

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

October 17, 2018

9:30 a.m.

Anchorage, Alaska

TRUSTEE COUNCIL MEMBERS:

- | | |
|------------------------------------|---------------------|
| U.S. FOREST SERVICE: | Ms. Terri Marceron |
| AK DEPARTMENT OF FISH & GAME: | Mr. Sam Cotten |
| | Mr. David Rogers |
| AK DEPARTMENT OF LAW: | Mr. Steven Mulder |
| AK DPT OF ENVIRN CONSERVATION: | Mr. Larry Hartig |
| U.S. DPT OF THE INTERIOR: | Mr. Steve Wackowski |
| U.S. DEPARTMENT OF COMMERCE, NMFS: | Dr. James Balsiger |

Proceedings electronically recorded, then transcribed by:
Accu-Type Depositions, 310 "K" Street,
Suite 200, Anchorage, AK 99501 - 907-276-0544

1 ALSO PRESENT:

2 Elise Hsieh, Executive Director, EVOSTC

3 Lauri Adams, Habitat Director, EVOSTC

4 Linda Kilbourne, Administrative Manager, EVOSTC

5 Shiway Wang, Science Coordinator, EVOSTC

6 Cherri Womac, EVOSTC Staff

7 Helen Woods, ARLIS, EVOSTC Librarian

8 Sarah Pace, ARLIS, EVOSTC Librarian

9 Kurt Eilo, Chair, EVOSTC Public Advisory Committee

10 Scott Pegau, Prince William Sound Science Center

11 Thea Thomas, Prince William Sound Science Center

12 Katrina Hoffman, Prince William Sound Science Center

13 RJ Kopchak, Prince William Sound Science Center

14 Sherri Dressel, Alaska Department of Fish & Game

15 Mark Fink, Alaska Department of Fish & Game

16 Tara Riemer, Alaska SeaLife Center

17 Rys Miranda, Alaska Department of Natural Resources

18 Carol Janzen, Alaska Ocean Observing System

19 Molly McCammon, Alaska Ocean Observing System

20 Sam Booch, Kodiak Area Native Association

21 Steve Miller, Kenai National Wildlife Refuge

22 Branden Bornemann, Kenai Watershed Forum

23 Sheri Burette, Chugach Alaska Corporation

24 Ron Britton, Chugach National Forest

25 Melina Meyer, Cordova City Council

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

ALSO PRESENT: (CONTINUED)
Douglas Causey, University of Alaska, Anchorage
Veronica Varela, U.S. Fish & Wildlife Service
David Mitchell, Great Land Trust
Ellen Kazary, Great Land Trust
Austin Quinn-Davidson, Great Land Trust
Pete Hagen, National Oceanic and Atmosphere
Administration
Mandy Lindeberg, National Oceanic and Atmosphere
Administration
Jeff Baird, Rasmuson Foundation
Meg Anderson, Interpretation & Education, State of Alaska

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

ATTENDING TELEPHONICALLY:

Craig Tillery, Former Deputy Attorney General, State of
Alaska

Rick Steiner, Marine Conservation Biologist

Stacy Studebaker, EVOS, Public Advisory Committee

Sylvia Kreel, Alaska Department of Natural Resources

April Counciller, Alutiiq Museum

Bob Mitchell, Chief Investment Officer, Department of
Revenue

Sarah Ingram, Department of the Interior

Philip Johnson, Department of the Interior

Erika Wells, Department of Justice

Lauren Rusin, Kachemak Heritage Land Trust

David Wigglesworth, Fish & Wildlife Service

Craig O'Connor, National Oceanic and Atmosphere
Administration

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

TABLE OF CONTENTS

Call to Order	7
Consent Agenda	12
Approval of Agenda	14
Approval of April 9, 2018, Meeting Notes	13
Public Advisory Committee (PAC) Comments	19
Public Comment	27
Investment - Annual Asset Allocation	84
FY18 EVOSTC Annual Budget Project 19190100	130
Long-Term Programs Intro	131
Herring Research and Monitoring	184
Long-Term Monitoring Program	185
Data for Long-Term Programs	185
Non-Program Intro	132
PIGU Project	217
Habitat Enhancement Projects Intro	110
Reauthorization of State Parks	222
ADNR KRSMA Funny River/Morgan's Landing	224
USFS/ADFG PWS Instream Flow Protection	227
Habitat Protection Parcels	
Deep Creek/Raemaeker - KEN 4013	239
Kenai River/Corr - KEN 4014	239
Kenai River/CIRI Killey - KEN 4015	239
Kenai River/Fair Estate - KEN 4016	239

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

TABLE OF CONTENTS (CONTINUED)

Outreach Update	241
PWS Science Center Proposal	244
Alaska SeaLife Center	274
Alutiiq Museum	283
EVOSTC Administration and Costs	187
Discussion of Alternative Management Structures	289
Adjourn	336

1 MS. HSIEH: Elise Hsieh, Executive Director,
2 EVOS Trustee Council.

3 MS. ADAMS: And Lauri Adams, on staff for EVOS
4 Trustee Council.

5 CHAIR HARTIG: I guess we'll all go around the
6 room. Cherri, do you want to start?

7 MS. WOMAC: Oh, Cherri Womac, staff, EVOS staff.

8 MS. WOODS: Helen Woods, librarian for EVOSTC.

9 MS. PACE: Sarah Pace, librarian for EVOS,
10 ARLIS.

11 MS. KILBOURNE: Linda Kilbourne, admin manager
12 for EVOS.

13 MR. BOOCH: Sam Booch, Kodiak Area Native
14 Association.

15 MS. THOMAS: Thea Thomas, Prince William Sound
16 Science Center and commercial fisherman.

17 MS. DRESSEL: Sherri Dressel, Fisheries
18 Scientist for Alaska Department of Fish & Game.

19 MR. CAUSEY: I'm Douglas Causey of University of
20 Alaska, Anchorage.

21 MS. BURETTA: Sheri Burette with Chugach Alaska
22 Corporation.

23 MR. BAIRD: Jeff Baird, Rasmuson Foundation.

24 MS. RIEMER: Tara Riemer, Alaska SeaLife Center.

25 MR. MILLER: Steve Miller, Kenai National

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Wildlife Refuge.

MS. ANDERSON: Meg Anderson, Interpretation and Education, State of Alaska.

MR. MIRANDA: Rys Miranda, State Parks.

MR. BORNEMANN: Branden Bornemann, Kenai Watershed Forum.

MR. EILO: Kurt Eilo with the PAC.

MR. BRITTON: Ron Britton, Chugach National Forest.

MR. FINK: Mark Fink, Fish & Game.

MR. MITCHELL: David Mitchell, Great Land Trust.

MS. KAZARY: Ellen Kazary with Great Land Trust.

MS. QUINN-DAVIDSON: Austin Quinn-Davidson, Great Land Trust.

MS. VARELA: Veronica Varela, United States Fish & Wildlife Service.

CHAIR HARTIG: This will go after Pete Hagen.

MR. HAGEN: Oh, yeah. Pete Hagen, NOAA Fisheries.

MR. PEGAU: Scott Pegau with The Oil Spill Recovery Institute and Prince William Sound Science Center.

MS. WANG: Shiway Wang, Science Coordinator for EVOSTC.

MS. LINDEBERG: Mandy Lindeberg, NOAA Fisheries,

1 Program Lead for Gulf Watch Alaska.

2 MS. HOFFMAN: Katrina Hoffman, Prince William
3 Sound Science Center, and Admin Lead for Gulf Watch
4 Alaska.

5 MS. JANZEN: Carol Janzen with the Alaska Ocean
6 Observing System, and I'm the Project Lead for the Data
7 Management portion of the Gulf -- Gulf Watch and the
8 Herring Research.

9 MR. KOPCHAK: RJ Kopchak, commercial fisherman,
10 and former -- (indiscernible).

11 MS. MEYER: Melina Meyer, Cordova City Council
12 member.

13 CHAIR HARTIG: Okay. Thanks.

14 And then I know there's some people on the
15 phone, so I don't know if that's why you're doing this,
16 but would the people on the phone like to introduce
17 themselves?

18 MR. MITCHELL: Bob Mitchell, Chief Investment
19 Officer of the Treasury Division for the Department of
20 Revenue.

21 MS. KREEL: Sylvia --

22 MS. STUDEBAKER: Stacy Studebaker. Stacy
23 Studebaker, EVOS PAC member.

24 MS. KREEL: Sylvia Kreel with DNR.

25 MS. COUNCELLER: April Counciller, Alutiiq

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Museum.

MR. WIGGLESWORTH: David Wigglesworth, Fish & Wildlife Service.

MR. JOHNSON: Philip Johnson, Department of the Interior.

MR. STEINER: Rick Steiner, here in Anchorage.

MS. RUSIN: Lauren Rusin, Kachemak Heritage Land Trust.

MR. TILLERY: Craig Tillery.

UNIDENTIFIED SPEAKER: NOAA.

MR. TILLERY: Craig Tillery.

MS. WELLS: Erika Wells, Department of Justice.

MS. HSIEH: Who -- who was the person before --

MR. TILLERY: Craig Tillery.

MS. HSIEH: Craig Tillery? Oh, well, hello, Craig Tillery.

UNIDENTIFIED SPEAKER: Someone said "NOAA" too. I don't know who that was.

MR. TILLERY: Good morning.

MR. O'CONNOR: And Craig O'Connor.

MS. HSIEH: Craig O'Connor.

CHAIR HARTIG: We've got the two Craigs back. Thank you. This is Larry.

MR. O'CONNOR: Yeah. This is Larry, isn't it?

CHAIR HARTIG: It is Larry.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Anyone else on the phone?

MS. INGRAM: Yeah. This is Sarah Ingram with the DOI.

CHAIR HARTIG: Okay. Well, thanks, everyone.

We've got a big agenda, and a lot of people are interested in it. We'll start with the Consent Agenda and ask for approval of the Consent Agenda.

Any questions? Additions?

MR. COTTEN: Mr. Chairman.

CHAIR HARTIG: Yes, Sam?

MR. COTTEN: Please forgive me here. I'm not as familiar with the procedures here.

So we have a Consent Agenda in front of us?

CHAIR HARTIG: Yeah. What it is, is in the agenda, you have the approval of the agenda, and you have -- for today, and you have the approval of the April 9, 2018, Meeting Notes. Those are the only two things on the Consent --

MR. COTTEN: So this is just an approval of the agenda, then, Mr. Chairman?

CHAIR HARTIG: Yes, it's approval of the agenda for today, and the approval of the notes from the last meeting, April 9, '18. We can take those separately, if you'd like.

MR. COTTEN: No. I just wanted to make sure I

1 understood the Consent Agenda, whether there were items
2 on the agenda that were being approved as a result of
3 the approval of the Consent Agenda.

4 Thank you, Mr. Chairman.

5 MS. MARCERON: So I move that we approve the
6 October 5th, 2018, draft of the October 17, 2018,
7 meeting agenda, and we also approve the September 18,
8 2018, draft of the April 9, 2018, Trustee Council
9 Meeting Notes.

10 MR. MULDER: Steve Mulder --

11 MR. WACKOWSKI: I have a -- I have a point of
12 clarification here.

13 MS. MARCERON: Oh, sorry.

14 MR. WACKOWSKI: Sorry, because I know I came in
15 late here.

16 So this agenda, we were -- this is the actual
17 agenda we're --

18 MS. HSIEH: That's a --

19 MR. WACKOWSKI: (Indiscernible) --

20 (Indiscernible crosstalk.)

21 MR. WACKOWSKI: Okay. Gotcha. No. I've got a
22 copy here, I think. I pulled some stuff out to read
23 last night.

24 (Indiscernible crosstalk.)

25 CHAIR HARTIG: You know, we want to make sure

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

that you've reviewed the agenda.

MR. WACKOWSKI: Yeah.

MS. HSIEH: Thank you, Cherri.

(Indiscernible crosstalk.)

MR. WACKOWSKI: Yeah, I'm good. Sorry. My apologies, Cherri.

CHAIR HARTIG: Okay. So we have a motion. Do we have a second?

MR. MULDER: Steve Mulder, I'll second.

CHAIR HARTIG: Thank you, Steve.

MS. HSIEH: Steve Mulder, motion to second.

Cherri, I know you're doing two things now at once here. Thank you.

CHAIR HARTIG: Any discussion on either of the two pieces in the Consent Agenda? It doesn't look like it. Okay. All in favor? Okay. That looks like we have unanimous there, is what we need for the Consent Agenda. Thank you.

Okay. We've got the 2018-2020 PAC Nominations. Is Phil going to cover that?

MS. HSIEH: Yeah. Phil's on the phone. Phil Johnson?

MR. JOHNSON: Can people hear me okay?

CHAIR HARTIG: We hear you fine, Phil. Thanks.

MR. JOHNSON: Thanks. Thank you, Commissioner.

1 So good morning. I'm Phil Johnson, the
2 designated federal officer for the EVOS Public
3 Advisory Committee. I've been asked to provide the
4 Trustee Council with an update on the status of the
5 solicitation for PAC membership nominations for the
6 2018 through 2020 term.

7 The Department of the Interior published the
8 Federal Register Notice for the solicitation in June
9 2018, which was open for 45 days. In addition to
10 existing PAC members expressing interest, one new
11 nomination was received.

12 Previously, in February 2018, the
13 conservation/environmental representative vacancy was
14 also advertised in the Federal Register. Two
15 nominations were received; however, no selection was
16 made at that time.

17 So currently there's 12 potential applicants
18 for the 10 PAC positions. These would be the 9
19 current PAC members, the two from February and the one
20 from June.

21 DOI has decided to re-advertise the
22 solicitation with the goal of obtaining additional
23 nominations for the Secretary to choose from. This --
24 this shouldn't be interpreted as criticism of the
25 existing PAC members and membership.

1 The draft Federal Register Notice for this new
2 solicitation is currently under review by department
3 officials in Washington D.C., and it will be submitted
4 to the Office of the Federal Register once clearance
5 is provided. This latest solicitation will be open
6 for 30 days.

7 Does -- do the Trustee Council members have
8 any questions about this?

9 CHAIR HARTIG: Phil, I've got one question.
10 This is Larry. When would we have a full PAC panel?

11 MR. JOHNSON: Well, so this will be open for --
12 I -- I think that there's -- I'm not quite sure --

13 MR. WACKOWSKI: Phil, this is Steve.

14 MR. JOHNSON: -- so -- so -- so it'll be --
15 it'll be advertised, and then there would be -- you
16 know, hopefully get some nominations put forward to the
17 Secretary, and then there's, like, a vetting process for
18 those potential applicants.

19 Steve, do you -- Mr. Wackowski, do you have
20 anything else on --

21 MR. WACKOWSKI: Yeah. I --

22 MR. JOHNSON: -- on that?

23 MR. WACKOWSKI: -- was going to say, they don't
24 lapse until February; right?

25 UNIDENTIFIED SPEAKER: No.

1 MR. JOHNSON: I think the current term expires
2 December 1st. I'd have to double-check that.

3 MR. WACKOWSKI: Okay.

4 MR. JOHNSON: That's my -- my belief.

5 MR. WACKOWSKI: All on this one --

6 MR. JOHNSON: So we might -- there may or may --
7 there may or may not be a period of time when there
8 wouldn't be a -- you know, choosing PAC members, but
9 also there wouldn't -- probably wouldn't be any PAC
10 meetings scheduled, unless there was -- you know,
11 probably the first one would be a spring meeting, if
12 there is a spring meeting, and otherwise, it would be
13 next -- next September.

14 CHAIR HARTIG: Yeah, I was just thinking we're
15 going to have a discussion at -- yeah, at the end of our
16 agenda on Topic Number 15 that we may want PAC input on
17 at some point, so I just want to make sure that we would
18 have a full PAC, so thank you.

