats there. What's happening?
MR. MEIKLEJOHN: I might defer.....
MR. RUE: They've decided to protect the.....
MR. MEIKLEJOHN: Mark Kuwada actually has worked on this more closely than I have. Do you have any insight

on.....
MR. KUWADA: Basically just the Kenai City Council rejected. They didn't see -- I guess they just weren't prepared at this point to sell the lands and didn't think that it was a deal that they necessarily wanted to go for. We thought we had it but it didn't work out.
MR. MEIKLEJOHN: Some of these deals have a way of coming around and you know, they may have the gestation of elephants and we just have to be patient and wait them out.
MS. McCAMMON: Dave, can I ask a question about.....
CHAIRMAN GIBBONS: Molly.
MS. McCAMMON: .....the Ness tract, Kachemak Bay, Overlook Park, Diamond Creek. That's not owned by Mike Bullock, is it?
MR. HAGENSTEIN: No.
MS. McCAMMON: Just checking.
MR. HAGENSTEIN: Set your mind at ease?
MS. McCAMMON: Yeah, thank you.
MR. HAGENSTEIN: I've been in fairly frequent contact with Mike Bullock or rather he's been in fairly frequent contact with me over the past six months or so, waiting to find out when this grant is going to happen because you know the surveyors are ready to go and the blade is about to be dropped.

CHAIRMAN GIBBONS: Mr. Rue.
MR. RUE: I guess as an overall observation, I like to see some of the focus on things like the Anchor River which are hugely productive systems. I think in the long term having those healthy systems around for people to use and enjoy is going to be really important as the Kenai grows and as Alaska grows. I'm glad to see you focusing on some of those very productive areas.
CHAIRMAN GIBBONS: Mr. Tillery.
MR. TILLERY: Just to make sure I understand our role in this, at this point it's a consultation. There's not action by the Council, you're simply informing us?
MR. MEIKLEJOHN: That's correct. We're not asking you to take any action. We're letting you know which properties we're working on. None of these are at an action state. We're not ready to close on any of these yet.
MR. TILLERY: You will be expending money for appraisals and so forth on some of these -- sounds like some of them are already appraised.
MR. MEIKLEJOHN: Yes.
MR. HAGENSTEIN: Yes.
MS. McCAMMON: I think it's a consultation but with the idea that if there were some in here that were absolutely non-starters, they would rather, from the

Council's perspective, they would rather hear about it sooner than later.

MR. TILLERY: If I understand, $560,000 an acre for that one Kenai River property? That's a little steep.

MS. McCAMMON: That's cheaper than the parcel at the bridge.

MR. TILLERY: Right.

MS. McCAMMON: That was a million an acre. How much was that now?

MR. TILLERY: About 600,000.

MS. McCAMMON: 600,000 an acre.

MR. MEIKLEJOHN: That was our impression, too.

UNIDENTIFIED SPEAKER: Five acres for a million.

MS. McCAMMON: That was five for a million?

UNIDENTIFIED SPEAKER: Yeah.

MS. McCAMMON: That was expensive.

MR. TILLERY: Mr. Chairman, I don't quite understand this Port Graham property, how that works.

MR. HAGENSTEIN: Well, actually one of the proposers of this, Sarah Doyle is here and I don't know if you'd like to get comments from Sarah. She's probably better able to speak to it than I am. But the concept of a community land trust, not to be confused with a land trust like the Kachemak Heritage Land Trust or the Greatland Trust, will be a property held in trust governed by a board

of trustees. That would, in the case of this property, there would be some limited development and protection of the balance, roughly 80, 85 percent of the property. Like I say, this is one that's not really the standard model and I think it needs to be fleshed out a good bit more and more partner funds brought to bear. But one of the things we're hoping is that there's a great deal of excitement in the community of Port Graham about this is a model to try to address the allotments that really ring that whole bay, so, I don't know, if you'd like Sarah to bring some comments forward.

MR. TILLERY: No, I guess I think that my concerns or my interests would be in how this works between a limited development and what's protected and sort of where it is. It sounds like it's not ripe for that discussion yet.

MR. HAGENSTEIN: I think that's right, I don't have those details in front of me. And, again, Sarah knows a good bit more about it than I do, but what I would like to do is see if we can develop this into a more thorough proposal that brings in adjacent property owners and whatnot and puts together a package that really works.

CHAIRMAN GIBBONS: Jim.

MR. BALSIGER: I wonder if you could remind me of what your grant that you signed on September 26th is for

and what you do for that grant. I know you've identified 13 properties, a million, three. Where's the million, three going to come from and that kind of thing?
MR. MEIKLEJOHN: The million, three, as I understand it, is coming from the small parcel account of the Trustee Council.
MS. McCAMMON: Up to a million.
MR. MEIKLEJOHN: Up to a million, okay. And we've been tasked with completing those acquisitions and finding matching money where possible.
MR. BALSIGER: Thank you.
CHAIRMAN GIBBONS: Mr. Rue.
MR. RUE: I know it's early in your process, you just barely got going, but one of the hopes was that you'd do exactly what you just said, you could bring a lot of things to the table that agencies can't and it sounds like some of that is already happening. Is that right?
MR. MEIKLEJOHN: Yeah, that is correct. I mean, we both secured large matching grants already.
MR. RUE: Uh-huh.
MR. MEIKLEJOHN: For the Anchor and for the Kenai River and there may be other matching funds available for some of these other properties as well. What we're seeing is some constricting of the availability of matching monies, both private and foundation and public granting

sources, there's a little bit of a tightening going on right now. So it may be harder than we forecasted to bring in those matching dollars, but they're still out there.

MR. HAGENSTEIN: The most challenging part is to bring the private money to leverage additional public money. For example, our coastal wetland grant at the mouth of the Anchor River has a 25 percent non-Federal matching component and in Alaska, these days, for habitat protection grants, non-Federal really means private, although other states take advantage of this and typically bring state funding through various habitat protection programs to bear. But I'm actually very gratified -- again, back to the Anchor and the Kenai and Kachemak Bay are a joint success in bringing both public and private money to the table above and beyond the oil spill funds.

MR. RUE: And you've been accounting for that so in the end we'll sort of see a balance sheet? How we leveraged this much to achieve more?

MS. McCAMMON: Uh-huh. (Affirmative)

MR. RUE: Great.

CHAIRMAN GIBBONS: Other comments, questions?

(No audible response)

CHAIRMAN GIBBONS: Thank you very much.

MR. HAGENSTEIN: Thank you very much.

CHAIRMAN GIBBONS: Well the next item is GEM and

Molly and Phil.

MS. McCAMMON: Let me find -- did I have the one handout? I'm getting lost in paperwork here. You have a handout in your packet about a draft process for a Scientific and Technical Advisory Committee, but you also should have somewhere the two pages with 6.1 and I had someone copy it this morning and make 20 copies of it and I don't see that in front of me.

DR. MUNDY: You talking about the figure that.....

MS. McCAMMON: Let me see, I may have them right here in this stack, which I do.

DR. MUNDY: You got it?

MS. McCAMMON: Right here, it was buried. As I mentioned in my report, earlier this morning, we've been working with the National Research Council Review Committee and we have had some back and forth discussions. Interestingly, one of the most -- the things they focused the most on is kind of our management process and who gives advice to whom and who directs things and they have had a large amount of interest in this. And we spent a lot of time on this diagram, which replaces -- is a redraft of Figure 6.1 in the GEM Program document that was sent to them at the end of August. And what it gets to, I think, is a lot of concern about it's -- it kind of reflects that same top down/bottom up dichotomy that a lot of scientists

debate, too, on whether the ecosystem is really driven by the predators and the large mammals at the top or whether it's all driven by the plankton at the bottom. The same way, it's whether the program is being driven by the Trustee Council on the top or the scientific advisors feeding at the bottom.

MR. RUE: You mean the bottom feeders?

MS. McCAMMON: The bottom feeders.

MR. HINES: The bottom feeders.

MS. McCAMMON: Really, there was a lot of similarity to the discussion.

(Laughter)

DR. MUNDY: Thank you, Bill.

MR. HINES: Sorry.

MS. McCAMMON: So we spent a lot of time with this process of what role each of these groups have in the process and where the advice comes from and who will do the peer review and how it will be done. And we came up with this draft that, I think, does a good job of reflecting what vision that staff have and that we've had discussions with the Public Advisory Group and with kind of other of our PIs that we've worked with and I think with the Trustee Council, hopefully.

Basically to implement the GEM Program we will have a GEM Program document that you do adopt. Once the NRC

gets their report done in April we will revise that document and bring it back to you and actually ask you to formally adopt it at that time. We put in here a commitment to have an external review committee every five years, which the NRC really liked and would like to see a formal commitment to doing that. What this reflects is basically the kind of advice that we have now, but done in a little bit different way. The public still has a direct conduit of advice, review and comment to the Trustee Council. We have kind of a reconstituted PAG that, under a scenario we're looking at now, we call it Program Advisory Committee that has stakeholders, communities and scientists.

And then we have a new Scientific and Technical Advisory Committee, which basically would replace our existing Core Committee. And our existing Core Committee is led by Dr. Spies and includes George Rose, Pete Peterson, Jim Reynolds from the University of Alaska-Fairbanks, Steve Braund and Allen Springer from UAF. And then kind of at the very bottom there would be a group of subcommittees that would be divided for organizational purposes, similar to how the program now -- document is divided in terms of the four major habitat areas, the Alaska Coastal Current, watersheds, nearshore, offshore and also have a data management subcommittee or advisory group.

And so this kind of describes the overall advice. The way we have this done here, the Scientific and Technical Advisory Committee or STAC feeds information and advice to the Director and staff, who basically organizes it and then feeds it to the Trustee Council. The reason for having it go through staff is so that it wouldn't have to be a FACA approved committee, which our Public Advisory Group is required to be. And so the committee doesn't report directly to the Trustee Council, although it's pretty direct. I mean, it would basically be just going through Director and staff for organizational purposes.

In your packet, what we put together, in order to get this program under way and get things moving by next October, 2002, we put together just a draft description of these committees, of their purposes, membership, a nominating process for the STAC, the subcommittees and work groups. We put this together a few weeks ago, circulated it to a small group, incorporated some changes based on the advice from those individuals. In a lot of cases, not all cases, but in some cases there were differing views on various issues and those are the issues, actually, in the document that are still highlighted by questions, in all caps and in bold, those are still kind of open-end questions because there were differing views on those and

you could certainly go three different perspectives.
We had a little bit of a concern here because we don't want to, again, prejudge the NRC report and yet on the other hand we don't want to wait until April and May to get things going on some of these things. In a conversation that I had with the chair of the NRC Committee last week, they are very clear that they think the STAC and how we have it -- not necessarily the membership details, but that is, like, a very key part of the entire process. They think actually that the subcommittees, they're not convinced that we need that many subcommittees and they kind of see those as maybe being developed over time, but that the STAC is really the most important part of the scientific advisory process.
In putting this together I realized that it hasn't had a lot of circulation and review and comment, especially from the Trustee agencies because it just appeared in your packet, you know, four or five days ago or whatever. And I know it's listed in here as a potential action item and actually what I would like to get from you today is maybe some questions, some comments, if possible, and hopefully your approval to go forward on establishing the nominating committee for the STAC. And then come back to you at our next meeting with maybe some revisions after having further circulation and discussion with kind of the membership and

process for the STAC itself.
So with that I could go through these and just kind of highlight where the questions and the issues are, and Phil has been actively involved in this process, and is here to answer any questions also. So does that sound okay, Mr. Chairman?
CHAIRMAN GIBBONS: Yes.
MS. McCAMMON: Okay. So basically what we're trying to do is formalize, to a larger extent, our scientific advisory process and make it as inclusive as possible. And also to really reflect that we view guidance within this process as being both top down and bottom up. That the Trustee Council does develop the overall program, does make funding decisions, does adopt a plan and a program, but it's significantly based on the advice of the public and scientists from within our program community, with the Trustee agencies, within the university, both in state and out of state.
We have done extensive networking over the past year to two years, we have developed a tremendous contact list now. There is a lot of excitement about the potential for this program, especially because it does have guaranteed funding that is not subject to congressional or state legislative appropriation. That provides just an incredible opportunity for a long-term program in this

area. And so there are a lot of people who are very interested in participating in this kind of a program.

So the STAC would be the main programmatic scientific and technical committee. We see it as just not scientists, and the technical advice would include specialties, such as community involvement, mariculture, subsistence, human impacts, kind of some of those things that may not be directly from a scientist, but we see that as being important.

The purposes of the STAC would be to select the subcommittee members, if there are subcommittees, to work with them to provide leadership in identifying and developing testable hypotheses relevant to the central questions of the GEM Plan, consistent with the mission goals and policies of the Council. To help identify and recommend syntheses, models, process studies and other research activities for the invitations. To work with subcommittees and ad hoc work groups in identifying core monitoring variables and core monitoring stations. To help staff in identifying peer reviewers and participate in peer review at the broad programmatic level. We wanted to basically continue the process that we began with the core reviewers of having a group of individuals who were familiar with the entire program who really saw the big picture and saw how things fit together over time.

The membership of the STAC -- the STAC seven voting members, the original proposal is six regular members appointed by the Trustee Council and the GEM Chief Scientist. The big question there is should staff be a voting member? I think the more circulation we have on this, the more people say no to that. And there are lots of reasons, I think, to have and not have staff as a voting member on that. The six Trustee Council members shall be drawn from the academic or private scientific sectors, no more than four; from the government sector, no more than two; and from the technical sector, one; and shall together possess expertise in the habitats and disciplines of the Alaska Coastal Current and offshore, the intertidal and subtidal, the watersheds, modeling, resource management, human activities and their potential impacts and community-based science program. So the big question there is the breakdown appropriate among the academic or private, government and technical.