19 MR. JOHNSON: Yeah, so -- so we did have a
20 meeting that -- that Kurt Eilo -- (indiscernible) --
21 recently been. And there was a quorum, you know, even
22 with nine members, we were -- you know, we had, I
23 believe, almost full participation, so there was enough
24 for -- to have a quorum for the PAC.

25 CHAIR HARTIG: Okay. Any other questions?

1 Terri?

2 MS. MARCERON: My only question is, by
3 re-advertising for 30 days, is there some additional
4 outreach or emphasis being done at the Department of --

5 MS. HSIEH: I'm -- I'm actually acting on the
6 part of another person who will be applying.

7 MS. MARCERON: So I'm just kind of curious what
8 the --

9 MR. WACKOWSKI: Yeah, so --

10 MS. MARCERON: -- to get more --

11 MR. WACKOWSKI: -- I'll -- I'll --

12 MS. MARCERON: -- applicants, how is that --

13 MR. WACKOWSKI: -- I'm on this one --

14 MS. MARCERON: -- going to go with the holidays?

15 MR. WACKOWSKI: -- since -- since it was my
16 decision, and those run through the Secretary.

17 When we had got the applicants, we had a
18 couple people from out of state apply, and I -- I
19 didn't feel comfortable putting someone from Seattle
20 on to the PAC. So what we're going to do is once this
21 publishes, we're going to do some additional outreach
22 to get some qualified people, and then get vetted
23 through the White House Liaison.

24 I'm confident, I will commit to you, we'll
25 have it reconstituted by the New Year. So I can

1 usually speed these things up, and it's on the top of
2 my radar. I just would encourage everyone here to let
3 your friends, colleagues, peers know that, you know,
4 it's out there, and please, I'd like to have hard
5 decisions to make on -- on getting qualified
6 candidates into the PAC.

7 MR. JOHNSON: And -- and this is Phil Johnson
8 again. I -- I did want to recognize the -- the efforts
9 that the Trustee Council staff already do go to, to --
10 to get these solicitations out, you know, they -- they
11 do a lot, but certainly any -- any other additional
12 assistance would be appreciated.

13 CHAIR HARTIG: Okay. Thanks, Phil.

14 Okay. We've got the Public Advisory Committee
15 comments.

16 MR. BALSIGER: Mr. Chairman.

17 CHAIR HARTIG: Oh, yeah, Jim.

18 MR. BALSIGER: On the Public Advisory Committee,
19 who -- who appoints the PAC members, ultimately? Do the
20 Trustees, or is it the PAC itself, or how does that get
21 done? I -- I forgot.

22 MR. WACKOWSKI: So that's a process that goes
23 through the Department of Interior, the Secretary does,
24 and they get vetted through our White House Liaison
25 Office. I'm happy that you can coordinate if NOAA wants

1 to help out in vetting.

2 MR. BALSIGER: We'd be pleased to help. I'm --
3 and I'm --

4 MR. WACKOWSKI: Sure.

5 MR. BALSIGER: -- questioning it. I just forgot
6 how the process worked because it's just been a while.
7 Thank you.

8 CHAIR HARTIG: Thanks for the clarification.
9 Okay. Kurt. Welcome.

10 MR. EILO: Hi. Hello, everyone. My name is
11 Kurt Eilo. I am the PAC Chair. I think there's a
12 little bit of a typo on the agenda, because usually it's
13 supposed to say where "PAC Chair" is, I'm the eye-candy
14 of the PAC, so if we can correct that in the future.

15 So the -- the PAC met, and I -- you probably
16 haven't had time yet to review our -- our input, but
17 I'd like to summarize that for you as quick as
18 possible.

19 In looking at your agenda today, Item 7, 8, 9,
20 10, 11 were all motioned unanimously for the Trustee
21 Council to support those project funding sources. So
22 that includes everything from the -- from the Annual
23 Budget Proposal, all the way through the Enhancement
24 Projects, and the habitat parcels are fully supported
25 by the PAC.

1 The PAC also was excited that the Outreach
2 Program was funded. That was a comment the PAC had
3 had previously, and we're really pleased with the
4 direction that's headed, so there was some discussion
5 about that. And actually, the PAC is quite anxious to
6 see all of the materials, and the hardest part is that
7 we can't be involved in the actual production of them,
8 but there's a lot of passion in the group for -- for
9 the Outreach eff- -- efforts, so we appreciate moving
10 forward on that.

11 The PAC did not meet and discuss any of the
12 items under 13, 14, or 15 of your agenda, so we have
13 no official input in those regards.

14 There was some general discussion about the
15 PAC and its functionality, and I would just like to
16 say, it's maybe been more than ten years that I've
17 been on the PAC that it's running the most
18 efficiently, and no, not because of me in any regards,
19 but because of EVOS staff. We get proposals that are
20 clear and concise. We have a clear Work Plan to
21 review. We have materials. And when we ask questions
22 about past performance from PI's, we're able to get
23 information back.

24 From my perspective, it's the -- it's running
25 extremely smoothly, and we're able to get access to

1 information and have effective comments because of
2 that, so I just wanted to note the EVOS staff does a
3 wonderful job making the PAC function.

4 CHAIR HARTIG: Thank you, Kurt.

5 MR. EILO: Any questions?

6 CHAIR HARTIG: Any questions? Sam?

7 MR. COTTEN: Thanks, Mr. Chairman. Thank you.

8 The -- I -- I just want to make sure I
9 understood your -- your -- your comment there on --
10 you said that the Advisory Committee didn't consider
11 Item 15, the discussion of potential alternative
12 management structures. Is that something --

13 MR. EILO: That wasn't a subject discussion at
14 our last meeting, no.

15 MR. COTTEN: Did the PAC ever consider that
16 topic?

17 MR. EILO: They have not.

18 MS. HSIEH: That -- that was not received until
19 after our scheduled PAC meeting. That document, those
20 documents on those agenda items were not received until
21 after --

22 MR. COTTEN: I under- --

23 MS. HSIEH: -- our scheduled PAC --

24 MR. COTTEN: I understood what you said there.

25 MS. HSEIH: Yeah. So -- so they weren't able

1 to, and it's a 30-day, you have to put notice in the
2 Federal Register. We haven't had time to.

3 MR. EILO: That's the same for Items 13 as well.

4 MS. HSIEH: Right.

5 MR. EILO: We just didn't review them because
6 they hadn't been received yet.

7 MR. COTTEN: Yeah, I understand that those
8 particular proposals hadn't been, but I guess my
9 question is even a little broader than that: Have --
10 has the PAC ever considered or discussed alternative
11 structures for the Trust?

12 MR. EILO: I don't know about ever in my -- it's
13 -- no. No. It's not been our subject of our agendas.
14 And -- and within our scope, as a Federal Advisory
15 Committee, we really don't discuss things outside of
16 what's placed in front of us for agenda topics, so we're
17 kind of limited in -- in expanding our role into -- into
18 things like that that aren't placed for us for a review,
19 if that makes sense.

20 MR. COTTEN: I just have one technical question:
21 How -- how does something appear in your agenda, then?

22 MR. EILO: That would be better answered by
23 Elise Hsieh, the process.

24 MS. HSIEH: The PAC agenda is formed in mirror
25 to the Trustee Council agenda. At the time the PAC met,

1 these weren't received and weren't on the Trustee
2 Council agenda either.

3 So the PAC typically reviews in the fall. They
4 don't necessarily review everything. Sometimes we do
5 have a spring meeting with more -- we send everything
6 out to individual PAC members and take individual
7 comment; however, if we have something that's very
8 serious, we always make sure that we have additional
9 public process.

10 So it's a little fluid. It kind of depends on
11 what we have on the spring meetings. Sometimes it's not
12 pro forma, necessarily, but, sort of, businesses usually
13 send it out, receive it in comments, which typically
14 aren't any because we make a judgment at the time if
15 something is going to garner that kind of level of
16 interest, and -- and then we do have a PAC meeting.

17 For example, in 2009 to 2010 -- or 2008 to
18 2010, we had multiple PAC and Trustee Council
19 meetings, but we had this whole NEPA update and glide
20 path set. I think we had 16 public meetings. So when
21 we have times of great transition, we do have
22 increased public participation.

23 CHAIR HARTIG: Jim.

24 MR. COTTEN: So in order to get Item Number 15
25 on your agenda, that -- the way that it's currently

1 structured, you wouldn't see it again until next fall?
2 Is that a year from now?

3 MR. EILO: Right, at our next meeting, and I
4 suspect even as -- if I were acting chair at that point,
5 we -- we could add that to our agenda if the group
6 suggested it in our -- in our agenda review process, but
7 I -- you know, again, we didn't have an opportunity to
8 review it this time since it hadn't been received,
9 and --

10 MR. COTTEN: I understand that.

11 MR. EILO: -- I suspect the personalities
12 involved would be very interested in having input.

13 MR. COTTEN: Well, yeah, there's a lot -- I
14 think there's a lot of interest in this topic, and I
15 think it would be really important for the PAC to make
16 some comments about it, but without a scheduled spring
17 meeting, then -- then your next chance would be next
18 fall. Is that the way I understand it?

19 MS. HSIEH: We can schedule. I mean, Phil
20 Johnson may still be on the line. We can schedule a
21 PAC meeting. Cherri actually would --

22 Cherri, what is the timeline if we were to
23 schedule a PAC meeting as soon -- the soonest date
24 possible?

25 UNIDENTIFIED SPEAKER: After the date of the

1 Federal Register publication, 30 days.

2 MS. HSIEH: Right.

3 MR. JOHNSON: Did you say 15 days, Cherri?

4 MS. HSIEH: Right.

5 UNIDENTIFIED SPEAKER: No. I said 30.

6 MR. JOHNSON: I think it might -- I -- I'll
7 double-check that. I think --

8 UNIDENTIFIED SPEAKER: Is it --

9 (Indiscernible crosstalk.)

10 MR. JOHNSON: -- it might be -- I think it has
11 to be out there for at least 15 days --

12 MS. HSIEH: I think, yeah, we typically do --

13 MR. JOHNSON: -- public notice and before the
14 meeting, but then you have to back it up from the
15 process of getting -- you know, getting approval through
16 the -- you know, through the department to publish a
17 Federal Register Notice. So -- so -- you know, and it
18 -- it would take a little bit of time, but it wouldn't
19 take months.

20 CHAIR HARTIG: Yeah. The other issue there is
21 having the full PAC. And I don't know how you feel on
22 that, Kurt, whether you would feel comfortable going
23 forward with nine PAC members, or if you want to wait
24 until you have the -- the full contingency there.

25 MR. EILO: I -- I can only speak on my -- my --

1 my role in the PAC. I would have no objection going
2 forward with the -- with the committee we have. It's --
3 it has a lot of experience on it. Some folks have been
4 around working with EVOS from the very beginning, and I
5 think it would be a lively discussion, and we'd have
6 some -- have some feedback for you.

7 MR. COTTEN: Thanks, Mr. Chairman.

8 CHAIR HARTIG: Thank you, Sam.

9 Thanks, Kurt.

10 MR. EILO: Thanks.

11 CHAIR HARTIG: I appreciate your report.

12 Next on the agenda is the public comments. Do
13 we have a signup sheet in the room?

14 MS. HSIEH: I believe we have Rick Steiner --

15 CHAIR HARTIG: Yeah.

16 MS. HSIEH: -- on the --

17 CHAIR HARTIG: Yeah. And on the public
18 comments, I know generally we -- we don't encourage
19 public comments or things that come later in the agenda,
20 but since there's a lot of interest in Number 15, it's
21 -- it's for the end of the day, but if you want to talk
22 about it for three minutes now, that's fine.

23 MS. HSIEH: Let's see. Sheri Buretta, Thea
24 Thomas, and Douglas Causey.

25 CHAIR HARTIG: Okay. So we've got three people

1 here in the room, and -- and I know Rick probably
2 wants -- oh, okay.

3 MS. HSIEH: And RJ.

4 MS. STUDEBAKER: I'd like to make -- this is
5 Stacy Studebaker in Kodiak. I'd like to make some
6 comments this morning.

7 CHAIR HARTIG: Okay. Thanks, Stacy.

8 And, Rick, are you there?

9 MR. STEINER: Yeah, I am, and I --
10 (indiscernible).

11 CHAIR HARTIG: Okay. Anybody else on the phone
12 that would like to make public comments today?

13 MS. COUNCELLER: This is April Counciller in
14 Kodiak, and I'd also like to make comments, please.

15 CHAIR HARTIG: Thanks, April.

16 Anyone else on the phone?

17 MS. HSIEH: I think one more here in person.

18 MR. TILLERY: Yeah, this is Craig Tillery. I
19 have -- I have a few brief comments.

20 CHAIR HARTIG: Okay, Craig. Okay. Well, why
21 don't we start with the people on the phone right now.

22 Stacy, do you want to go first?

23 MS. STUDEBAKER: Sure.

24 Good morning. I know most of you, but I'm
25 Stacy Studebaker, a long-time PAC member. I've been

1 on the PAC since '95, and it's been an interesting
2 ride, let me tell you.

3 I'd like to echo Kurt, councilman of the
4 present staff, the EVOS Trustee Council. Over the
5 last ten years, it's been running smoother than I can
6 remember. I think Elise and her staff have just done
7 an excellent job at organizing materials for PAC
8 meetings and keeping us informed in between the
9 meetings with really excellent detailed messages on
10 e-mail.

11 And I also want to say a little bit about
12 Number 15. I have a little bit of concern about how
13 that came about. That's a -- (indiscernible) -- from
14 the Think Tank, and I didn't know anything about it.
15 We just had our recent PAC meeting up in Anchorage,
16 and I didn't know anything about it until I got back,
17 and a member of the Think Tank, a local member,
18 forwarded me the proposal.

19 I was quite surprised, because I hadn't heard
20 anything about it, and I think -- I don't know if all
21 the PAC members did receive copies of that, but it
22 really needed to be vetted through the PAC, and
23 probably pretty soon. So I would suggest that we get
24 it out to the PAC and have a meeting, which we could
25 just have a meeting specifically on this topic. And

1 that's all -- all I really have to say today.

2 CHAIR HARTIG: Thanks, Stacy.

3 Rick, would you like to go next?

4 MR. STEINER: Hi. Good morning, folks. Rick
5 Steiner here in Anchorage. And in addition to the
6 more extensive written comments that were submitted
7 yesterday, I just wanted to briefly touch on two main
8 points here today.

9 First, the proposed revision to the Chugach
10 National Forest Plan, in my view, would seriously
11 compromise the EVOS restoration goal to the Prince
12 William Sound, and I recommend that the Trustee
13 Council weigh in to this issue to bring the two plans
14 into alignment.

15 The current plan, Forest Plan, proposes
16 excluding important lands from the future Prince
17 William Sound wilderness area, including lands
18 specifically purchased for conservation and wilderness
19 purposes by the Trustee Council for restoration
20 purposes, and notably that's the Chenega lands I'm
21 speaking of, one of the highest ranked parcels in the
22 EVOS Habitat portfolio purchased for over -- about
23 \$34 million, and these lands are required to be
24 managed by the purchase agreement, in perpetuity for
25 conservation and wilderness purposes, but the current

1 Forest Plan proposal reduces the management and
2 protection on these lands, and it would also possibly
3 trigger a reverter clause in the agreement with the
4 land title going back from Forest Service to the
5 State, which would be a spectacular embarrassment for
6 all concerned.

7 So there's more detail about all of this in my
8 written comments, and I ask the Council to send a
9 letter to the Secretary of Agriculture requesting the
10 plan process be put on hold until these conflicts are
11 resolved, and that the administration recommends to
12 Congress the designation of the entire 1.9
13 million-acre Wilderness Study Area as federally
14 designated wilderness.

15 Secondly, the point on what I proposed in an
16 e-mail to you all last month, the recommended
17 immediate transition of the current Trustee Council
18 process from government to a court-appointed private
19 non-profit restoration foundation or trust.