At least four of the STAC members will also serve on the Program Advisory Committee, which would be the reconstituted Public Advisory Group. And this was something that was really recommended by the Public Advisory Group, they want these kind of broad-visioned, broad-based scientists meeting with them on a regular basis to facilitate and kind of foster that interaction between

the public stakeholder perspective and scientific perspective. And so this aspect was strongly supported by the PAG.

The members of the STAC are emeritus and senior scientists and others selected primarily for their expertise, broad perspective and leadership in areas important to the GEM Program. They cannot be principal investigators for GEM projects, they cannot receive GEM money. They would then be truly independent.

We have on here that the chairs of the five subcommittees shall be non-voting members of the STAC. The question -- and the reasons for having the chairs of the subcommittees on the STAC, to begin with, is that so that everybody knows what's going on and what the others are doing. So to foster program coordination. There is a concern that it now makes the STAC a 12-member committee. Is that too large? As you go down into the subcommittees, there's not a prohibition on the subcommittees from being PIs. So there is a question there, the chairs of the subcommittees could potentially be receiving funds. That was one of the reasons we made them non-voting members but, you know, there's some question there.

We have some issues of terms here, the regular members serving single terms of three years and then staggering them to begin with. We had a period of layoff

for three years. Most of the discussion we've had in the past few days, most people seem to think that's too long and that the layoff period should be no longer than a year. And then in the event of a vacancy, shall appoint a replacement.

The nominating process would be as follows. I would issue a public call for nominations to serve on the STAC, would identify the types of expertise and qualifications. Any person could nominate someone, the Trustee Council could nominate someone, you could nominate yourself. You would, basically, just have to fill out a synopsis and form of qualifications. A nominating committee would convene to develop a recommended list of six nominees with two alternates. The committee could suggest other names if there appear to be gaps. If there appears to be really significant expertise that's missing in the people who were nominated in that call. The list of nominees would be forwarded to the Trustee Council by the Executive Director.

The nominating committee would be composed of seven members who are not regular employees of agencies represented on the Trustee Council and who are not currently receiving financial consideration from the Trustee Council. We had a lot of discussion about this and about whether Trustee agency employees should be prohibited

from serving on the nominating committee when they aren't prohibited from serving on the STAC. You know, it also raises questions because there's some agencies, for example, NMFS employees probably have very little contact, a number of other divisions in NOAA. There's not a huge amount of conflict there and the same with the Department of Interior, there's often quite a bit of difference there between the agencies. So there was discussion on that issue.

The members shall be professionals and other members of the public familiar with the development and operation of regional marine monitoring programs similar to GEM. Shall be at least three members who reside in Alaska. Is this a sufficient number? A STAC nominee may not serve on the nominating committee. And I would recommend to the Trustee Council a nominating committee composed of individuals who meet the above criteria and have agreed to serve and the Trustee Council would appoint the members of the committee.

They would then select their chair, establish a process for developing a recommended list. And there was a question, we had some discussion about whether there should be a more established formal process for developing the list. They could suggest other names. And then they would give the list to the Director and she'll submit them to the

Council for its action.

Then we kind of go through the subcommittees, who would work more at kind of the detailed level and would be composed of five individuals, scientists, resource managers, and/or other experts, selected primarily for disciplinary expertise, familiarity with the broad habitat type and also institutional and profession affiliations in order to promote collaboration and cooperation. Each subcommittee member serves three years. We didn't put language in here about being laid off and rejoining, so I guess we just considered that, but we have to address that. And we have down here that they may include principal investigators of GEM projects. We were a little worried that getting down to the habitat level if we prohibited PIs from serving on the subcommittees that we may not have a large enough pool of people to select from. There was some discussion at the PAG yesterday about maybe just prohibiting the chair from being a PI. And I would issue a public call for nominations and the STAC would review the nominees and make recommendations to the Council for their consideration.

Work groups would basically be much more informal, task oriented, kind of time-defined groups for a particular task. We have those now for a number of purposes.

So that's just real briefly kind of a summary of

the organization. One of our challenges have been to try and figure out a process that gives us a high amount of scientific credibility, inclusiveness, but isn't so kind of large and cumbersome that we -- for such a small program that we just kind, you know, drowns in its own weight. In our discussion with the Public Advisory Group yesterday they actually suggested that we kind of cost out this option at its maximum cost, try to do a high and a low cost scenario, especially when you get to subcommittees. And if you had meetings of those or if they were, in effect, virtual subcommittees where they did more work by e-mail, so there was a lot of discussion still at that level. So I think we haven't quite addressed all of those issues at the subcommittee level. At the STAC level there are couple of big issues still, but I think it's very clear we want to form a more formalized Scientific and Technical Advisory Committee.

So, in order to get kind of moving on this process, what we would like to do this spring is -- under our current process we have the invitation go out February 15th, proposals are due April 15th. We have our core review group meet here in Anchorage usually the third week of May, they review all the proposals and develop -- we work together and develop the first draft recommendation. This year what we would like is to have that happen again,

but have this new STAC meet kind of at the same time or with some overlap, so the first group meets and continues their advice on the oil spill, lingering oil injury part of the program and the new group start looking at GEM and the future part of the program. There would be some overlap and a joint meeting at that time. So in order to kind of keep along in that process we need to probably start the nominating process in January and get that underway.

CHAIRMAN GIBBONS: Jim.

MR. BALSIGER: How are STAC members compensated, is there a stipend for each day they work or have you thought about that?

MS. McCAMMON: They would definitely get travel and per diem. There is a question about a stipend, that's an issue that needs to be addressed. Government employees can't take stipends, but certainly private people usually do. And I think we'd look at other entities like the Council and others. It certainly adds to the costs.

MR. BALSIGER: How about subcommittees, same question or is that down one level so it's less likely?

MS. McCAMMON: I think it's less likely for the subcommittees for the stipend. Certainly travel and per diem. And then we've talked about, you know, how do you -- we do have this large list of people who are very interested in the program and I'm sure if you have meetings

more in July and August during fishing season they're more likely to come up here than January and February, but I'm not sure that really fits within our process of review either.

Do you have a view on that, whether stipends are essential?

MR. BALSIGER: I think they are, actually, but obviously adds directly to the cost estimates, but I think they should be.

MS. McCAMMON: That would be part of the cost, right.

MR. BALSIGER: And the other thing I probably should state for the record is that in spite of your disparaging comments, all elements of NOAA work together for a common purpose.

(Laughter)

MR. RUE: Seamless.

UNIDENTIFIED VOICE: What did you guys give him for lunch?

MR. RUE: Seamless.

MS. McCAMMON: Seamless. I didn't say they worked against each other.....

MR. BALSIGER: Oh, okay, I misunder.....

MS. McCAMMON: .....I just said they may not know about the others.