20 I appreciate you adding this to the proposal
21 today. I have not seen the Rasmuson and documents
22 that we've just referenced, but in my view, this
23 proposed transition offers many benefits, and I've
24 been a close observer of the process for the entire
25 time since the 1991 Consent Decree. It would

1 eliminate conflict of interest with agencies funding
2 themselves. It would significantly reduce
3 administrative overhead, and it would reduce the
4 tendency of the agency to fund more agency duties with
5 restoration funds. It would encourage agency
6 professional staff and others to submit creative
7 proposals. It would significantly depoliticize the
8 Restoration Program, and all in all, it would make it
9 a more effective use of the remaining funds.

10 I strongly recommend that the foundation or
11 trust be appointed directly by and serve at the
12 discretion of the U.S. District Court, not be ad- --
13 political administrations of the governor or
14 president. That's the best way to depoliticize.

15 And so finally, my recommendation of the
16 Trustee Council today requests the Department of Law
17 and the Department of Justice petition the U.S.
18 District Court to dissolve the current Council and
19 transfer all remaining funds and authorities into a
20 court-appointed private nonprofit EVOS restoration
21 foundation or EVOS restoration trust, whatever the
22 appropriate title would be, to continue the program.

23 And I would note, that while the Trustee
24 Council endorsement is not essential for this, it
25 would certainly help. And even if one government

1 party, the State or the U.S., may not endorse this
2 proposed transition, either government party alone can
3 and should -- (indiscernible).

4 So, finally, I propose that this be done prior
5 to the 30th anniversary of this bill, March 24th,
6 2019. So thank you, and I look forward to your
7 discussion of these suggestions.

8 CHAIR HARTIG: Thank you, Rick.

9 Terri, have you got something you want to say?

10 MS. MARCERON: Yeah. As a forest supervisor
11 of the Chugach National Forest, in reviewing
12 Mr. Steiner's comment, I just wanted to make a couple
13 of comments for clarification to the Trustees. First,
14 as far as the Forest Plan proposed revision, I just --
15 I just want to add some clarity on a couple of items.

16 First of all, Mr. Steiner references that our
17 Forest Plan has a preferred alternative, which we
18 currently do not. There is no preferred alternative
19 in the four that we're seeking at this time.

20 The wilderness recommendation that we propose
21 is within the Wilderness Study Area, and regardless of
22 whether or not the recommendation occurs, the entire
23 area, with the exception, as Mr. Steiner indicated of
24 that Chenega parcel, would be managed under the same
25 management requirements.

1 The reason Chenega was pulled out, and that's
2 a surface estate --

3 MR. WACKOWSKI: Sorry. Just a point of
4 clarification. So irregardless of whether it's
5 designated wilderness or not, it would still be --
6 will be managed as if -- under the --

7 MS. MARCERON: It's -- it's --

8 MR. WACKOWSKI: Sorry.

9 MS. MARCERON: -- a wilderness recommendation.
10 It's an administrative. Only Congress determines --

11 MR. WACKOWSKI: Right.

12 MS. MARCERON: -- what's wilderness. So all
13 we're saying is at this point, I just need to maintain
14 the character --

15 MR. WACKOWSKI: Right.

16 MS. MARCERON: -- consistent under 1980
17 ANILCA, when the Wilderness Study Area was
18 established.

19 So Mr. Steiner's point in the article, or in
20 his notes, seem to imply that if it wasn't recommended
21 wilderness, it still would not be managed --

22 MR. WACKOWSKI: Gotcha.

23 MS. MARCERON: -- as such. It's still under
24 the management area.

25 MR. WACKOWSKI: Gotcha.

1 MS. MARCERON: The Chenega parcel is
2 different, and that's because that was a surface
3 acquired parcel with EVOS with specific covenants.
4 Those covenants are more restrictive than what the
5 Wilderness Study Area designation and management under
6 ANILCA provisions for wilderness would -- would allow.
7 So actually, the surface will be managed as such and
8 consistent with the covenants, would be the interest
9 of the Trustees, is to ensure we manage it as such.

10 I also want to highlight that the subsurface
11 is also owned by Chugach Alaska Corporation, so there
12 is a different land split ownership there that is
13 recognized by not proposing that area as recommended
14 wilderness, at least in a couple of the alternatives.

15 I also share that part of the alternatives, as
16 you would expect, consider government to government
17 travel consultation, as well as
18 government-to-corporation tribal consultation, and I
19 also received comment from the State of Alaska. So
20 the alternatives reflect the feedback we've received
21 today, and I would encourage, folks, Mr. Steiner's
22 correct, we are accepting comments through
23 November 1st.

24 But I just want to make sure folks understand
25 that the EVOS-acquired lands are to be managed

1 specific to the covenants, and those vary by
2 individual parcels. And, actually, our staff worked
3 with the EVOS staff to make sure that the wording that
4 we were proposing in the plan aligned, or was at least
5 consistent, with the intent of the work that the EVOS
6 had done when they acquired those parcels back in the
7 '90s.

8 So I appreciate the comments received. If the
9 Trustees would like a formal response, I'm happy to do
10 that, but at this point, I felt that I needed to be
11 transparent that some of the information just needed
12 to be put forward on the record.

13 CHAIR HARTIG: Sam, do you have a question?

14 MR. COTTEN: On a different topic.

15 CHAIR HARTIG: Oh, okay.

16 MR. COTTEN: I just have a related question.
17 You may not have an answer to this, Terri, but should
18 you designate wilderness, and the Secretary of
19 Agriculture recommend to Congress that it be designated
20 wilderness and Congress chooses not to do that, do you
21 still manage it as de facto of wilderness, or does that
22 option leave the table?

23 MS. MARCERON: No. We -- we continue to manage
24 it under the 1980 ANILCA that says maintain the singular
25 so Congress can consider it for wilderness.

1 MR. COTTEN: Right.

2 MS. MARCERON: Until Congress makes a decision,
3 and it's not my decision, all I'm required to do under
4 my agency policy --

5 MR. COTTEN: Right.

6 MS. MARCERON: -- is to provide a
7 recommendation. And as indicated, I've done that con-
8 -- consistent, but I'm not -- but I'm still considering,
9 as far as that recommendation, the input of tribes and
10 the State as part of that recommendation. It's an
11 administrative recommendation required under our
12 planning rule.

13 MR. MULDER: I understood Sam's question to
14 be, well, what if Congress does consider it and --

15 MR. WACKOWSKI: Yeah.

16 MR. MULDER: -- elects not to designate it?

17 MS. MARCERON: Then -- then the management will
18 be considered at that time differently.

19 MR. MULDER: Okay.

20 MS. MARCERON: I mean, you can amend the plan
21 consistently when Congress makes --

22 MR. WACKOWSKI: I just -- we -- this is afar --
23 I'm digressing now, but that's something we've been
24 struggling with too in the Department of Interior, is if
25 Congress decides not to act, then do we manage it as a

1 wilderness, continue, or is it de facto and then there's
2 the "no more" clause? So it's an interesting legal
3 discussion for another day.

4 MS. MARCERON: Again, I'm just going to
5 clarify --

6 MR. WACKOWSKI: Understood.

7 MS. MARCERON: -- Congress doesn't designate.
8 ANILCA is already directing us to maintain the character
9 for --

10 MR. WACKOWSKI: Right.

11 MS. MARCERON: -- consideration. That's
12 different than if Congress acts, then we're going to
13 follow whatever Congress says, including any provisions
14 they choose --

15 MR. WACKOWSKI: Correct.

16 MS. MARCERON: -- to make on it. Right now
17 we're managing it consistent with ANILCA provisions --

18 MR. WACKOWSKI: Correct.

19 MS. MARCERON: -- within -- wilderness within
20 Alaska, which allows a lot of exception than normal --

21 MR. WACKOWSKI: Right.

22 MS. MARCERON: -- sort of Lower 48 wilderness --

23 MR. WACKOWSKI: Right.

24 MS. MARCERON: -- which is why I think the
25 covenants that EVOS put forward has a different task for

1 Forest Service management on particularly the parcel
2 Mr. Steiner noted.

3 CHAIR HARTIG: Sam, did you have something else?

4 MR. COTTEN: Is it appropriate to ask
5 Mr. Steiner a question?

6 CHAIR HARTIG: Sure.

7 MR. COTTEN: Yeah. Thanks for your remarks,
8 Rick. The -- the conclusion I draw from what you said
9 is that you believe that the -- that there should be a
10 restructuring, and there -- there's your proposal and
11 one other that I think most of us have at least been
12 exposed to. You may have heard the discussion with the
13 chairman of the Advisory Committee.

14 What -- what's your -- I'm not sure I
15 understood your suggestion for next steps to further
16 consider this idea. Could you maybe make that a
17 little more clear for me?

18 MR. STEINER: Is that for me? Yeah. Is that a
19 question to me?

20 MR. COTTEN: Yes, it is. What's your
21 suggestions for --

22 MR. STEINER: Yeah.

23 MR. COTTEN: -- next steps forward to consider
24 alternative structures?

25 MR. STEINER: My -- my -- well, my proposal

1 would be that even though this is not a quintessential
2 Trustee Council -- within the Trustee Council's
3 authority, I think the Trustee Council's opinion and
4 perspective on this tran- -- proposed transition, will
5 weigh heavily in a political decision by the governor
6 and the president of the federal and State
7 administration as to how to transition this process to
8 make it more effective in the -- in the senior years of
9 the Council of the Restoration Program.

10 My proposal is that the Council today simply
11 adopt a resolution asking the Department of Justice --
12 U.S. Department of Justice and the Alaska Department
13 of Law -- there's a representative there on the
14 Council today -- to develop a petition to the U.S.
15 District Court to transition to -- to transition the
16 existing authority and all the funds into a private
17 nonprofit foundation or trust with the same objectives
18 and goals as -- as outlined by the 1991 Consent
19 Decree.

20 So what I'm asking of the Council today, I
21 guess in your agenda Item 15, is to make it a -- an
22 action item and resolve that this is something that
23 the Department of Justice and the Department of Law
24 should move forward with, and that's all.

25 MR. COTTEN: Just to follow up on that, I

1 appreciate your confidence that there's no politics
2 involved in the court system, to begin with, but the
3 -- my guess is that the -- the -- that we're probably
4 not prepared to endorse your program, or any other
5 program, today. There's been some discussion of
6 allowing the Advisory Committee to review it.

7 I'm thinking about a process that might give
8 the public further opportunity to consider the concept
9 of a restructuring, and it would include yours as one
10 of the existing proposals, but I certainly don't feel
11 like I'm prepared to advance your idea today with a
12 full agreement, but certainly I think it ought to be
13 put into the mix for consideration.

14 MR. STEINER: I appreciate that, Commissioner.

15 CHAIR HARTIG: Okay. So thanks for the public
16 comment, Rick. We'll go to April.

17 MS. COUNCELLER: Hello, and thank you for the
18 opportunity to speak this morning. My name is April
19 Laktonen Counciller, and I'm a member of the Alutiiq
20 Tribe at Larson Bay and the Chinook Tribe of Kodiak.

21 I've lived most of my life on Kodiak Island. I
22 was in the 4th grade when the oil spill happened, and
23 that event shaped my life. I've been working at the
24 Alutiiq Museum since college as an intern volunteer, and
25 then an employee, and I'm now the organization's

1 Executive Director.

2 Over the past 15 years, I've worked along with
3 the museum, Board, and staff to promote the care of
4 the collection, historic preservation initiative, and
5 the archaeological research that are helping --
6 (indiscernible) -- for Kodiak's cultural resources.
7 These resources were damaged by the spill, and they're
8 part of the human impact that remains to be fully
9 addressed.

10 Today, I wish to speak in favor of the new
11 vision for EVOS proposal from the EVOS Think Tank.
12 The proposal is a reasonable solution for the Oil
13 Spill Trust. It will enable the Native-governed
14 Alutiiq Museum, which is the primary archaeological
15 repository and research entity in our region, to be
16 sustained.

17 We're at a critical juncture in our
18 organization's history. We have the opportunity to
19 secure larger facilities and build an endowment that
20 the museum needs to flourish far into the future.
21 Purchasing the Alutiiq Center will provide the
22 foundation for the ongoing professional care of
23 archaeological collections, as well as public
24 education, cultural resource stewardship, and
25 archaeological excavations and surveying.

1 As you know, we have submitted -- "we" being
2 the Alutiiq Museum -- have submitted a separate
3 preliminary proposal for the EVOS Trustees Council
4 related to the Alutiiq Museum facility expansion, and
5 I want to emphasize that that proposal is not intended
6 to supercede the new vision proposal. Instead, our
7 hope is to ensure that the Alutiiq Museum does receive
8 support from the Trust.

9 The -- (indiscernible) -- proposal, the first
10 step in the process of purchasing our building and
11 expanding collection storage while the new visions for
12 Council, which we were not involved in, was allowed
13 for other upgrades, and an endowment savings to
14 sustain future efforts.

15 I would like to thank the Trustees, the Public
16 Advisory Committee, and the EVOS Trust staff for the
17 opportunity to share these comments with you today.
18 Thank you.

19 CHAIR HARTIG: Thank you, April.

20 Any questions for April? Not right now, it
21 looks like. We'll go to Craig.

22 MR. TILLERY: Good morning, Mr. Chairman, and
23 members of the Council. My name is Craig Tillery. I
24 should probably note at the beginning that I'm sitting
25 here in the countryside in North Carolina with one bar

1 of telephone service, so if you lose me, I apologize.

2 I would like to speak briefly today about the
3 facility -- (indiscernible) -- by the Prince William
4 Sound Science Center. Some of you may recall when I
5 worked in the Department of Law on the spill from
6 March of 19- -- to 2010.

7 About a year and a half ago, I was asked by
8 the Prince William Sound Science Center if I'd be
9 interested in serving on their Board of Directors. I
10 was pleased to accept that invitation, because I deem
11 the Science Center as a well-known organization. They
12 -- (indiscernible) -- science, and they're critical to
13 the Restoration Program.

14 That was not always my view, however. In the
15 early days of the spill, and this Council, I and some
16 of the others did not truly believe in the Center's
17 abilities and capacity to be a major player on
18 scientific research. That perception changed over
19 time.

20 I don't remember exactly when it was, but I do
21 particularly actually recall a point when I was
22 looking at one of the larger ecosystem projects and
23 said, "These people are actually doing a very good
24 job," and over the years they've only gotten better
25 and better.

1 Today, the Science Center not only has the
2 talent and capacity, that has become a centerpiece in
3 the research on the Council's Restoration Program, the
4 Science Center is a valued partner with the Council,
5 but that partnership is now in jeopardy. As you've
6 been told in the proposal, the Center --
7 (indiscernible) -- due to a planned harbor expansion in
8 Cordova. There was no promptly identified or obvious
9 alternative for the Center, with one exception, the
10 construction of a new facility.

11 The -- (indiscernible) -- Center has begun a
12 capital campaign and has -- (indiscernible) --
13 thousands of dollars, including \$50,000 for the
14 purchase of the suitable parcel of land to make the
15 facility a reality. The plan will solve a number of
16 current problems, such as an inadequate lab and
17 inadequate space for the Center. More importantly,
18 though, it will ensure the long-term survival of the
19 Science Center and the Restoration Program, if you
20 participate, and that's, kind of, the important point
21 I make.

22 One of the first things I asked myself when I
23 heard this plan, was that you can spend all the money
24 -- spend all of the money for a facility, and the --
25 (indiscernible) -- restoration funds over the next

1 five, ten, or more years, and that means the
2 investment was wasted from the restoration
3 perspective.

4 I asked the Center for a spreadsheet project,
5 undertaken -- project, undertaken by the Science
6 Center over the last five years. I, then, looked at
7 the funding sources for those projects, that appeared
8 to me to be eligible for restoration activities. I
9 found that there's 80 percent of the Science Center
10 project funds that are devoted to Restoration
11 Projects, and for those projects, that 40 percent of
12 the funds retained from sources other than EVOS Trust
13 Fund.

14 (Indiscernible) -- of the Science Center will
15 obviously play a critical role while research trust
16 funds remain. Its existence will be no less important
17 for restoration after they are gone. It's easy for an
18 entity to ask the Council to fund a facility and say,
19 "If the Council's project funding goes away, we will
20 find other sources," but here there's an actual
21 victory of accomplishment of just that. In my view,
22 funding for the Science Center facility is a sound
23 investment that the Council can make in the long-term
24 restoration.

25 Funding will ensure that the existing Council

1 research party will continue into the future, and that
2 there will be a legacy of restoration work, and
3 leadership the Council is funding in.

4 (Indiscernible) -- I urge the Council to give
5 the proposal, the Prince William Sound Science Center,
6 its favorable consideration. Thank you very much.

7 CHAIR HARTIG: Thank you, Craig.

8 Any questions in the room? Jim?

9 MR. BALSIGER: Thank you, Mr. Chairman.

10 So -- so do we have a -- those comments with
11 all of those numbers and percentages you laid out in
12 front of us? I think it sounded similar, but I wasn't
13 able to track it all.

14 MS. HSIEH: I believe it was 80 percent of the
15 projects at Prince William Sound Science Center with
16 40 percent funding from EVOS, so an additional
17 40 percent, which would fit under the rubric of
18 restoration. I don't remember the total project num-
19 -- number, but I believe Katrina would because she
20 created this spreadsheet.

21 MR. BALSIGER: But that's the question. Is
22 that paper in front of us, or...

23 MS. HSIEH: It is --

24 MR. TILLERY: Mr. Chairman --

25 MS. HSIEH: -- in your proposal binder.

1 MR. TILLERY: -- Craig Tillery.

2 MR. BALSIGER: Okay. Thank you. That answers
3 the question. Thank you.

4 MR. TILLARY: This is Craig Tillery.

5 That particular number I gave you was from my
6 knowledge. I believe that in the proposal -- the
7 Excel contains another -- another amount that --
8 that's looking at a slightly different aspect of it,
9 but generally all of the back -- back information for
10 the numbers is available in the spreadsheet that were
11 provided to each.

12 MR. BALSIGER: Thank you.

13 MS. HSIEH: Cherri, is the Excel -- there was
14 a spreadsheet along with the Prince William Sound
15 Science --

16 UNIDENTIFIED SPEAKER: It looks like this.

17 MS. HSIEH: -- Center proposal.

18 Yeah, and I believe it's in the proposal binder.
19 Yes, there we go. It's in there.

20 (Indiscernible crosstalk.)

21 MS. HSIEH: It's quite small.

22 And Katrina Hoffman, the CEO, is also here. She
23 can clarify any specific questions that you have.

24 She wanted to make sure you had the Excel
25 spreadsheet.

1 CHAIR HARTIG: Well, we can take that up when we
2 get to that --

3 (Indiscernible crosstalk.)

4 CHAIR HARTIG: -- but that's very helpful
5 testimony, Craig, thanks again. It's good to hear your
6 voice.

7 Anybody else on the phone want to add -- add a
8 public comment today?

9 Okay. So we'll go to the room here. I think
10 the first person is Sheri Buretta, signed up for
11 comment.

12 MS. BURETTA: Hello. Good morning.

13 UNIDENTIFIED SPEAKER: Morning.

14 CHAIR HARTIG: Morning.

15 MS. BURETTA: My name is Sheri Buretta. My
16 family is from Tatitlek, three miles from Bligh Island,
17 where the *Exxon Valdez* went aground.

18 I remember that day almost 30 years ago and
19 the black death that it brought. It was best
20 described in "The Day the Water Died," written by
21 beloved elder and Chief of Port Graham Village Tribe,
22 Walter Meganack, who was one of the five original
23 incorporators of Chugach Alaska Corporation.

24 I'm currently the chairman of the board for
25 Chugach Alaska Corporation and have been in the

1 position for 21 years. I was recently re-elected on
2 Saturday to another three-year term.

3 I speak today to ask you to support the new
4 vision for EVOS, and briefly explain why there's not a
5 separate proposal on your agenda for Chugach Heritage
6 Foundation. I know I only have three minutes, so I'll
7 speak fast and be brief, and if I don't finish, I have
8 my written comments here.

9 When approached by the citizens -- citizens --
10 Think Tank Committee, many difficult and frustrating
11 memories came back to me from the spill and when I
12 served on the Public Advisory Group in the mid '90s.

13 In summary, the most notable memories are,
14 number one, the spill caused deep pain, suffering and
15 loss of our way of life and traditional lands.
16 Families were split apart to go make money and
17 desperately scrub rocks to try to rid the oil. The
18 devastation and social disruption caused to our
19 people, tribes, communities, and economies, have never
20 fully recovered.

21 Number two, a memory from when I was on the
22 Public Advisory Group, and the words from the EVOS
23 Trustee Council Chief Scientist, I believe his name
24 was Bob Spies, when I asked him why our communities
25 and nonprofits, Chugach Regional Resources Commission,

1 was not able to get meaningful funding from the EVOS
2 Trustee Council for local projects and to create an
3 endowment, he said, "This money is for scientists and
4 scientific research. The Natives got theirs in the
5 settlement act."

6 I also believe people thought that the
7 punitive damage lawsuit against Exxon --

8 UNIDENTIFIED SPEAKER: Sorry. Who said that,
9 Sheri?

10 MS. BURETTA: This was the chief scientist. I
11 believe his name was Bob Spies at the time.

12 I also believe that people thought that the
13 punitive damage lawsuit against Exxon would pay out
14 and make us whole again. After 20 years, it did not.

15 Number three, the feelings of sadness I had
16 when I walked into the EVOS Trustee Council office
17 downtown and saw the big maps of our village lands on
18 a table. I asked a woman who was also on the Public
19 Advisory Group from the Sierra Club -- maybe her name
20 was Pam -- "What did the land sales have to do with
21 restoration from the oil spill, and how was I going to
22 explain to my children why we sold their birthright
23 and traditional lands?"

24 She said, "If we didn't sell, I would have to
25 explain why we passed up the most money we would ever

1 be offered for our land." The rest of this is
2 history, as you know better than anyone, how much
3 Native land was purchased in -- by the EVOS Trustee
4 Council.

5 In 1998, one of the main reasons I ran for the
6 Chugach Alaska Corporation Board was to protect our
7 land for future generations. Today we continue to own
8 over 240,000 acres of dominant subsurface estate under
9 the E- -- EVOS surface estate purchased from village
10 land sales, now owned for preservation by the State
11 and federal government.

12 There are positive effects from these sales,
13 including creation of village settlement trusts and
14 business investments, but for Chugach Alaska
15 Corporation, it causes public discord and resentment
16 as we look to potential development of those
17 subsurface lands.

18 In closing, the question of why the Chugach
19 Heritage Foundation does not have a proposal on the
20 agenda today, mostly because our groups gave up on
21 getting funding from EVOS Trustee Council outside of
22 land sales, hence the proposal for a new vision for
23 EVOS.

24 Thirty years later, these funds, if allowed to
25 flow to tribes and communities most affected by this

1 -- this disaster, can make significant strides towards
2 recovery. CAC is also investing in community and
3 regional economic development and stabilization. This
4 opportunity is timely. Please consider approving the
5 new vision for EVOS proposal.

6 Other -- other citizens from the committee
7 will be speaking later on the agenda today. The
8 process does ask for public input, and so I ask that a
9 special meeting for the Public Advisory Group be
10 requested at the earliest convenience.

11 And there is a resolution that I believe was
12 e-mailed to you that was finalized last -- last night
13 that goes over in detail the summary of the document
14 of the new EVOS vision for EVOS. Thank you.

15 CHAIR HARTIG: Thank you.

16 Any questions?

17 MR. WACKOWSKI: I have a question.

18 Sheri, thank you very much for your heartfelt
19 testimony. Something -- two things I struggle with.

20 One, you know, as you look at a land map, you
21 know, we have a pot of money that's there to buy land,
22 like we've bought up most of the land in the affected
23 area, and I wonder, when it goes into the federal
24 larg- -- largesse, you know, how we manage that land,
25 can we manage it for multiple use, and a lot of times

1 we can't.

2 But unrelated to that, how does your -- your
3 shareholders and your youth, particularly ones that
4 were young or born after this spill -- and you -- you
5 had said in your statement that people will never
6 recover -- how is it viewed among your community and
7 your shareholders, the youth, on the effects of the
8 spill and the -- and the long-term damage?

9 MS. BURETTA: Well, in -- in Tatitlek, we had
10 a robust commercial fishing industry. There are no --
11 no more commercial fishers there, or Chenega. The --
12 the economy that existed, including the subsistence
13 economy, was devastated. The -- the herring was a
14 sign of spring, and that's -- as you know, has --
15 millions have been spent on researching that.

16 And so, you know, we are resilient. We've --
17 we've lived through earthquakes and other devastating
18 events in our small communities, and so we continue to
19 be strong and -- and pass on to our children that they
20 have a responsibility to the next generations to
21 continue on.

22 MR. WACKOWSKI: So in your view, does this
23 Think Tank proposal help the community and your
24 shareholders move forward from this, or does it create
25 a path? Help me understand that connection.

1 MS. BURETTA: I believe it has the potential
2 of being less bureaucratic in its structure. I think
3 that, as far as the -- the Council, there has been
4 amazing work that's been done in the scientific world
5 that is world renowned. We have not been -- we don't
6 have those. Some of the things that we would love to
7 have happen is those scientific research projects be
8 housed in the region where our children could study
9 them, and that we could understand better in the event
10 that this should ever happen again.

11 MR. WACKOWSKI: Thank you.

12 CHAIR HARTIG: Terri.

13 MS. MARCERON: Sheri, are you going to be here
14 when we actually get to Topic 15? Because I -- I just
15 have a few questions about, sort of, the human services
16 and some elements that I just want to get a better
17 understanding on, and I -- I'm not sure that the public
18 comment is the time you wanted to delve into that,
19 but...

20 MS. BURETTA: I can make sure --

21 CHAIR HARTIG: Yeah, I mean --

22 MS. BURETTA: -- to be here.

23 CHAIR HARTIG: -- we'll provide both of those
24 opportunities. We probably won't get to Item 15 until
25 about --

1 UNIDENTIFIED SPEAKER: 3:00.

2 CHAIR HARTIG: -- 2:30, 3:00, somewhere in that
3 range this afternoon. So I don't know if, Sheri, you
4 can stay, or whether you want to answer Terri's
5 questions now if you can't stay.

6 MS. BURETTA: I could answer the questions, or I
7 could come back. I do have to leave at noon.

8 MS. MARCERON: Oh, so you'll want to answer
9 questions now.

10 CHAIR HARTIG: Yeah. Go ahead.

11 MS. MARCERON: Well, again, I appreciate your
12 input. And when I read the Think Tank proposal, you had
13 on a couple of the last pages, some, what I read as,
14 maybe some potential scope that kind of add to human
15 services and add some potential projects.

16 MS. BURETTA: Yeah.

17 MS. MARCERON: And just now you indicated that
18 you -- you've kind of given up on getting funding from
19 EVOS Trustee Council. Have any of those projects that
20 you proposed in the back been forwarded or been proposed
21 to the Trustee Council? I mean, my tenure has only been
22 a few years, but I -- I'm trying to understand the
23 nature of recognizing maybe the purposes of the Think
24 Tank, but I'm also trying -- I'm wrestling with, is the
25 things that -- that's being requested in some of the

1 Think Tank, can that actually still be approved under
2 the structure we have now.

3 MS. BURETTA: I would imagine -- thank you for
4 the question. I would imagine so, but I think that the
5 sentiment is once bitten, twice shy. Why would we go
6 through that trauma and pain again to be denied or made
7 to feel inadequate?

8 MS. MARCERON: And -- and the only other
9 question that I have is more of a comment about really
10 trying to understand the human services side and the
11 impacts to the communities within their -- I took the
12 opportunity, as did probably the other Trustees, to look
13 at the 2009, 2011, and I read the letter from Chugach
14 Alaska Corporation that helps convey sort of the -- the
15 -- you know, the -- the -- the human emotional damage
16 caused, and I'll still wrestling with that as to some of
17 how we can link that or strengthen that better with the
18 purposes we have. I -- I think some of it's in there,
19 but it may not be as transparent, like you indicated,
20 for others to be able to want to propose.

21 So I'm -- I'm -- I'm still kind of processing
22 that, but I just wanted to bring that up, because I -- I
23 think the whole human services and how it relates to
24 injured resources, whether it's fish and wildlife. I --
25 I think there's more opportunity there than -- than

1 maybe how it's been read, so I -- I just bring that up.
2 That's something that, from my role, I would want to
3 continue to have a dialogue on, and I -- I don't have
4 the perspective fully from all of the communities and
5 how they see that.

6 MS. BURETTA: And that's an excellent
7 observation. I think that some of the way that the
8 Trustee Council has managed the funds is fairly narrowly
9 defined, and so I was -- we were told that the humans
10 weren't part of the environment in this, and that -- and
11 that was -- it was hard to -- to understand that,
12 because we depend upon the -- we don't have stores in
13 our villages, and so if we're not a part of the
14 environment, then, you know, what are we?

15 And I -- I -- 20 years later, I -- I feel like
16 humans are a part of the Trustee's focus, but it's what
17 humans, and under what prem- -- premises, and under
18 what guidelines? And so I -- I believe that the
19 Trustees have the ability to redefine that, whether
20 they're willing to or not, whether they have the
21 flexibility. It feels like -- and I don't mean to say
22 this in disrespect, but the -- just the rigidness of
23 the structure in the bur- -- bureaucracy, I think it
24 -- it just creates some difficulty in being able to
25 understand the human impact.

1 And -- and so we're struggling to save our
2 villages from collapse, and it's -- it's -- we're
3 hopeful, and -- and we're interested in -- in how this
4 could be a piece of that. And so we're hopeful that
5 you will consider it, and -- and this will start a new
6 process of public input and getting people to think
7 about the 30 years after the oil spill coming full
8 circle and -- and having a meaningful resolve to this
9 damage.

10 CHAIR HARTIG: Jim.

11 MR. BALSIGER: So -- so, Mr. Chairman, I'm --
12 I'm not sure if we want to continue this dialogue.

13 CHAIR HARTIG: Well, go ahead.

14 MR. BALSIGER: So the Trustee Council has
15 changed from time to time, and I don't recall the
16 Trustee Council rejected proposals or ideas. I don't
17 question that we're sort of bureaucratic and we try to
18 follow the advice of our legal counsel, but in the event
19 that we consider a different structure, maybe that will
20 happen, but it won't happen soon because there's a lot
21 of legal questions. So I would suggest that if you have
22 proposals, bring them to the Trustee Council.

23 I -- I take your word. You've been rejected in
24 the past, but it's not clear in the future, and if you
25 wait until a new structure, that might be two or three

1 or four years down the road before that happens, and so
2 there's no need for you to wait that long, in my
3 opinion, to get -- get something in front of us.

4 MS. BURETTA: Thank you.

5 MS. HSIEH: We -- we take all unsolicited
6 proposals and circulate that to the Trustees. We can
7 also -- we encourage people who have an idea, to come to
8 us actually with the idea, so that we can assist, you
9 know, we don't want people having to, like, invest in a
10 huge proposal that's, you know, a round peg in a square
11 hole. And I think also, with regard to human services,
12 which are dependent upon the natural resources, so we
13 focus on the natural resources, but there have been also
14 in the mid '90s a fair amount of projects with regard to
15 spirit camps, subsistence, et cetera. And then more
16 recently, a very large Department of Fish & Game report
17 on subsistence, but it went to the -- the villages,
18 actually, from Jim Fall, which is, I believe, available
19 on our website.

20 You know, I think that we could take a look at
21 more details and more information of what you're
22 interested in specifically, and help refine those
23 ideas so that they do serve the Council's
24 legally-guided mission.