CHAIRMAN GIBBONS: Mr. Rue.
MR. RUE: I guess my first comment is -- I guess I have a lot of questions, because I'm not sure what it is.
MS. McCAMMON: Yeah.
MR. RUE: I've just gotten a chance to look at it.
MS. McCAMMON: Right.
MR. RUE: So I'm not sure we can nominate people in January, that seems very ambitious. In fact, this is really.....
MS. McCAMMON: Well, we would be nominating the nominating committee in January.
MR. RUE: Well, I think we need to think about this whole structure, make sure everyone's comfortable with it before we start nominating nominating committees. You all have obviously had a lot of conversations that none of us have been in, so you may have talked about a lot of these things.
MS. McCAMMON: Right.
MR. RUE: But my first reaction is this is about 30 people plus some scientists over in the PAC, I mean, I don't even know what this PAC is. These are a lot of scientists, I don't know where you find all of them, but -- so I don't know how the PAC and the SAC or the STAC and PAC relate to each other because you can have scientists over here telling us things and over there telling us things. I

also worry that with all these subcommittees, at least if you think about are we creating -- are we encouraging a narrowing of perspective? So now you got the nearshore guys, that they want their piece of the action and the coastal current guys want their piece and watershed people want theirs, as opposed to everybody now has a geographic limit to their thinking, theoretically. I mean, why do we want to do that?

MS. McCAMMON: Well.....

MR. RUE: I mean, it's a question.

MS. McCAMMON: .....it's a very good question and that's a very legitimate concern and we have spent a lot of time and the people who have been involved in this process have probably seen a number of iterations of how you organize a large program. And just going through the Work Plan today you need to divide it up into clusters of some way.

MR. RUE: Of something, I agree.

MS. McCAMMON: Of something for organizational purposes. People cannot understand a program without some form of dividing it into smaller pieces. And we've looked at various ways of doing it, whether it's clusters of species, marine mammals, fish, birds, we've looked at it -- we had one process where we were looking at some kind of a process that would be kind of the idea of a process in

building a program around that particular process. Most people didn't understand it because they didn't see where they fit in. Use of habitats, like this, has been one that people have been able to easily understand, they can see where they fit in. It would be important in all of these habitats to have a variety of expertise and it is really up to the Scientific and Technical Advisory Committee to make sure that the connections between all the habitats are emphasized and that it doesn't just become a nearshore program, a watershed program, just for individual pieces. But you're very right, it's a legitimate concern.

MR. RUE: I guess the main thing I worry about is how we move ahead intelligently, and maybe we should just read it.....

MS. McCAMMON: Well, that's why -- you know, when I started putting this together, you know, I just thought there's no way we're going to get any action on this today.

MR. RUE: 4:00 o'clock, I know. It's sort of numbing at 4:00 o'clock after a full day.

MS. McCAMMON: But the idea is to actually start the discussion though.

MR. BALSIGER: Well, to start the bias early on I'm.....

(Laughter)

MR. BALSIGER: .....generally opposed of having

committees composed of members some of who get to vote and some of who don't, so that's going to be -- that's a continuing bias of mine, I believe.

MS. McCAMMON: Okay. So anybody that doesn't vote should be on the committee, they can come attend, but they're not on the committee, call them something else.

MR. BALSIGER: Call them something else, but just.....

MS. McCAMMON: Uh-huh.

MR. RUE: I guess I'd like to talk a little bit about our processes as a Council, how we want to think about this and then decide on it. I don't feel like rushing -- we've been given a good intro, it's an interesting proposal, they've already raised some of the questions. I mean, the first thing that popped into my mind is maybe at our next meeting we ought to have a couple of hours around this subject with a panel of folks who have thought about it a lot to discuss it -- I know, some way for us to work through this and finish our business fairly quickly, but without tagging it on the end of a meeting.

CHAIRMAN GIBBONS: Yeah, then costing it out, you know, how much.....

MR. RUE: Then costing out.

CHAIRMAN GIBBONS: Yeah, costing it.

MR. RUE: And really devote some time to it because

this is -- I think you're right, this is an important decision because GEM sets up lots of policies and things, but this is how the rubber meets the road, so I think we need to think about it hard. So I guess I'd like to, maybe, hear some suggestions on how we make the decision on more process stuff.

MS. McCAMMON: You mean process in terms of getting.....

MR. RUE: Internal -- the Council.....

MS. McCAMMON: .....internal process getting to your decision, yeah.

MR. RUE: Us feeling comfortable this is the way to go.

MS. McCAMMON: Yeah.

MR. RUE: Making sure we got the right basic structure and we got the right voting set up or the right subcommittees and just chew it around our -- maybe no one else feels unprepared to deal with this, but I just feel a little unprepared to make any significant decisions today. I also feel the press of the day, plus I know it's going to be hard to move between now and January.

MS. McCAMMON: Right.

MR. RUE: A lot of people are going to be gone doing other things, et cetera, holidays.

MS. McCAMMON: Right.

MR. RUE: But if you want to nominate in January -- eek.
MS. McCAMMON: One of the things we could do if you would be willing to identify, and I don't want this just to be a work group of agency people, because I think it's really valuable to have kind of non-agency and whether it's public, academic, private people, but an ad hoc working group on this issue. We can provide some of the costing information, we could try to fully flesh this out a little bit more, you could have an agency representative on that work group, so somebody who talks to you maybe more frequently on this issue and flesh some of this out. And then devote -- have a Trustee Council meeting with this on the agenda and have more time.
CHAIRMAN GIBBONS: In January?
MS. McCAMMON: It would probably not be until -- just because of our workshop it's probably not going to be until either the last week of January or early February, that would be the earliest it could be. You're laughing.
MR. BALSIGER: Well, we got a Council meeting in February, you could make it the 11th day of Council again.
(Laughter)
MS. McCAMMON: That would put you in a good mood. How about the first day of the Council meeting or the day before?

MR. RUE: It's a distraction.
MR. BALSIGER: Well, actually.....
MS. McCAMMON: But does that.....
MR. BALSIGER: Mr. Chairman, I'm sorry.
CHAIRMAN GIBBONS: Go ahead.
MR. BALSIGER: I think Mr. Rue is completely correct, this is a very important part of how GEM is going to work and I think you've done a great job of laying out some alternatives here, but I think it does deserve some thinking about it a little bit before decisions are made.
MS. McCAMMON: Uh-huh.
MR. BALSIGER: Unfortunately, I think that does mean other than a teleconference, that you need another Trustees face to face meeting as soon as it can be scheduled next year. And that's difficult, but that would be my recommendation.
MS. McCAMMON: Okay.
CHAIRMAN GIBBONS: Mr. Rue.
MR. RUE: Mr. Chairman, who actually put this together, was this you and Phil?
MS. McCAMMON: Yeah.
MR. RUE: Just the two of you?
MS. McCAMMON: Yes, then we had it reviewed by, I don't know, five or six other people.
CHAIRMAN GIBBONS: You say the PAG took a look at