25 MS. BURETTA: Thank you.

1 MR. WACKOWSKI: Sheri, for what it's worth,
2 this Trustee shares your frustration, and I do feel
3 sometimes like I'm banging my head against the wall.
4 I just hope I'll keep doing it and make a hole soon.

5 So I -- I think that you raised some important
6 points that we need to address and really -- I mean,
7 part of these -- the issues she raised is a reason why
8 there's a Think Tank proposal in front of us. And I
9 understand there are some legal constraints, but quite
10 frankly, we have not pushed our lawyers as hard as I
11 think we should -- should be pushing them. So thank
12 you.

13 MS. BURETTA: Thank you.

14 CHAIR HARTIG: Okay. Thanks, Sheri.
15 Sam?

16 MR. COTTEN: Thank you, Mr. Chairman.

17 I think the efforts of the -- the Think Tank
18 -- and I know you must have been part of that, and
19 have really inspired a lot of people to -- to -- to
20 realize that there's a fairly -- what I'm hearing, a
21 fairly broad range of interest in restructuring the
22 whole effort.

23 And as Mr. Balsiger points out, it's under
24 typical federal and bureaucratic standards. Three or
25 four years might be the expected length of time before

1 any decision could even get close to being made, and
2 that's too bad, but -- so I don't know if you've given
3 any thought to how best to advance the -- the general
4 idea, and yours in particular, as far as -- there was
5 some discussion today about bringing in front of the
6 Advisory Committee.

7 It just seems to me that if we continue to --
8 to conduct business as usual, that any chance of any
9 major changes or restructuring are -- are less likely
10 to happen. So have you given thought how best to
11 advance your idea or the general concept of
12 restructuring?

13 MS. BURETTA: Well, definitely. I'm looking
14 at all of our different options in moving forward. As
15 I said, we are -- currently, we have a Community
16 Regional Economic Development Initiative, where we're
17 bringing our -- our tribes and our village
18 corporations and nonprofits together, because we're
19 such a small region, to try to deal with these effects
20 that I described, and create economies for that next
21 generation.

22 We're -- we're still dealing with significant
23 social issues that plague our communities, and so
24 we're trying to ensure that our schools don't shut
25 down and that there are healthy robust communities,

1 and -- and that takes a lot of investment, and so I
2 think if there's a willingness and openness to have
3 that communication, I'm certainly willing to look at
4 all different options. Thank you.

5 MR. COTTEN: Thank you.

6 CHAIR HARTIG: Okay. Thanks again. I
7 appreciate it.

8 Okay. Thea Thomas.

9 MS. THOMAS: Morning. My name is Thea Thomas.
10 I live in Cordova and have been fishing for 34 years in
11 Prince William Sound and the Copper River. I also serve
12 on the Board of the Regional Seafood Development
13 Association, the Prince William Sound Science Center,
14 and two committees on the Alaska Seafood Marketing
15 Institute.

16 Thank you for letting me speak today. I'm here
17 to address Number 13 on your agenda. I was in Cordova
18 when the Science Center was founded and the oil spill
19 occurred. The Trustee Council has supported the work at
20 the Science Center for many years, starting with the
21 Sound ecosystem assessment and up to the long-term
22 herring mark- -- monitoring work. The problem is that
23 the Science Center has completely outgrown its present
24 building, which was old 30 years ago when they moved in.

25 I remember when there was a beautiful

1 conference room upstairs. Now it is chopped into
2 cramped offices. The Science Center has been the only
3 entity in the oil spill-affected area that has been
4 doing research and long-term monitoring.

5 There will be another marine heat wave, as --
6 as we saw a few years ago, and it -- it will probably
7 occur sooner than later. The Science Center is
8 perfectly poised in this rapidly changing world to
9 continue to do important and necessary research in
10 Prince William Sound and the Gulf of Alaska.

11 The new facility could provide office, lab,
12 and bunkhouse space, and significantly collaboration
13 with scientists doing cutting-edge research. It could
14 also be a research platform for other scientists for
15 NOAA, and the University of Alaska, and BLM, who want
16 to do research in this area.

17 The new facility could provide space for
18 public education through interpretive displays and
19 live tanks, allowing students and visitors to learn
20 about the research being conducted and the place they
21 live and how it is changing, and how to protect and
22 preserve it for the future. Thanks.

23 CHAIR HARTIG: Thank you.

24 Okay. So let's see. The next, it looks like,
25 is Doug Causey.

1 MR. CAUSEY: Thank you, Larry.

2 Good morning, everyone. I have real brief
3 comments to make as a board member of the Prince
4 William Sound Science Center, and my -- my comments
5 are on for Item 13 on your agenda, and others have
6 talked to you about what -- what is in that proposal.

7 I would just like to say that not only in the
8 capacity of being a board member of -- of -- of the
9 Science Center, but my other two full-time jobs, where
10 I am a professor of environmental biology at the
11 University of Alaska. I'm also the principal
12 investigator of the Arctic Domain Awareness Center,
13 which is a national center of excellence, funded by
14 the U.S. Department of Homeland Security.

15 And I have the happy capacity by being a board
16 member, and these other positions, of being able to
17 utilize the Science Center for education, for
18 research, in support of students, and in the evolving
19 work, that DHS is asking us to support the Coast Guard
20 in their job of emergency response, in particular with
21 -- with oil spill and the -- the -- the environmental
22 quality that -- that exists in Coastal Alaska.

23 In support of the -- of the proposal that you
24 will have before you, will enable the Prince William
25 Sound Science Center to continue this work that

1 they've done over the past years, and -- and it will
2 provide a legacy far beyond the lifetime of this
3 Council to continue this -- this research and
4 education.

5 So I'll -- I'll leave my comments there.
6 There are others that will speak to the details and
7 you also have a proposal with much details, but -- but
8 from where I sit, wearing three hats, I think this is
9 a very valuable and long-term investment that the
10 Council can make. Thank you.

11 CHAIR HARTIG: Thank you.

12 Questions?

13 MR. WACKOWSKI: You're a fisheries biologist?

14 MR. CAUSEY: No.

15 MR. WACKOWSKI: Oh, okay.

16 MR. CAUSEY: I'm a marine wildlife
17 biologist --

18 MR. WACKOWSKI: Oh, okay.

19 MR. CAUSEY: -- so everything except fish,
20 why bird eat fish.

21 MR. WACKOWSKI: I was going to ask you if --
22 if, in your professional opinion, pigeon guillemot or
23 herring will ever recover. I know that's a loaded
24 question.

25 MR. CAUSEY: Well, based on -- this is a bit

1 offside to what I came here to talk to you about, but
2 -- but -- but I think the answer is yes, and I'll say
3 I'm not being funded by EVOS, but seriously, more --
4 we need far more research. If only you could study
5 things where nothing changed, okay, but -- but our
6 environment is changing. So in that, I would also
7 support that you continue that research.

8 MR. WACKOWSKI: Okay. Thanks.

9 MS. HSIEH: We actually do have the pigeon
10 guillemot PI here.

11 CHAIR HARTIG: Right. Yeah, we'll have some
12 others that can help answer that question.

13 (Indiscernible crosstalk.)

14 MR. CAUSEY: He could speak way better than I
15 can on this, yeah.

16 MR. BALSIGER: That was the right answer. Yes,
17 they can recover.

18 MR. CAUSEY: Yes.

19 MR. BALSIGER: That, obviously, is an opinion of
20 mine, but I just thought I'd throw it out there.

21 MR. CAUSEY: But having said that, I really wish
22 you would hear someone with far more into the details.

23 CHAIR HARTIG: Appreciate it.

24 MR. CAUSEY: Thanks, everyone.

25 CHAIR HARTIG: Okay. RJ.

1 MR. KOPCHAK: Good morning, Trustees. I'll see
2 if I can sit down here this morning.

3 I'm RJ Kopchak, and I'm a commercial
4 fisherman, or have been, but in 1987 I began with a
5 bunch of folks in Cordova to work on the development
6 of a regional science center. This is two years
7 before the oil spill.

8 One of the things we were interested in is how
9 do you capture the research being done by all of these
10 folks from all over the world in one of the most
11 pristine productive ecosystems, one of the most
12 complicated interfaces of -- of systems, really in the
13 world. And we know that these folks were learning and
14 leaving every year, and we were the local folks that
15 depended on the systems, so we started organizing a
16 science center.

17 Fast-forward about 18 months, we had just
18 finished writing a draft on how we might organize when
19 -- when the tanker went aground, and we accelerated
20 our efforts, and the whole effort was geared at
21 understanding ecosystem function on a very broad and
22 integrated approach.

23 Why was this important? Because we couldn't
24 manage a system under change unless we had a legacy of
25 information and data that was deep enough and long

1 enough to contribute to the kind of decisions we need
2 to make during systems changes, so it was really
3 important.

4 I want to endorse what Sheri Buretta said
5 earlier. We want and need regional local science
6 facilities to provide the education and the
7 custodianship for the -- for what we're learning about
8 the systems that have been damaged by the spill. The
9 Science Center has been doing that and can do that, so
10 I want to endorse that proposal for infrastructure.

11 The infrastructure will be a legacy that will
12 last 100 years. If you look back on -- on places like
13 Woods Hole that got started, kind of like we did, a
14 bunch of stumbling local guys get in an old warehouse,
15 and getting going, they had the same mistrust in some
16 institutions early as we did. "These guys are just
17 getting started. Why should we trust them?" And I
18 don't disagree with that, but we've earned the trust,
19 and we are recognized now as an institution able to
20 deliver.

21 I want to bring it back just a little bit to
22 social impact. I lost -- I lost the ability to fish
23 herring. I own two herring permits. They were worth
24 \$150,000, the two of them, in 1989. They have a zero
25 value today. We lost 25 seasons. A direct "X" vessel

1 analysis of that is -- is in excess of about
2 \$400 million. There were a thousand of us that worked
3 in that fishery. Permit holders, 500. Forty spotter
4 pilots. 300 people hand harvesting. 300 vessels.
5 200 shoreside and on-vessel operators.

6 All of that lost, and -- and what we're
7 hopeful is that we learn more about system functions
8 through the Science Center. We'll be able to manage
9 for the recovery of either the herring in the system,
10 or the -- or the harvesting of a different species,
11 currently unidentified, that we learn about through
12 these investigations. So I heartily endorse the
13 Council's decision today, hopefully, to fund the
14 Science Center's new facility. Thanks for the
15 opportunity to present. I appreciate it very much.

16 CHAIR HARTIG: Any questions? Sam?

17 MR. COTTEN: Thanks, Mr. Chairman.

18 I apologize for getting back to Item Number 15,
19 but as a person who's had a long, a very long-term
20 interest and participation in all activities, especially
21 here, remarks about the initiation of the Science
22 Center. Do you see the discussions about alternative
23 management structure, is that -- is that disruptive, or
24 is that a worthwhile discussion do you feel is needed?
25 Do you think it would be a waste of time? What -- was

1 your thoughts on -- on the approach to considering
2 alternative structures.

3 MR. KOPCHAK: Oh, thank you, Mr. Cotten, for
4 that one.

5 A couple of things. Number one, earlier it
6 was mentioned that the -- that the PAC -- I served on
7 the PAC for a while and was actually the chairman of
8 the Herring Recovery Planning Team that was part of
9 the PAC. During those discussions, I -- I threw a
10 paper on the table that dealt with the reorganization
11 of the Trustees, in a way of establishing a series of
12 -- a series of what I called these regional --
13 regional science center gems along the coast, included
14 Auke Bay, and science center in Kachemak and Kodiak.

15 It kind of looked at how the Trustees could --
16 could maybe set up some specific and directed
17 endowment at the time, because it was my effort of
18 saying the Trustees eventually are going to be wanting
19 to get out of the business, and yet the business is
20 never going to end.

21 So my thoughts on reorganizing or taking a
22 look at it, is I -- I think that's not a bad concept
23 for the Trustees to look at. I haven't had the
24 privilege of -- of reviewing the proposal by the Think
25 Tank or Mr. Steiner's proposal, but I don't think it's

1 a bad idea for the Trustees to consider
2 reorganization, at the same time assuring that these
3 Long-Term Ecosystem Assessments and Integrated Herring
4 Programs and the important work continues while those
5 considerations are being made. I would hate to lose or
6 interrupt our data sets. Continuity in data is
7 critical to long-term management.

8 CHAIR HARTIG: Thank you.

9 MR. KOPCHAK: Thank you.

10 MR. COTTEN: Thanks very much.

11 MR. KOPCHAK: Thank you very much.

12 CHAIR HARTIG: I think we have one person in the
13 room, Melina.

14 MS. MEYER: Hello. I'll look at my notes so I
15 don't forget. Thank you for the opportunity for letting
16 me speak here today. My name is Melina Meyer. I was
17 born and raised in Cordova, and I currently sit on
18 Cordova City Council. I'm here on behalf of our mayor,
19 Clay Koplín and Council.

20 Our mayor sent you a letter, September 26th.
21 You guys should have received it. I just want to
22 briefly reiterate a few of those points, and -- our
23 encouragement of EVOS funding the new Science Center
24 facility.

25 The City strongly supports the move, and the

1 timing is good. We have been executing a new
2 comprehensive plan that focuses on the waterfront
3 renovations in and around the harbor where the Science
4 Center is currently located. The building that the
5 City -- that they are in, the City owns, and the lease
6 cannot be renewed as part of our new planning.

7 A new and more appropriate site has been made
8 available with the full support of Council. The
9 Prince William Sound Science Center is a strong
10 community partner with the community in school,
11 educational programs and science, and this new
12 facility would be an excellent campus for this.

13 We strongly support having this facility based
14 in Cordova, and the new facility will provide
15 important science and research for the entire Prince
16 William Sound and the Gulf Coast region.

17 I'm also happy to answer any questions about
18 Cordova. I'm a little separate, I'm considered an oil
19 spill baby. I was born right after the oil spill. I
20 grew up in a very devastated town, we're rebuilding,
21 and I think the Science Center needs to be in Cordova,
22 and this facility needs to be built so that the
23 education can continue.

24 I grew up -- we had the discovery room the
25 Science Center put together. Looking back, I think

1 they did that with very little funding, and kind of
2 put it together, and educated us on the ecosystem of
3 the Sound and the importance of it, our -- our
4 livelihood resolves around the healthy Sound.

5 CHAIR HARTIG: Thank you.

6 Questions?

7 MR. WACKOWSKI: What does -- you know, I -- I
8 spoke before. I'm the newest member of the -- the
9 Trustee Council, and I was -- my first memory of live
10 TV notice was actually, like -- I think it was in
11 third grade -- was the spill, watching KTUU.

12 For you and your peers, what does "recovery"
13 mean to the next generation? So, like, you and one
14 day your kids.

15 MS. MEYER: You know, we didn't know any
16 different growing up. I -- I'm only seeing it now as
17 an adult coming back to the community and seeing how
18 -- that we grew up in a depression town. Main Street
19 was kind of boarded up. We had school -- we had
20 school activities. Everything revolved around school.
21 A lot of families would leave. They would come to
22 Anchorage to go schooling because funding wasn't
23 there. Our economy was gone. Canneries left.

24 And I think with the Science Center too, that
25 this is a rebuilding kind of process. We have some

1 more canneries coming in, and science is a big part of
2 that, having the research, having that facility new --
3 people can go off to college and get college educated
4 in the science field, and they can come back to
5 Cordova and have a job at a Science Center. Without
6 that -- it just adds more opportunities, I think. I
7 think the science is part of the healing process. I
8 don't know how you completely heal something that
9 happens. It's just resilience.

10 I'm also Tlingit and Aleut. So recently I
11 feel -- or in the last ten years, I have kind of found
12 out about even the EVOS buying land, and finding out
13 that half of the land that we had is now gone. I
14 understand it was part -- that's -- it's a little
15 separate from Council in our position in supporting
16 this, but it's kind of a hard pill to swallow, that
17 half of your land was purchased. I understand the
18 purpose for it, but it was a very devastating time.

19 They were going through whether either being
20 bankrupt or selling half of their land, and that was a
21 decision -- that was a tough decision that they made,
22 so I don't fault them for making that decision, but --
23 and I don't -- I don't know how to move forward. I
24 don't -- I don't know enough about the restructuring,
25 but that's good.

1 I think that it's nice that you guys said
2 you're open to proposals for the human impact that did
3 occur, but I don't -- I haven't really given it a lot
4 of thought, try to move forward, try to make good
5 choices and do what's best for the community.

6 CHAIR HARTIG: Okay. Thanks very much. I
7 appreciate your testimony. We've got a good variety of
8 testimony already today.

9 Anybody else in the room who hasn't signed up
10 who wants to testify? Tara?

11 MS. RIEMER: Thank you. I'm Tara Riemer from
12 the Alaska SeaLife Center, and wasn't originally
13 planning to testify, but some of the remarks motivated
14 me to get up here.

15 I'm really positive about -- and -- and I'm
16 speaking to Item Number 15 in terms of looking at a --
17 a new structure for the Trustee Council, and I'm
18 inspired by what I'm hearing and what -- the questions
19 that are coming from the Trustees.

20 I think that there's a lot that has changed
21 since 1989. I was a high school senior. I lived in
22 Ohio. It made a huge impact on me. Not as much as
23 those of you who lived in Alaska, but it was an
24 interesting point in my life, and I've lived in Alaska
25 now for 16 years and have learned quite a bit about

1 what it's meant to the people of Alaska.

2 And of course, I don't understand nearly as
3 much as folks who grew up through the spill through
4 the years, but I -- I come at this as a scientist, and
5 I will say I am not a marine biologist by trade. I'm
6 a biomedical engineer, but I understand the scientific
7 method.

8 In looking at EVOS' own reports of recovered
9 species, recovered resources, there's a very specific
10 list of resources, and have been tracked on their
11 recovery status over the years.

12 According to the 2014 status report, which is
13 the last one I -- I found, there are 15 resources that
14 are classified as recovered, four very likely
15 recovered, not a lot of research, not a lot of
16 concern, one that's never going to recover. These are
17 my categories. Never going to recover, the AT1 pod of
18 killer whales, not going to recover.

19 And then the rest of it, I wonder if spending
20 money the way the Trustee Council has been spending
21 money, is doing anything to further those remaining
22 resources. \$15 million has gone -- gone into Pacific
23 herring populations. I don't know if more money is
24 going to help that. I think studying herring is a
25 great thing from the scientific perspective, but I

1 think that to a certain extent, you -- you may be
2 fooling yourselves by thinking that more money is
3 going to recover that population.

4 Some of the resources, sentiments in our tidal
5 communities, maybe just a matter of time. Some of
6 these human resources that we've been talking about,
7 there's lots of ways to -- to look at that. Three
8 species of birds were all declining before the spill,
9 challenging the study. Are you really going to know,
10 spending the money you are, the way you are now?

11 So I am very inspired that this is on the
12 agenda. I look forward to the discussion in Item
13 Number 15. I think that from my outside perspective
14 of looking at the Trustee Council process over the
15 years, is that you've been shoehorning a legal process
16 into funding various things, like the Cordova Center.

17 I think the Cordova Center is a great thing,
18 but when you actually read what you did, you found
19 loopholes that enabled you to do that, as opposed to
20 saying, "This is the right thing to do. We want to
21 fund this for this community."

22 And how can you look at what's out there and
23 say, "What should we fund? What should the legacy of
24 the Trustee Council be?" The new science -- Prince
25 William Science Center building I think sounds like a

1 fantastic use of your funds, but how -- how do we get
2 there? Legally, how do we get there? How do we move
3 from a very bureaucratic structure? And I think this
4 meeting has already shown the bureaucracy of your
5 structure, that how -- how can you move to a new
6 process? And I look forward to hearing more
7 discussion about that over the days, months, and years
8 to come.

9 CHAIR HARTIG: Thank you.

10 Any questions? Jim.

11 MR. BALSIGER: Yes. Thanks, Mr. Chairman.

12 So -- so have you seen the proposals for
13 privatizing the -- the funds?

14 MS. RIEMER: They were on the website over the
15 last week, so, yes, I have reviewed both of them.

16 MS. HSIEH: I believe her name is actually in
17 the proposal.

18 MR. BALSIGER: Yes. So why -- I'm not --

19 MS. RIEMER: I was not involved in writing --

20 MR. BALSIGER: Right. So --

21 MS. RIEMER: -- the proposal.

22 MR. BALSIGER: -- I'm not challenging this,
23 and I'm just -- just curious, why do you think that a
24 decision structure under either of those proposals
25 would -- which decision body is not specified and we

1 don't have a point in how they -- how they would be --
2 determine their decision -- why do you think that will
3 be a better thing for communities for the science
4 centers in this body? What -- what leads you to
5 believe it will be more benevolent, I guess?

6 MS. HSIEH: I'm -- I'm sorry. Before, so we
7 can hear you, Tara, could everyone on the phone please
8 mute? We can hear you jostling around in your kitchen
9 or whatever, so if you could please mute your phone,
10 that would be great.

11 MS. RIEMER: So I was not involved in
12 developing either proposal. I was involved in asking
13 some questions that kicked off part of the process of
14 starting one of the proposals.

15 I believe that another -- another way of
16 managing the funds less bureaucratic, would cost less
17 administrative costs. I don't believe that funds are
18 being used in an inappropriate way right now. I just
19 think the way you're structured, it's very expensive.

20 My comparison body is the North Pacific
21 Research Board, which I sit on the board, and the
22 administrative costs of that organization are less
23 than half of the administrative costs of this body for
24 approximately an equal annual spend.

25 So I -- I think that going in a different

1 direction, releasing some of the legal bureaucratic
2 guidelines that you are forced to be under right now,
3 could help that. I also think a more open process
4 would be useful.

5 There is not an oppression in the scientific
6 world in the community that I live in that you are all
7 open to proposals, such as the one that's coming to
8 you today from the Prince William Sound Science
9 Center. I could not find that online. I don't
10 believe it's a public document. I'm not opposed to
11 it, but I would have never thought to submit something
12 like that from the SeaLife Center.

13 MS. HSIEH: Submission of proposals is on our
14 front webpage. For unsolicited, it talks about
15 contacting our office. And, also, the administrative
16 amounts shown in the Think Tank will be discussed
17 later in this meeting, if they are inaccurate.

18 MR. BALSIGER: Thank you for that. Again, I'm
19 -- I'm -- bureaucracy is not always all bad. It makes
20 us follow such rules that are relatively predictable.
21 I understand everybody doesn't agree with the
22 predictability and the restrictions, but that's why I
23 ask why you think a different body is going to treat
24 the recipients better. So I appreciate your comments.

25 CHAIR HARTIG: Sam.

1 MR. COTTEN: Thank you.

2 I appreciate your comments, and I appreciate
3 your getting to the point there, being frank about the
4 -- I think you described the funding for the Cordova
5 Center as -- I'm not sure which words you used, but it
6 sounded like you were suggesting you had to really
7 look hard at the rules to figure out how to do that,
8 and -- and that seems to be more and more of that
9 taking place. I know the -- the coal fields there,
10 there was a lot of interest in using these funds to
11 purchase that -- that land, and there was a lot of
12 questions about whether it actually qualified, and
13 there was a lot of effort to maybe look at it a
14 different way.

15 So in addition to the decision-making
16 structure that Dr. Balsiger has -- has referred to,
17 it's just the general parameter set to describe what
18 we're allowed to -- to fund. I -- I think that's -- I
19 agree with you that maybe we've got to get a little
20 closer to reality and make decisions about what we
21 want to fund, and not try to figure out loopholes, but
22 maybe have a new set of rules.

23 CHAIR HARTIG: Yeah. Let's see. I think we're
24 -- are we done here?

25 MR. COTTEN: Thank you.

1 CHAIR HARTIG: Okay. We'll take --

2 MR. COTTEN: Thanks.

3 CHAIR HARTIG: Well, let's see.

4 MS. HSIEH: No. There's two more.

5 CHAIR HARTIG: I'm thinking that what we might

6 do is -- we're -- we're having Bob Mitchell from the

7 Department of Revenue kind of on hold here for quite a

8 while, and I'd kind of like to get through the

9 investment piece of the agenda, then maybe we can go

10 back to public comment, if that's okay with people.

11 MR. WACKOWSKI: I'm sure we're running up

12 billable hours --

13 CHAIR HARTIG: Well, I think --

14 MR. WACKOWSKI: -- with them on hold.

15 CHAIR HARTIG: Well, I -- he -- he --

16 MS. HSIEH: They're not billable for us.

17 MR. WACKOWSKI: Oh, okay.

18 CHAIR HARTIG: -- he's a very important guy.

19 He's the one that invests the money that paid for all of

20 these things we're talking about --

21 MS. HSIEH: Yeah.

22 CHAIR HARTIG: -- but I thought that if we could

23 go through the investments, then we might take a break

24 and then come back to public comment too.

25 So why don't we, if you're ready, Elise, talk

1 about investments, and we'll come back to public
2 comment. I don't mean to cut that off.

3 MS. HSIEH: The EVOS Investment Working Group
4 typically meets annually to review an asset allocation
5 presented by the Department of Revenue, and to determine
6 the after-allocation recommendation for the next EVOS
7 fiscal year.

8 The Investment Working Group currently
9 consists of Bob Mitchell, Department of Revenue, who's
10 online; Steve Mulder, Department of Law; Liz
11 Grabowski, the Department of the Interior, Solicitor's
12 Office; myself and Lauri Adams from EVOS; and Larry
13 Hartig from ADEC. The group is typically assembled in
14 the spring, and Trustees are -- join us for this --
15 for these meetings with Bob, and we review our asset
16 allocation.

17 Over the years, the EVOS investment funds have
18 been invested fairly aggressively, yielding
19 substantial earnings growth for the Council. Our
20 ten-year net of fees has been 8.88 for Research, and
21 8.85 for Habitat. So excellent growth, which is why
22 we're all here today -- and also has weathered the
23 severe downturns in 2008, as 2015 using adaptive
24 management by the Trustee Council.

25 As the investment funds slowly wind down to an

1 estimated end in 10 to 15 years, the asset allocation
2 is tailored to reflect anticipated time analyzing
3 spending patterns. That's the asset allocation rec-
4 -- recommended by the Investment Working Group for
5 FY18, reflected a slightly more conservative posture
6 than in the past, while still pursuing a growth and
7 risk-oriented mix.

8 The Group recommends that the Council continue
9 the asset allocation put in place for FY18 for the
10 upcoming FY19. The asset allocation recommended by
11 the Investment Working Group is Mix 5, which was shown
12 in your -- there was a Department of Revenue
13 presentation in your reading materials, and it's
14 Domestic Equity, 35 percent, plus or minus 7 percent;
15 International Equity, 22 percent, plus or minus 7
16 percent; Domestic Bonds, 43 percent, plus or minus 5
17 percent; and Cash Equivalents, zero plus 10 percent,
18 and Bob Mitchell's online if there's any questions.

19 CHAIR HARTIG: Okay.

20 MS. HSIEH: We've had a unique investment
21 history over the ten years that I have been here. Bob
22 Mitchell, Department of Revenue, we've worked together
23 almost the whole time, actually.

24 Because the Trustee Council supervises the
25 trust funds for only 12 to 18 -- 18-month periods,

1 we've been able to use a very aggressive asset
2 allocation to take advantage of the markets. And then
3 in downturn years, such as 2008, we've cut and slashed
4 our budgets and our spending and held on to our
5 investments and rode it out. Again, in 2015, we've
6 done the same thing. So we've been able to ebb and
7 flow with the market, and hence you see some excellent
8 returns.

9 The Trustee Council has also stuck to their
10 budgets that they planned during the NEPA update of 2008
11 through 2010 with 16 public meetings, focus areas for
12 the spend-down, we've just come off a session.

13 Because of the asset allocation, the excellent
14 management by Department of Revenue, we have more
15 funds than perhaps was even anticipated. We've been
16 able to fund extra projects and have taken on
17 unsolicited projects as well, including additional
18 marine debris work after the Japanese tsunami, pigeon
19 guillemot, which has been very successful, that
20 program and other things like that, so -- and so
21 that's where we are.

22 CHAIR HARTIG: Okay. So any discussion on the
23 proposed asset allocation for this coming year? Any
24 questions?

25 MR. WACKOWSKI: What are our average yearly fees

1 that we pay to our investors?

2 MS. HSIEH: Bob, can you address that, the
3 fees --

4 MR. MITCHELL: Yes.

5 MS. HSIEH: -- paid to Department of Revenue?

6 MR. MITCHELL: So the way we deal with it, is
7 it's effectively pro rata costs for the organization.
8 There's some nuances to that. Last year, they -- you
9 know, the percent of the assets we managed, it was less
10 than 3 basis points, 2.6 basis points. In terms of
11 dollars, that's about \$49,000 last year.

12 MR. WACKOWSKI: And that includes fees to the
13 actual financial advisors --

14 MR. MITCHELL: No.

15 MR. WACKOWSKI: -- that do the investments?

16 MR. MITCHELL: It doesn't. And I don't have
17 those fees in front of me, but I'd say they're easily
18 under 10 basis points in full. We have -- we passively
19 manage the domestic equity component. We internally
20 manage the fixed-income component. And the
21 international component, about 80 percent passive, and
22 20 percent active, so the fees in the active are pretty
23 low, relative to our peers.

24 MR. WACKOWSKI: And I would just like a snapshot
25 in time of, take last year for example, how much we made

1 last year in profit and how much it cost us to make
2 that, to include the Department of Revenue's fees and
3 the fees from our --

4 MS. HSIEH: I think Bob may actually have that.
5 Bob, do you have access to that?

6 MR. MITCHELL: I -- I -- I don't have the
7 dollar figures for the manager's fees, a pro rata
8 manager fees paid, but the \$49,000 figure I'm
9 referencing is the -- is what the Department of
10 Revenue -- actually, I take that back. The 49,000
11 does include the underlying manager fees that are
12 being passed through, so the total cost, and that
13 represents about 2.6 basis points.

14 In terms of the return, through
15 September 30th, the one-year return for the Research
16 account was 7.11 percent. Our benchmark for that
17 final was 6.98 percent, so we actually slightly
18 outperformed the benchmark. From the Habitat fund, it
19 was 7.21 percent over the last year.

20 CHAIR HARTIG: Any other questions?

21 Bob, this is Larry Hartig. I just had one,
22 kind of, quick question, and that is: You know, given
23 the trade wars and the -- the Federal Reserve perhaps
24 bumping rates again here, has that already been kind
25 of priced into the equity market, or do you think that

1 we're still conservative enough with this asset
2 allocation?

3 MR. MITCHELL: McNeil, for one, said, you
4 know, it's always difficult predicting, especially if
5 it's about the future, and I think that's always the
6 case. And I think ultimately, you know, we're always
7 faced with uncertainty going forward, and
8 historically, and I would expect that we continue to
9 get compensated for taking that risk.

10 It's -- it's extremely difficult to handicap
11 how the markets will perform in the short term. We --
12 we spend a lot of time thinking about more, like,
13 ten-year returns because we have a bit more confidence
14 in -- in measuring those out, but, you know, the -- so
15 I -- I can't really answer your question, other than
16 to say, anything that's known is probably priced in.
17 There may be some surprises that affect pricing, but
18 generally speaking, I -- I try not to outguess the
19 pricing in the market.

20 Looking at -- you know, at the asset
21 allocation itself, you know, one of the things that
22 the Investment Working Group worked through is, you
23 know, we look at the -- the projected outflows are
24 generally a range relative to the size of the fund,
25 and in recent years, that has increased, and that has

1 driven a more conservative asset allocation.