it yesterday?
MS. McCAMMON: They looked at it yesterday, yeah.
MS. BLACKBURN: To be real, I think, honest, we trusted Molly but we really didn't know what to -- why it was happening or where it was happening or what was happening.
MR. MEACHAM: I think between now and January the individual PAG members are looking at it in a great deal of detail because there's a lot there.
MS. McCAMMON: We spent a lot of time yesterday with the PAG also talking about reconstituting the PAG. Because in order to do that, the charter needs to be redone, new nominations and that whole process, we need to get that underway also, and so we did spend time -- and I haven't even brought that to you, yet, because we're still working kind of at the PAG level on that. But we'll also be bringing that to you probably in February or so, is a proposal on redoing the Public Advisory Group.
CHAIRMAN GIBBONS: Phil.
DR. MUNDY: Mr. Chairman. For the record my name is Phil Mundy. I just wanted to assure the Council that this document is a composite of scientific advisory committees. I've served on the Scientific Statistical Committee for the North Pacific Fisheries Management Council, the Research and Statistical Committee for the

Pacific Salmon Commission, the Independent Scientific Advisory Board for the National Marine Fishery Service and I sure have, in my career, attended a lot of meetings of these kinds of groups. So what Molly and I tried to do in putting this together was to provide you with a composite of the rules of procedures and how these things work. So that you've got a menu here, if you choose to have a scientific advisory process, a Scientific Advisory Committee, you've got a menu here from which you can choose the options. And Molly has highlighted some of the significant questions that have been raised by others.

We had a team of five other people who have similar backgrounds to my own, who served on a lot of advisory committees and science advisory committees, go over this thing and ask us some questions and we got a lot of, I think, good feedback from the PAG yesterday. So I think you've got a competent menu here. I guess there are some bigger policy issues here.

MS. BROWN: Mr. Chair.

CHAIRMAN GIBBONS: Michele.

MS. BROWN: A question, Phil. Is this draft that's in front of us, does that reflect some of the comments that you got from the PAG, did you have time to do that?

MS. McCAMMON: No, it has not been changed.

DR. MUNDY: No.

MS. BROWN: Because I'm wondering if perhaps you could circulate summaries of that, so that as we're reviewing this we could look at that. That was my first comment. And, obviously, you know, enough of the Council is bothered by -- we're not going to be able to take any action, it's just too fundamental, as Frank said, it's where the rubber is going to meet the road, but I'm wondering, Molly, are there any actions that you could be taking or we could say -- would encourage you to take that would not slow us down so dramatically? Some things that would have to be done in terms of solicitation or whatever, no matter how the final decisions are made so that we don't wait until the decisions are made and then start?

MS. McCAMMON: Well, the key one is starting to contact people and see if they would be willing to serve on the nominating committee. And that -- I mean, just saying yes, there will be a nominating committee who will review applications and make recommendations, that is the key one, that's probably the first step of all.

MS. BROWN: With no guarantee that they would actually sit on that committee until.....

MS. McCAMMON: Right. Right, until you met and approved it, yeah.

MS. BROWN: That probably is.....

MR. RUE: I don't think that's a problem, I don't

know.
MS. McCAMMON: I mean, that would be helpful to start talking to people that there will be a nominating committee and would you be interested in serving and just kind of getting that list together would be helpful to start that process now.
MR. RUE: I can't imagine that we're not going to have a Scientific and Technical Advisory Committee of some sort.
MS. McCAMMON: Right.
MR. RUE: So I think probably asking for a nominating committee to find out who -- but I think all those other questions about what their role is, how many are in Alaska, out of Alaska, how many subcommittees? Those are all good questions, process stuff.
MS. McCAMMON: I mean, your other choice is that you don't have a nominating committee, that you take all the nominations yourself and you sit in a room and you decide. I mean, I think that's the other option on developing the committee, or just having staff look at it and doing it. And I really strongly recommend that we do a nominating committee, I think it's really to your benefit and to the program's benefit.
MS. BROWN: I agree.
MS. PEARCE: Now, will that committee be made up of

people from within our agencies?
MS. McCAMMON: Well, the way we have it now, actually, it's who are not regular employees, so that is an issue. And what we could do, if that issue hasn't been decided, just put one that includes a broad variety of people, that includes agency people and non-agency people and then we'll come to that decision after some more discussion.
MS. BROWN: You mean start as broadly as possible.
MS. McCAMMON: Yeah.
MR. RUE: So if we wanted to make the final decision of, yes, this is the structure process, et cetera, how do we get from here to there by February? Just take that home and.....
MS. McCAMMON: What I would say is you could identify someone -- if we could put together a work group to more fully flesh out these issues and maybe come up with a little bit more developed recommendation and then have that circulated to you and then actually set a meeting where you have enough time to discuss it and then make a decision.
MR. RUE: Okay.
CHAIRMAN GIBBONS: Okay. So when do you want the nominations or name by?
MR. RUE: So you want the name of someone for a

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work group?
MS. McCAMMON: Well, we would start putting together some members.....
MR. RUE: Work group from the Council?
CHAIRMAN GIBBONS: Yeah, from the Council
MS. McCAMMON: Oh, the work group, yes. Well, as soon as possible would be helpful. Next week?
MR. RUE: Okay, sure.
MS. PEARCE: And this is for what next week?
MS. McCAMMON: This is for a work group to look at this proposal and.....
MR. RUE: So your staff.
MS. McCAMMON: .....more fully develop it. And I think also important to get some non-agency and public people on it, too, so we'd look at some of those.
MS. PEARCE: Well, I want to have an opportunity to take this back to the Secretary Science Advisor and I'm just not sure of his availability.
MS. McCAMMON: Uh-huh.
MS. PEARCE: So I'll get it approved as quickly as possibly. But I'll set a VID and USGS is diverse -- or our science agency.
MS. McCAMMON: Yeah. And actually Bill Seitz was one of the people that we actually had look at it originally, so he has seen it and is familiar with it.