2 Currently, about 43 percent in fixed income,
3 and 57 percent in equities. That change occurred last
4 year, and prior to that there was -- you know, the
5 fixed income component was in the low 30s, so it
6 increased by about 10 percent. So the Trustee Council
7 actually took a move to move to a slightly more
8 conservative portfolio, I guess 60/40 equity/fixed
9 income portfolio last year.

10 The -- the ten-year capital market assumption
11 that we use actually didn't change this year, and so
12 that's prompting no change in the asset allocation
13 this year.

14 CHAIR HARTIG: Thank you.

15 So do we need a motion?

16 MS. HSIEH: Yes, need a motion.

17 Did -- did Trustee Wackowski's question, was
18 that -- do you -- was that sufficient?

19 MR. WACKOWSKI: Yeah, we got it, sufficient.

20 Thank you. You can call me "Steve."

21 MS. HSIEH: Oh, Steve.

22 MR. WACKOWSKI: Thanks.

23 CHAIR HARTIG: Okay. So we have Item 6, motion,
24 if someone could make it. Jim?

25 MR. BALSIGER: Mr. Chairman, I move that we

1 adopt the following asset allocation for the period
2 encompassing February 1, 2019, through January 31st,
3 2020. The asset allocation, Domestic Equity,
4 35 percent, plus or minus 7 percent; International
5 Equity, 22 percent, plus or minus 7 percent; Domestic
6 Bonds, 43 percent, plus or minus 5 percent; Cash
7 Equivalents, zero, plus or minus 10 percent.

8 MR. MULDER: I'll second.

9 CHAIR HARTIG: Any other discussion? Okay. All
10 those in favor, I guess, raise your hand. Okay. It
11 looks like we have unanimous approval of that.

12 Thanks very much again, Bob, for your -- all
13 the work you do for us on this and for being here
14 today.

15 MR. MITCHELL: Happy to be of service. If
16 there are any calls -- questions, please feel free to
17 ask. Thank you.

18 CHAIR HARTIG: Thanks.

19 Okay. So I think what we'll do is take a
20 break and come back and finish public comments.

21 And so how many -- if you could raise your
22 hand, how many more people would like to comment? And
23 that's okay to wait? You'll come back after a break?

24 UNIDENTIFIED SPEAKER: Sure.

25 CHAIR HARTIG: Okay.

1 MS. HSIEH: I also -- our auditor has actually
2 just let me know that the percentage paid to Department
3 of Revenue Treasury was .053 percent and .047 percent in
4 2017 and 2016 respectively. So it's .053 percent and
5 .047 percent with those two years that we looked at.

6 CHAIR HARTIG: Yeah. We get a deal.

7 MS. HSIEH: Yeah, we do. With any other
8 comparable organization, we'd be paying quite a bit
9 more.

10 MR. MULDER: We're -- we're doing better than we
11 were doing before the money came this way.

12 CHAIR HARTIG: We --

13 MS. HSIEH: Yes --

14 CHAIR HARTIG: -- we -- we took over --

15 MS. HSIEH: -- that's correct.

16 CHAIR HARTIG: -- for the federal government --
17 (Indiscernible crosstalk.)

18 CHAIR HARTIG: Okay. Well, we're on break here
19 for probably, what, about ten minutes. Okay.

20 (Recess taken.)

21 CHAIR HARTIG: Okay. Thank you. I'll get back
22 on the meeting here, and we'll go back to public
23 comment. Katrina, you were next.

24 MS. HOFFMAN: Sure.

25 CHAIR HARTIG: Thank you.

1 MS. HOFFMAN: Thanks.

2 Katrina Hoffman, Prince William Sound Science
3 Center. I know you have a very full agenda today. I
4 want to thank you for considering the Science Center's
5 proposal for support of our new facilities.

6 We serve as one of your lead partners in
7 carrying out your restoration mandate through the
8 multiple roles we serve as both scientists and also
9 administer -- administrators of non-trustee agency
10 fund -- funds, and that's for your Gulf Watch Alaska
11 Herring Research and Monitoring and Data Management
12 programs.

13 By pursuing an integrated ecosystem approach,
14 you have required scientists to collaborate more
15 effectively and in an interdisciplinary fashion, and
16 just one of many measures of success or the number of
17 peer-reviewed journal publications and synthesis
18 papers that are coming out of these efforts.

19 Research is less effective when it's less
20 connected, and the path that you have helped the
21 scientific community forge through these programs,
22 including by requiring data to be made public within a
23 year of collection, is nothing short of
24 transformative, and there are other large bodies that
25 are continue -- that are starting to make decisions in

1 this way, including the North Pacific Fishery
2 Management Council, in pursuing ecosystem approaches
3 to management needs.

4 Now, we, the Prince William Sound Science
5 Center, after evolving our facilities concepts and
6 needs over more than a decade, are coming to you with
7 a request for significant support of our new
8 facilities. We are the only place-based research
9 institute on Prince William Sound. We have raised
10 \$0.85 on top of every dollar that we have won through
11 open competition through your work, and that's all for
12 work in the spill-affected area.

13 We manage the distribution of your funds to
14 all non-trustee entities in the Long-Term Programs,
15 and the results of the research helps your management
16 agencies do a better job at tracking the Restoration
17 of Resources and Injured Services.

18 Our lease is expiring in three years. The
19 City has alternative priorities for their harbor
20 development, and they are working with us in a really
21 concerted partnership to help make a vision for our
22 future, the Science Center's future, become a reality.
23 I hope today that you will choose to do the same, as
24 supporting future Science Center facilities really is
25 supporting you carrying out your Long-Term Restoration

1 Research Plan, because we are such an integrated
2 partner to that.

3 So I will remain available throughout the day
4 to answer questions, and you'll be hearing from our
5 Herring Lead, Scott Pegau, about the value of the
6 Herring Research as well as the Gulf Watch Alaska
7 Lead, and Data Management Leads, Mandy Lindeberg and
8 Carol Janzen, later today. Thanks.

9 CHAIR HARTIG: Thank you.

10 Any questions? Okay. I know that David Irons
11 also signed up for testimony.

12 MR. IRONS: Thanks.

13 Hi, I'm David Irons. I've been up here since
14 '76, full time since '82. I started working for
15 Prince William Sound before the oil spill in 1984, and
16 I've watched -- I'm referring to Number 13, Prince
17 William Sound Science Center. Sorry.

18 So I've watched Prince William Sound Science
19 Center operate down there. I've never worked for
20 them, but I think I'm here to support the proposal
21 that they're asking for. There are no downsides.
22 It's good for the environment. It's good for this
23 town. It's good for the research. It's good for the
24 knowledge-base, and I just want to let you know that I
25 support that fully.

1 MS. HSIEH: And he's your pigeon guillemot
2 expert.

3 CHAIR HARTIG: So you got any quick question on
4 that?

5 MR. IRONS: Okay. Thank you.

6 CHAIR HARTIG: Anybody else want to testify,
7 public comment? Okay. So I guess we go on to the
8 Annual Budget.

9 MS. HSIEH: The FY19 EVOS Annual Budget is
10 similar to last year's budget in its components in
11 allocated funding. There's some decrease in the
12 administrative costs while there's increases in
13 funding for an update to EVOS data portal. The midway
14 science workshop and the second five-year term in the
15 Long-Term Program is similar to that in the first
16 five-year cycle, which includes a PAC meeting for that
17 day, and some additional trust agency funding.

18 There are proposals within the Annual Budget.
19 You'll see them behind -- there's the Resource Data,
20 Incorporated, which is in the internal data portal.
21 We need to update our data portal, which doesn't work.

22 The Great Land Trust Habitat Protection, and
23 the ARLIS Digit- -- Document Digitizing. We continue
24 to digitize all of the documents, EVOS documents, as
25 part of our wind down. I think it's our fourth year

1 or so.

2 Is it our fourth year?

3 UNIDENTIFIED SPEAKER: I believe so.

4 MS. HSIEH: Did anyone have any questions, or --
5 it's very similar to what you've seen in the past.

6 MR. BALSIGER: Mr. Chairman -- I -- I -- so on
7 the -- the one with the picture of the moose on the
8 front, the Resource Data, so that's -- I -- I think
9 that's an \$80,000 chunk, and which --

10 MS. HSIEH: That --

11 MR. BALSIGER: -- which line is it included in?

12 MS. HSIEH: -- it's under "Data Management."
13 It's -- our -- our internal data portal was created back
14 in the, probably, early 2000s, and it does not work, and
15 there's broken links, and -- and so we've been looking
16 at different ways to update it.

17 In fact, Helen is not here. She's the one who's
18 been spearheading it. We've been looking at different
19 entities. We've talked to AOS. We've looked at
20 different ways to update it, and this was the best
21 proposal. We also work with the Department of Fish &
22 Game IT. I don't know if you're aware of that, Sam.

23 We used to have two in-house IT folks when I
24 first arrived ten years ago, and we ended up -- we're --
25 we're more efficient by, sort of, outsourcing, so we

1 don't do these in-house. So we have Department of Fish
2 & Game IT, and then -- but they can't -- we've talked to
3 them. They can't do this. They suggested we go
4 outside, so...

5 MR. BALSIGER: So this is a -- this is a new
6 group that hasn't shown up here before?

7 MS. HSIEH: Correct.

8 MR. BALSIGER: Okay. That's --

9 MS. HSIEH: Correct.

10 MR. BALSIGER: -- what I wanted to confirm.
11 Thank you.

12 MS. HSIEH: Can you find -- (indiscernible) --

13 MR. BALSIGER: That's fine. I'm --

14 MS. HSIEH: Oh, okay.

15 MR. BALSIGER: -- I'm satisfied without it. It
16 just caught my eye as something I didn't recognize --

17 MS. HSIEH: Yeah.

18 MR. BALSIGER: -- and so I wanted to --

19 MS. HSIEH: We --

20 MR. BALSIGER: -- make sure how it fit in, so I
21 have it.

22 MS. HSIEH: Right. We tried actually for
23 several years to do it with Department of Fish & Game,
24 but their -- their workload is such that they can't take
25 on more of this type of work.

1 MR. BALSIGER: Got it. Thank you.

2 CHAIR HARTIG: I guess, while the other Trustees
3 gather their questions, I've got one.

4 On page 3 of the budget document, we have a
5 table here that has an annual budget comparison for --
6 going back ten years or so, and I was just looking at
7 some of the pages over time and try to think in my
8 mind what caused those changes, and the ones that
9 stood out is on Science Management, 457,000 and
10 274,000.

11 MS. HSIEH: Well, we outsource -- with all
12 admin expenses, you really have to go back and look at
13 the way each dollar was spent --

14 CHAIR HARTIG: Right.

15 MS. HSIEH: -- and, but in general in the FY08
16 when I came, we didn't have Integrated Programs. The
17 Trustees received anywhere from, you know, 50 to 60 to
18 70 solo proposals every year that weren't integrated or
19 -- or preformulated, that might have some sort of
20 collaboration but wasn't really established.

21 And around 2008, really it started 2009, getting
22 ready for the 20th anniversary, the Trustee Council went
23 through a two-year period that included 16 public
24 meetings in the spill area, a NEPA update, and the
25 feedback was to use some focus area for the spend-down

1 of the funds, two Long-Term Monitoring Programs, which
2 were implemented in 2012 after invitation, and are in
3 five-year cycles. And then also we had some other
4 areas, such as Clean Water, marine debris, et cetera,
5 some of which you have seen continue.

6 So that is -- that was a two-year planning
7 process the Trustees went through around the 20th
8 anniversary, and we're actually right on schedule with
9 that spend-down plan.

10 So you see some changes here. Public
11 Information & Outreach, we -- we wrapped into our
12 basic administration. We no longer have just a
13 separate budget. We do have a little separate budget
14 here for the products for the 30th anniversary, which
15 are six-foot high pop-up that Parks --

16 CHAIR HARTIG: We'll get to later.

17 MS. HSIEH: Yeah, that's right.

18 -- is creating for us.

19 CHAIR HARTIG: What about in the Habitat
20 Program?

21 MS. HSIEH: The Habitat Program didn't exist
22 when I came here. It had lain fallow because of a
23 number of retirements. So what had happened in the
24 early years of Trustee Council, is it was run largely
25 through staff that had the expertise in the Department

1 of Law and the Department of Natural Resources, and then
2 we still, of course, have BLM and other federal
3 agencies, Fish & Wildlife Service.

4 The habitat with regard to -- not habitat
5 enhancement, which we also do, like Streambank
6 Restoration Projects on the Kenai River, but with
7 regard to habitat protection, it takes lawyers, and so
8 it was run largely out of the Department of Law at no
9 cost to the Trustee Council. That was a deal that
10 Charlie Cole made initially at the time of the
11 settlement, and that was adhered to by the Department
12 of Law, really until only recently.

13 And what's happened is we have now brought
14 in-house Lauri Adams, and then we've also outsourced
15 to a third-party nonprofit, which was part of the
16 comments during the NEPA transition 2008, 2010, and
17 actually echoes some of the Think Tank. We actually
18 do use third-party nonprofits, such as Prince William
19 Sound Science Center for our science admin, and the
20 Great Land Trust for our Habitat Program, so you see
21 those numbers move around.

22 We had no parcels, no activity when I first
23 arrived. It was just pretty much at a standstill, and
24 we reconstituted it. And now you see what's happening
25 with the parcels, is we're sort of mopping up any

1 parcels of the Trustee Council typically has been
2 looking for for decades. We've purchased parcels from
3 willing sellers. We typically include public acc- --
4 access, recreational, hunting, fishing where possible,
5 and subsistence activities.

6 I don't know, Lauri, did I encapsulate that
7 correctly, or is there something I missed?

8 MS. ADAMS: That was a pretty good summary.

9 MS. HSIEH: So there's been a ton of change in
10 the ten years that I've been here where the Trustee
11 Council re- -- refocused itself, looked at the
12 spend-down of funds, had a glide path, which it does
13 adhere -- adhere to, as well as budgets, and outsourced
14 a lot of the activities, and created collaborated
15 science programs, which we have not had long term.

16 We had a three-year -- an attempt at GEM. Those
17 who have been here for a long time have seen many stops
18 and starts, but we actually got the Long-Term Science
19 Programs off the ground and are running, which the PAC
20 has mentioned the last couple of years. They're happy
21 to see us finally reach it up on staff.

22 We also have data, metadata, and our reports,
23 which in the prior era were not always forthcoming or
24 part of the Trustee Council's documents. It was a
25 looser administrative structure, I would say. Coming

1 from the Department of Law, I wasn't allowed that
2 culture.

3 CHAIR HARTIG: Well, I -- I remember all of
4 that, and I think you accurately described it. Jim
5 could weigh on that too, or Steve --

6 MR. BALSIGER: No.

7 CHAIR HARTIG: -- but that's the way I recall
8 it.

9 MR. BALSIGER: I don't have any memory of it.

10 CHAIR HARTIG: No. But I think that looking at
11 the table at the bottom of page 3 of the 27 -- 23 pages
12 on the budget, that's my understanding, is that increase
13 we see from 2.1 million to 2.5.

14 There's some things that went up and down. The
15 big thing that changed was the Habitat Program, and that
16 was when I first came here was largely run by DNR with
17 Law, and there were people dedicated to it. They spent
18 a lot on it, and they retired on other things, and we
19 were left with -- if we were going to have a Habitat
20 Program, bring it in-house, and that's what happened
21 with some of the outsourcing to the --

22 MS. HSIEH: Right.

23 CHAIR HARTIG: -- Great Land Trust.

24 MS. HSIEH: And, also, we cut the budget -- I
25 cut the budget severely in response to the market

1 downturn. We really got our focus areas. We cut the
2 budget. We remodeled. We cut over half our staff. We
3 cut a lot of things. The PAC shrunk in size.

4 Over the years, we've done well, and you guys
5 have stuck to the projected budgets, but we've also
6 been able to enhance -- and the PAC talked about this
7 at the last meeting as well. They actually wanted to
8 say that they were supportive of the additional
9 funding, the Trustees have allowed the programs to
10 create excellent products which they had not
11 necessarily seen in prior eras.