MR. BALSIGER: But these several pages, I gather then, are what the new group would be working on, so we'd be in better shape in February?
MS. McCAMMON: Yes.
MR. RUE: These which pages?
MR. BALSIGER: Several, I said, I think there's four of them.
MR. RUE: Right, with the questions.
MS. McCAMMON: Right, right. Maybe there wouldn't be as many questions listed on here.
MR. BALSIGER: I'd expect there would be more, but.....
MS. McCAMMON: Probably more.
MR. RUE: I mean, I see it as us each finding someone who we can kind of work with as our science person, who can work with you
MS. McCAMMON: Uh-huh.
MR. RUE: .....so that when we have to make decisions, we can say, yep, boy, that's a smart decision.
MS. McCAMMON: Right.
MS. BROWN: It's called a yes man.
MR. RUE: I know we're all brilliant people, know all this stuff. So you'll let us know.....
MS. McCAMMON: Well, then your former science person, Gordon Kruse, was also one of the other people who

looked at this already, so.....
MR. RUE: Good. Good.
MS. McCAMMON: But the university snatched him up.
MR. RUE: Well, that's good. And I may feel real comfortable having talked to him about it.
MS. McCAMMON: Yeah.
CHAIRMAN GIBBONS: I don't think we've come down to when you want the names by?
MS. McCAMMON: Oh, can we have them by -- is it possible by next Monday? Is that too soon?
MS. PEARCE: And these are people to work with you.....
MS. McCAMMON: Just somebody to work with us.....
CHAIRMAN GIBBONS: To work on fleshing out.....
MS. McCAMMON: .....in a work group on this.
MR. RUE: That we can also talk to just to work with us.
MS. McCAMMON: Yeah.
MR. RUE: Great.
MS. McCAMMON: Is Monday okay?
MR. RUE: Yeah.
MS. McCAMMON: Okay. And I'll send you an e-mail reminder.
MS. PEARCE: No, you can't send me an e-mail.
MS. McCAMMON: Oh, that's right, I'll fax you.

MS. PEARCE: But that you could.
MS. McCAMMON: Fax to DOI.
MS. PEARCE: See if you can find me.
(Laughter)
MS. McCAMMON: If you're not reachable by e-mail you don't exist.
MS. PEARCE: That's right. That's how I'm feeling anyway.
MS. McCAMMON: Okay. Great. One last item.
CHAIRMAN GIBBONS: One last item.
MS. McCAMMON: Yeah.
CHAIRMAN GIBBONS: How did you manage to be last?
MS. FRIES: We worked real hard at that.
MS. McCAMMON: We just wanted to make sure that if we knew that there was an open house and food at the end, that there wouldn't be the tendency to go long.
(Pause - setting up equipment)
MS. FRIES: Okay. My name is Carol Fries and this is Russell Kunibe from the Department of Environmental Conservation, and we've been asked to give you a briefing on the status of CIIMMS, which was originally the Cook Inlet Information Management and Monitoring System. It was a project funded by the Trustee Council in fiscal year '99 and we will provide you with some background information and then give you a brief indication of how the system

works.

CIIMMS is a tool that you can use to access data and information on natural resources through multiple and simultaneous search avenues. The project was instituted -- in 1998 there was a need identified through the Cook Inlet areawide lease sale. And as you can see by this development timeline, it developed in phases through a two and a half year period. The objective that evolved out of the Cook Inlet areawide lease sale stakeholder process was to ensure that adjudicators, researchers, regulators and the public are able to access all pertinent research and information relevant to a particular natural resource decision and speak from a common knowledge base.

The problem that people experienced was that data was hard to find and access, it wasn't always well described or particularly useful, there wasn't one place to go to get the information. We found that we were losing access to historical information and the integration of data and information was difficult and technological access was extremely variable throughout different parts of different parts of the state. As we embarked on this project we identified certain design principles that we wanted to adhere to, so that this project could be sustainable over time. We wanted it to be easily maintainable, sustainable in the long term, accessible to a

wide variety of users. It needed to be extensible because technology is rapidly changing and if it isn't made to be extensible, we would not be able to take advantage of changes in technology as they occur. And another thing that we wanted to make sure that we did was build on other efforts, so that we weren't reinventing the wheel and we could learn from what other people had done and benefit from those efforts.

And one overriding philosophy that guided us through this entire process was that the entity that was responsible for creating the information and the data is the one responsible for maintaining it and providing it and describing it. They are the people that are most familiar with it and it's a principle, I think, that causes the least amount of conflict and overhead.

The approach that we followed was to initially identify the users, we surveyed the users regarding the functionality and the data that they felt they needed on a regular basis. We conducted a user need analysis workshop that was attended by over a hundred people and it spanned, I believe, three days. There was a subsequent analysis of workshop results. Out of the workshop results evolved a prototype design. The prototype was developed and the project team went back to the user base and conducted outreach and to solicit feedback that then formed the basis

for the final system design. And if you go to the CIIMMS Website there is a page title about CIIMMS, which gives you basically a history of the project, all the documentation for the project is there. The results of these needs analysis and what we had hoped to do on this page is provide a blueprint if there is a component of CIIMMS that can be useful to someone else. That information is available here. And the final report has been added to the page.

The user need analysis, we found out that users wanted to know, first, what information is available, how can they discover it, where's it located and how can they get it. On line analysis was a little further down the line, but it was a longer term goal. The initial data inventory analysis showed us that there was a lack of statewide standards for data format and documentation. There was also a lack of a geographic component for much of the available synthesized information and for some tabular data, and not all high-priority data that our users identified was available digitally. And we also found that data could be in a variety of databases, in a variety of software formats and it was of varying and often undocumented quality.

We encountered a fair number of technological constraints. First and foremost was that our users were

equipped with a variety of computing platforms, they weren't consistent in terms of speed, they weren't consistent in terms of Internet connection speeds and computing power. We were tasked with implementing a distributed approach to this project, which requires consistent application and use of standards. We looked at opened GIS as a potential solution, but it is an emerging technology and with that comes risk and potential problems. Data providers were inconsistent, they were using different Web accessible technologies and one constraint, which is not necessarily a constraint, it can be viewed as actually a benefit. There are clearinghouses that are already established.

The other thing that played into some of our decision-making process was institutional constraints. Data ownership and control is an issue, there is concern on the part of some individuals about the misuse of data that's made available. Some people are just reluctant to share their data. Some people don't want to share their data until after they've published, and that's understandable. Oftentimes the institutional inertia can be a problem, it becomes one more thing that people have to deal with and people are already working very hard.

Another problem was the primary use of data versus the secondary use. You may collect data for a specific

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purpose, and it may have utility to someone else, but it may require some steps to make it useful for the secondary application and that's an investment that oftentimes the creator of the data doesn't have the time, the willingness or the money to make. And that also points to a lack of resources. And one potential problem with the initial phase of the project was that the project had a limited geographic scope, by design, so that it was manageable and oftentimes some agencies' jurisdictions do not -- they don't lend themselves to a finite area.

So we looked at the constraints and the needs in the context of our design principles and came up with a set of system parameters. We determined that the project needed to be Internet based, the processing power needed to happen on our server or a distributed server, rather than on the user's end. And that takes care of the issue of varying users' software and hardware capabilities. We decided on a hybrid centralized and distributed system, and that was necessary in order to accommodate the fact that not all entities are at the same point in development time in terms of making themselves able to take advantage of a distributed system. We decided to focus on who has what data and where that data resided. We decided that the project would be developed in phases according to the identified user needs and the user needs analysis workshop

We committed to multi-agency implementation. The project team consisted of representatives from EPA, the U.S. Forest Service, U.S.G.S, Fish and Game, DNR and DEC. And we were looking for ways for users to contribute their own information, that removes a lot of the overhead from long-term maintenance of the project. In other words, people by contributing their own data, no one entity is responsible for looking after everybody's data and information.

And as a result this is the architecture that we came up with. We had a contractor, Science Applications International, Corporation that worked with us. The Tier 1 is the end user. If you look at the two servers that are represented in the center of the diagram, one server is located at DEC, the other is located, physically, at DNR, so they are in two physically separate locations, and this demonstrates a distributed system that then goes out and looks at the third tier, which consists of, for instance, the Alaska State Geographic Data Clearinghouse, U.S.G.S.' Alaska Data Clearinghouse, it goes out and looks at biological data, bibliographic data at a variety of libraries and we also tap into a variety of Web pages.

So to summarize, the system was designed -- was phased both geographically and in scope. In phase one, we looked at who has what data and where it's located and phase one was the prototyping phase and it focused on the

Kenai River watershed. And phase two, which was the implementation phase, we looked at on line discovery and access to data and information. We expanded our scope to the Cook Inlet watershed and at the completion of phase two we've now expanded it to a statewide system. Phase three consists of analytical tools and that was not within the scope of the EVOS-funded component of this project.

This is the CIIMMS home page and we will focus on three primary features of CIIMMS, the search, browse and contribute functions. And Russell will go from here and talk about the capabilities of those functions.

MR. KUNIBE: Our search is probably the heart of the system and there's different types of searches, there's just a simple -- you can just type in a simple term or phrase right on the front page to do a quick search. And it'll search all the different databases that we're searching. And advance search -- the advance search button there takes you to an advance search page and we have a project search. This is our advanced search page, we're allowing for three terms and with Boolean operators and we can do fielded search, we can pick out full text, the title. I think the topics are basic, like the title, the subject, key words and the author originator.

Three terms, we have a map tool, which if you go to the site right now it's not working. These are drop downs

for using predefined areas, and this is to give you a geographic scope of the project. We'll show you a little bit more of that later. This gadget here works with the map tool and pulls back place names for a diagram on a map.

MS. FRIES: The place names are especially important in terms of accessing bibliograph information. Those can then be sent to libraries so that you're looking at -- you're able to look at a variety of types of information sources, which is somewhat unusual.

MR. KUNIBE: Yeah, we -- the bounding coordinates work with, like, our geographic server, such as the Alaska Geospatial Data Clearinghouse and that will define a search area, so this is the map they search. It's a map of the state of Alaska, you can use the zoom in feature to zoom in to different areas. As you zoom in it automatically adds more detail. You can use the drag box for coordinates to help you define your bounding coordinates for your search area. We're up in the Fairbanks area. And then it'll ask if you want to pass those coordinates to the search page or the data entry page. And when you say okay, it also will look at -- in this case it didn't find any place name because we're kind of out in the middle of nowhere. And it'll pass the coordinates into your coordinates on your search page and will pass in place names. The place names

are sent to servers that don't use bounding coordinates, so they'll be -- or a list of place names will be worked together and then ended with your search terms and then sent to, like the Alaska Resource Library or the Alaska State Library. I think one other data source that we're going to add this spring will be the library at the University of Alaska-Fairbanks. It's a matter of them getting their server on line.

The browse is kind of a way to do a search when you don't really know what you're looking for, so you can kind of click through the topics. This is -- you're going faster than I am. MS. FRIES: Sorry.

MR. KUNIBE: Okay. The browse would be you pick a broad topic, then you pick a more specific topic, like, in this case, we go to water and then water quality and water quality monitoring and then they did a search and the search comes back -- it does basically the same search that our search page does, except they've got some pre-defined terms. We played around with the idea of exposing what that pre-defined search is and making it editiable for the user to go ahead and change that browse search.

And this would be your results page. We have the local database is a CIIMMS Project database, that's part of the centralized portion of our project and that allows people to enter their own projects or their own data

directly into our server. The ARLIS is the Alaska Resource Library, it includes all the Anchorage municipal libraries and the University of Alaska-Anchorage. The Alaska State Library is all the Juneau libraries. The ASGDC/AGD are the Geospatial Clearinghouses and the Municipality of Anchorage also has a spatial data clearinghouse.

The Web harvest, where we feed harvester starting points, starting Websites and then follow the links on each one of those Websites to collect different Web pages. And then the results -- this would be the results from the Web harvest, it brings back the title, the author and then, I think, we're using like the first 500 characters of the body of the page to give a description. And then if you click on the title you'll link directly to the page in question. That was a Fish and Game page.

The project results is part of our data entry for people to enter information about their project. What we found was -- this was kind of a difficult thing to ask people to enter data, so we wanted to keep to our main focus of who has what data where and then we came up with this abbreviated list of information that we asked people to enter about their project. You can always ask for more information, but the more information you ask for, the harder it becomes for people to provide you with the information and less likely they're going to take the time

to do it. So we just asked for the title, the contact, phone, e-mail, who the lead agency is, description and some key words and things like that to search against, abstract and purpose.

MS. FRIES: But the other thing that should be noted, the way these categories of information we requested evolved, it built from the Federal Geographic Data Committee standard, so that it conforms to a commonly used standard, which makes it searchable and retrievable.

MR. KUNIBE: The contribute section. Now, this would be the key to part of that maintainability, is having people contribute their own information. The contribute log on -- it has a log on so if you enter your information you're the owner of that information and you're the only person that can edit it. A person can add themselves as a user, so you make up a user name and you make up a password. And we do a one-time collection of some basic information. And we also use this information later on when you're adding records, so we reenter that for you. This is the data entry form. The dataset title, each one of those things that look like a link are linked to the help topics to tell you about -- well, we want the title of your project or the title of your dataset and who created it.

And this is a project record data entry form. In

our data entry forms we also use the drop down menus or the map tools to help you select your geographic area. Using the drop down we would have predefined areas of the state, we've got Alaska statewide, we've got boroughs, I think we go hydrologic unit subregions, coastal districts, Native corporations, national wildlife refuges and the bottom one that's highlighted is the Exxon Valdez oil spill areas. And then if you select on the Exxon Valdez oil spill areas, you got just the general areas, Prince William Sound, the entire spill area, Cook Inlet, the Alaska Peninsula and then combinations of those. And then you can also use your map tool for the data entry as well.

The next thing we're going to talk about is what we accomplished over the last couple of year with the EVOS funding. In the area of technical accomplishments we were able to complete a distributed search which was uniquely able to search across different profiles, meaning we can search libraries, as well as geospatial clearinghouses, as well as Web pages with one search. And the FGDC Clearinghouse concept is we're not just searching geospatial clearinghouses, we're searching the libraries and other areas. We have a way for people to contribute information about their projects or data. The Web crawl, we collect these Web pages for indexing and targeted searching. It's a multi-agency system. And the map server

that we're using, we using the open GIS protocol and connectors, so that we can expand that later to distributed mapping.

Data accomplishments, in the project database we have all the EVOS projects, we have all the DEC 319 funded projects from 1990 to the present. There's a DNR Well Log database that we placed on line. We had ARLIS catalog specific Cook Inlet studies as part of this project. There's also a UAA macro-invertebrate educational database that we've been working with, ENRI, to place on line. We assisted Fish and Game with their anadromous fish stream habitat guides and the 309 Kenai River database, to complete those -- documenting those. We're working on connecting into the EPA STORET database as part of our basic search. And we have some scan documents from -- we worked on scanning documents and then providing a project record for the documents for the Division of Governmental Coordination, U.S. Forest Service, Fish and Wildlife Service and CIRCAC.

MS. FRIES: The other thing, we have scanned all of the EVOS final reports that are completed and have tied them to the EVOS project descriptions within CIIMMS, so that you -- if you find an EVOS project via CIIMMS, there's a link to the scanned final reports.

MR. KUNIBE: Data and information sources. We're

searching existing clearinghouses, the AGDC, that's the Alaska Geographic Data Clearinghouse, the Alaska State Geographic Data Clearinghouse, and the Municipality of Anchorage, the libraries, Alaska Resource libraries and Anchorage and Juneau libraries and the University of Alaska-Fairbanks. And the Fairbanks libraries, we are looking at that for the spring of next year. They're working on changing their server software, so when they complete that we'll be able to search their database as well.

We have our CIIMMS on line data, which is the projects and data sources and we have selected Web pages that we can search, which we harvest and index. And our plan is to have a more user directed and we're working on a way for users to add starting points for the harvester, so they would submit a link, basically. Other databases that we're working on connecting to are the STORET, which is storage and retrieval, the EPA water quality database and the ADEC facilities database. And we're working with ADF&G for this map access to the anadromous waters catalog.

Accomplishments and interagency cooperation, we're working with the Alaska State Geographic Data Clearinghouse on some data entry pages for them and also for the cataloging of information at that clearinghouse. Connection to a variety of data servers around the state.

We're a distributed system housed at DEC and DNR and it could be a catalyst for data deliver via the Web or a catalyst for map server implementation. These were some of the participants we worked with over the course of the project.

And then, last, we're going to talk about where CIIMMS is going. We're looking at expanding it to the Prince William Sound Copper River Delta, the next area, the northern/southeast Alaska and the interior Alaska around Fairbanks. And we've started with some of this, I went up to Fairbanks and talked to the Bonanza Creek Long-Term Ecological Research, they had a little data symposium on how to take their research data and make it more available to agencies that are actually doing management. And we are looking at ways to collect their data, as well as the Arctic Long-Term Ecological research data. I think in Southeast Alaska we started discussions with the Sustainable Salmon Fund about doing the same type of thing that we're doing with our 319 funding and making it a requirement to enter their projects.

MS. FRIES: And we've also talked with the boards of the Prince William Sound Science Center and the Oil Spill Recovery Institute.

MR. KUNIBE: CIIMMS use trends. This was -- we actually kind of announced that we were going live

somewhere around August of this year and that's what kind of got a little steeper.

MS. FRIES: Yeah, an analysis of the trends indicate that there's approximately 66 hits per day that are occurring, which has increased quite a bit.

MR. KUNIBE: What CIIMMS does. It helps you find answers to questions by providing information relative to a query based on search terms selected. It helps focus searches and increase relevance of responses, provides a structure for cooperatively sharing resource information, provides tools to access and retrieve information from disparate sources and uses and relies on standards and also works in spite of the lack of standards.

And what it doesn't do, it won't think for you, it doesn't set the standards, it doesn't survive unattended, it doesn't do any of the analysis of your data, it doesn't synthesize your data for you. What it can do is provide a cooperative foundation for information and data sharing, become more robust and useful as its use increases and provide a foundation for future development, especially when we start looking at the application, this on line analysis, which really starts becoming more application specific so the on line analysis tool would serve a more specific audience than what we built CIIMMS to do.

Where you can find it, there's our URL. There's

also a link from the DNR Website, from the DEC hot topics page, from the State of Alaska hot topics page, from the ASGDC page.
MS. McCAMMON: Linked to the EVOS page, too.
MR. KUNIBE: Link to the EVOS.
MS. FRIES: And the EVOS we done just (away from microphone)
MR. KUNIBE: Oh, Carol, that should have been the first one.
(Laughter)
MS. FRIES: It should have been first, I'm sorry.
MR. RUE: Always take us for granted.
MS. FRIES: Actually it should have been the last one so it was right in front of you. So does anyone have any questions or suggestions?
MR. KUNIBE: Is anyone still awake?
MS. McCAMMON: Yeah, turn on the lights.
MR. RUE: I have a question.
CHAIRMAN GIBBONS: Mr. Rue.
MR. RUE: Yeah. Can you tell the nature of the hits, can you tell if it's people actually using it or people have said CIIMMS, sounds like some cool pants or something, I'm going to check them out. Or waders, they think it's the wader store.
MR. BALSIGER: Where do you buy your clothes?

MR. KUNIBE: No, we just put a basic hit counter on it, just to kind of get an idea of where it was going. We get comments about the search page especially, people use the search -- like the search.
MS. FRIES: We've also gotten comments from an organization that is working -- there's a group of organizations working in South Florida with the water management area of the Everglades that have contacted the contractor that we work with and us about begging, borrowing and stealing components to implement something similar there. And NOAA has also contacted us about a similar effort that they're undertaking that they would like to beg, borrow and steal. And that was quite interesting, I'm pleased to see that.
CHAIRMAN GIBBONS: Any more questions.
(No audible response)
MS. FRIES: Great, thank you.
CHAIRMAN GIBBONS: Well, thanks Carol and Russell, good presentation.
MR. KUNIBE: Thank you.
MS. FRIES: Thank you.
CHAIRMAN GIBBONS: Well, that's the last topic unless anybody has anything else for today.
MS. McCAMMON: No other than you.....
MR. RUE: I move that we recess.

MS. McCAMMON: .....are all invited to our open house here and there's food and drink out in the main part of the office, so stick around for a while.
CHAIRMAN GIBBONS: Anybody move to adjourn?
MR. RUE: I'll move to recess.
(Laughter)
CHAIRMAN GIBBONS: No, no, the wrong term.
MR. BALSIGER: Move to adjourn.
MR. TILLERY: Second.
CHAIRMAN GIBBONS: Second. All in favor say aye.
IN UNISON: Aye.
CHAIRMAN GIBBONS: Opposed?
(No opposing responses)
CHAIRMAN GIBBONS: We're adjourned.
(Off record - 5:08 p.m.)
(END OF PROCEEDINGS)

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 217 contain a full, true and correct transcript of the Exxon Valdez Oil Spill Trustee Council's Meeting recorded electronically by me on the 11th day of December 2001, commencing at the hour of 10:17 a.m. and thereafter transcribed by me to the best of my knowledge and ability.

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 24th day of April 2000.

SIGNED AND CERTIFIED TO BY:

_____

Joseph P. Kolasinski
Notary Public in and for Alaska
My Commission Expires: 04/17/04