12 It does take money to do good science. That's
13 the way it is, and the Trustee Council has been able
14 to fund that. I think you guys will also see --
15 Shiway Wang is going to come up later and talk about
16 administrative costs, as well as Max Mertz, who has
17 been the auditor of the Trustee Council for decades.
18 I see our -- our numbers are quite different than
19 those presented in some of the documents floating
20 around, and it'll give you a better perspective of
21 also why we've been able to fund so many things.

22 We have very few employees in the Trustee
23 Council office. We -- I hate to say this, we work off
24 contract workers who we don't pay benefits, and at
25 year ten, which is now, we should be able to even take

1 some of us part time, except for we have been spending
2 more and more time, to be honest with you, on things
3 such as the Bering River and proposals like this, and
4 also independent agency inquiries such as USDA
5 briefings, NOAA, NOAA requests regarding our budget,
6 regard- -- you know, the NPRB.

7 We do handle all of this ad hoc work as well,
8 but we've -- we've been able to structure ourselves.
9 And for example, hiring IT to a certain amount, but
10 take advantage of all of the employees at the
11 Department of Fish & Game, but then they only bill the
12 hours they work instead of having two in-house people.

13 CHAIR HARTIG: Let me ask one other question,
14 and I'll go back to the rest of the Trustees here.

15 On page 4, there's another table. This one
16 looks like it's broken down by components on the
17 budget, and on "Contractual" for the fiscal year, it
18 went from half a million to a little over a million,
19 1.2 million, say, at Fiscal Year '19, and I don't know
20 if that's correct.

21 MS. HSIEH: Are we looking at -- I'm sorry,
22 which one are you looking at?

23 CHAIR HARTIG: It's the table on the top of
24 page 4.

25 MS. HSIEH: Yep.

1 CHAIR HARTIG: The --

2 MS. ADAMS: That's --

3 CHAIR HARTIG: -- "Contractual" component.

4 MS. ADAMS: -- primarily Habitat, I think.

5 MS. HSIEH: Yes.

6 CHAIR HARTIG: I guess --

7 MS. HSIEH: That's right.

8 (Indiscernible crosstalk.)

9 MS. HSIEH: It's also --

10 MS. ADAMS: There's also other --

11 MS. HSIEH: -- due diligence and --

12 CHAIR HARTIG: But that can relate to the

13 Habitat Program, though.

14 MS. HSIEH: It is. We also -- we also have been

15 working with DNR to create -- there's a habitat catalog,

16 which only they can create, and we've been working with

17 them to try and get that updated. The last one was

18 2006. It's terribly out of date. We don't have control

19 over creating that document, so we've also been working

20 to get that as well.

21 MS. ADAMS: Funding.

22 MS. HSIEH: Yeah.

23 CHAIR HARTIG: Okay. So other questions from

24 the Trustees? Sam?

25 MR. COTTEN: I'm not sure where we -- where we

1 are. Is this a discussion before the motion on the
2 budget? Is that what you're looking for?

3 CHAIR HARTIG: Yes.

4 MR. COTTEN: Well, I'm just interested in where
5 -- where we're going to go next and whether we're doing
6 things now that would either suggest that we're not
7 interested in even examining any changes to our
8 structure. For example, on the Habitat budget there, it
9 looks like there's about \$400,000 to contract with Great
10 Land Trust -- Trust, and part of their effort is to
11 identify projects.

12 So -- but under the current contract, are --
13 are the projects or the -- or the land acquisitions
14 that have been identified, is that part of ongoing
15 work, or is this -- they're just looking at new work
16 with this project?

17 MS. HSIEH: No.

18 MR. COTTEN: So maybe you can help me get a
19 little better understanding of -- you know, I've heard
20 nothing but good about Great Land Trust, that isn't any
21 kind of affront on -- on -- on a particular
22 organization, but I'm just looking at this whole
23 question of if we really are serious about advancing any
24 changes to our structure or the way this Council does
25 business or the rules for distribution of the funds, and

1 we just continue to act as though there's never going to
2 be any change. Are -- are we just --

3 MS. HSIEH: This is -- this is a 12-month --

4 MR. COTTEN: -- spinning our wheels here?

5 MS. HSIEH: Right.

6 -- this is a 12-month budget authorization.

7 You guys get this before you every 12 months. That
8 work is ongoing.

9 In addition, the Think Tank document, if
10 that's the one you're looking at, mentions Great Land
11 Trust. It also mentions third parties and nonprofits,
12 which they also are, so actually our delegations of
13 our habitat -- some of our habitat work to that entity
14 actually fits under exactly what people have been
15 talking about.

16 CHAIR HARTIG: This is on page 16 --

17 MS. HSIEH: Correct.

18 CHAIR HARTIG: -- of the document --

19 MS. HSIEH: This is a 12-month authorization,
20 and I expect that the Trustee Council, as I've heard
21 today, will have to come back and have a little more
22 discussion about maybe some legal inquiry and public
23 process that is probably going to take longer than this
24 meeting, but that's up to you.

25 MR. COTTEN: So the -- some of the item that's

1 are on our -- our list today, some of the land
2 acquisitions?

3 MS. HSIEH: Everything is a 12- to 18-month
4 authorization only. That's the way the Council works.
5 We work on a short-term basis inherently, because the
6 Trustees must supervise the funds at that level.

7 CHAIR HARTIG: But are you looking at what the
8 status of those different projects are?

9 Is that -- Sam, would that be helpful?

10 MR. COTTEN: That's what I was trying to do.

11 CHAIR HARTIG: Oh, okay. Yeah.

12 MS. HSIEH: Lauri can speak to that when we --

13 CHAIR HARTIG: So what --

14 MS. HSIEH: -- review that.

15 CHAIR HARTIG: -- what are we going to do in
16 terms of our Habitat Program? And I know that the
17 different things --

18 MS. ADAMS: Oh, okay.

19 CHAIR HARTIG: -- are in different stages.

20 MS. ADAMS: Well, we have projects that are in
21 all different stages of progress. It's certainly not
22 primarily out of, you know, getting new projects. We've
23 got projects that are, you know, getting very close to
24 closing. There's a lot of due diligence work that goes
25 into, you know, once it's authorized, to go out and work

1 with a landowner, which is indicated that they're
2 interested in -- in selling.

3 There's a lot of different steps, legal reviews,
4 review from the agencies, and a lot of due diligence
5 work that gets done. And Great Land Trust, I mean,
6 basically myself and Great Land Trust are a team that
7 does that work. So it's kind of in all stages. It's
8 not just -- they don't just go look at new projects. We
9 bring a few forward each year if they seem ready and are
10 desired by the agencies that, you know, are part of the
11 -- are part of the Trust, and then we work them, and not
12 all of them go to fruition either.

13 MS. HSIEH: We also have Habitat Enhancement,
14 and Rys Miranda is here from DNR. They've been doing a
15 lot of Kenai River, Kasilof River, Streambank Projects,
16 boardwalks, elevated lights, what do they call these --
17 these sort of metal walkways, stairs, and those are
18 ongoing as well. He has some new projects here as well.
19 That's a large part of our Habitat Program, and it
20 increases the amount of spending from our Habitat
21 account has gone into this sort of work. I don't know
22 if you wanted a summary from Rys. He's here right
23 now --

24 MR. COTTEN: I'm just trying --

25 MS. HSIEH: -- as well.

1 MR. COTTEN: -- to get a better view of where
2 the -- the -- the activities that we'll fund now take
3 effect, projects that are already identified. For
4 example, under the "Due Diligence Contractual Budget,"
5 you list expenses for appraisals and surveys. And so
6 are those examples of things that still need to be done
7 for the projects that are currently under consideration,
8 or is that anticipating newly identified projects, have
9 to do appraisals and -- and surveys on?

10 MS. HSIEH: No. It's for those that are already
11 identified, that --

12 MS. ADAMS: It's ongoing.

13 MS. HSIEH: -- they are already ongoing.

14 MS. ADAMS: That were --

15 MR. COTTEN: So can you give me an example of
16 one that's ongoing that's on today's agenda that still
17 needs due diligence work?

18 MS. ADAMS: Okay. So what's on the -- if you're
19 talking about parcels, properties --

20 MR. COTTEN: We've got the Kenai River
21 properties, for example.

22 MS. ADAMS: Okay. So --

23 MR. COTTEN: Have they been appraised --

24 MS. ADAMS: -- when I said --

25 MR. COTTEN: -- and surveyed?

1 MS. ADAMS: -- the work is ongoing, it generally
2 takes more than a year to work through all the steps,
3 from start of authorization to go work on it, to closing
4 on a project. So the ones that you have before you
5 today are just starting, but --

6 MS. HSIEH: Well, it's not a year to get them on
7 the agenda, actually.

8 MS. ADAMS: Well, yeah. I was -- I was --

9 MS. HSIEH: Yeah.

10 MS. ADAMS: -- going to say, the initial work
11 starts well before it comes on the agenda, but we don't
12 -- we -- we have a number of due diligence steps. I
13 mean, things that are included, we mentioned some of
14 them, appraisals, we get estimates.

15 But we have appraisals. They do site visits.
16 There's environmental, you know, sign-offs to make sure
17 the property is acceptable, and there's negotiations
18 with the sellers over, you know, any conditions or how
19 they want it to be put together, and we work with the
20 State and federal agencies and the lawyers to craft
21 packages that work. And all that work, it starts well
22 before it comes before you, but then it also continues
23 quite a while after.

24 So different ones are in different stages, and
25 we have -- I guess I don't know exactly how to answer

1 your question. We have -- so the ones that are before
2 you today still have quite a bit of work to go, and
3 there's one that's have been previously approved that
4 are, you know, far along in the process and their
5 contractor --

6 MS. HSIEH: Well --

7 MS. ADAMS: -- Great Land --

8 MS. HSIEH: -- I think it's important to point
9 out, like, the Corr parcel has been in play with the
10 Trustee Council for about 15 years.

11 MR. COTTEN: Which parcel?

12 MS. HSIEH: The Corr parcel in the Kenai River.

13 MR. COTTEN: Yeah.

14 MS. HSIEH: I believe you're familiar with it?

15 MR. COTTEN: Yeah. That's -- that was an
16 example that I was --

17 MS. HSIEH: Right.

18 MR. COTTEN: -- looking at.

19 MS. HSIEH: We've been working with the Corrs,
20 and for --

21 MS. ADAMS: A long time.

22 MS. HSIEH: -- I -- it's been, like, 15 years,
23 so when we -- we have to get everyone to the table so
24 the sellers feel comfortable with what we -- you know,
25 sort of the general terms, and then we bring it to the

1 Trustee Council, and if the Trustee Council approves it,
2 then we do due diligence or, you know, appraisals so
3 that they're timely.

4 Often there's been an appraisal in the past,
5 but we have to have it within a certain timeliness, so
6 then the process more formally moves forward. But
7 typically, these things have taken a very long time to
8 make into the agenda, just by the nature of the
9 difficulty of the work.

10 MR. COTTEN: Well, it just seems like there's
11 never -- there's never going to be a time where you
12 can say, "Okay. We're going to stop doing these --
13 this kind of work because we're not anticipating
14 making any more land purchases."

15 MS. HSIEH: There's actually a limit to the
16 amount of land left. We're really -- we did a habitat
17 prioritization -- the Trustee Council, way before my
18 time, did a habitat prioritization of the eco- -- of the
19 spill area, and that's how they targeted the areas, and
20 they we -- we revised it. I believe that was in the late
21 1990s. We revised it again in 2014, and that's what
22 gave the map of the areas of the ecosystem, and there's
23 really not that much left.

24 The Habitat Parcel Program is limited because
25 there's only so much available and willing sellers in

1 -- in the area. And really, the parcels that we have
2 purchased since reconstituting the Habitat Program
3 were long sought after for decades by the Trustee
4 Council, and we knew about that. It was no surprise.
5 These aren't coming out of the woodwork, really.

6 Some of the small Kenai ones are because
7 they're small and they're families that are turning
8 over that we didn't anticipate, but really the larger
9 ones have all been known. And so the -- the Parcel
10 Program is on a wind down because there's really --
11 the work is at a -- a cliff right now, but I would say
12 it's -- it's a -- it's a known sum, and that's also
13 why we've been doing more habitat enhancement work, on
14 the Kenai Peninsula in particular and in the spill
15 area. Also, outside of Cordova with replacing
16 culverts, that work is actually taking precedent now.

17 MR. COTTEN: That's something that's real
18 tangible, people can see that, understand it --

19 MS. HSIEH: Well, that's --

20 MR. COTTEN: -- and appreciate that --

21 MS. HSIEH: -- what we're doing now because we
22 really don't have -- I mean, we are finishing up with
23 the parcels that the Trustee Council's wanted and the
24 sellers are excited about, but really it's the habitat
25 enhancement that's really the arm of the Habitat that is

1 taking up a lot of our focus these days. It's just --

2 MS. ADAMS: And will take more.

3 MS. HSIEH: And will take more, yeah. It's
4 actually going to overtake everything else, so...

5 MR. COTTEN: But as I read the goals and
6 objectives from the proposal here, it's, you know,
7 "Identify, conduct -- to the landowners of parcels with
8 high ranking" -- you know, so it looks like we're still
9 searching.

10 MS. HSIEH: Well, there's only so much land
11 available, so it doesn't really matter how much they
12 search. They're really wrapping up the things that they
13 have in the hopper.

14 MR. COTTEN: But their proposal suggests that
15 they're going to try to identify additional parcels, so
16 that was kind of where I was going with this, is that it
17 -- it -- it seems like you've got some surveys you've
18 got to pay for under due diligence, and -- and
19 appraisals, and -- and --

20 MS. HSIEH: There's a lot of negotiating that
21 goes on, even with the identified parcels. It takes
22 sometimes a long time.

23 CHAIR HARTIG: I think looking at it from the
24 30,000-foot view, when we were looking at this, the
25 20-year glide path and all that, we were concerned about

1 whether there was some key parcels that were out there
2 that would come available after we had committed all the
3 funds for other things, that we wouldn't be able to
4 acquire those.

5 And so the Trustees' thinking was that we need
6 to retain some sum and some Habitat Program to try to
7 pick up those parcels that weren't available before that
8 do become available that are particular -- have
9 particular valuable habitat, in terms of restoration
10 benefits.

11 And so that's what we're keyed in on, and that's
12 what this report or whatever we call it that we have
13 that identifies all of the parcels, what's available,
14 what's not, but it prioritizes them, and so that's what
15 we're working with. It's not like -- there is some
16 element of open solicitation. If somebody comes in with
17 something we just weren't anticipating, you know, we may
18 look at it, but we're not out openly, you know,
19 soliciting, other than those -- those parcels that we
20 know we really want.

21 MS. HSIEH: I think the habitat enhancement is
22 also -- I mean, that's an interesting area that we
23 probably should talk about, whether we should have --
24 like how we should have diversified it with -- we have
25 Brendan here, I think, from the Kenai Watershed Forum.

1 We're now doing this -- partially funding the Stream
2 Watch Program to increase their areas on the Kenai
3 Peninsula. That's going to be really popular as well.

4 So our Habitat Program is in a time of change,
5 I would say, just because of the nature of -- of where
6 we're at with -- with what land is -- is available and
7 high priority habitat.

8 CHAIR HARTIG: But we do open it up as
9 something, we could look at cutting off. There's the
10 end point to it. We all recognize that. It's just, do
11 you want to cut it off when there's -- there could be
12 some parcel out there you really want, and how do you
13 accommodate that?

14 MS. HSIEH: Currently, we've been able to --
15 currently, because of our unique structure and
16 investment returns and the way we move our budget up and
17 down and cut back in the years, we've been able to fund
18 -- this is Habitat we're talking about, which is a
19 differently designated account -- we've been able to
20 fund most things that the Trustees have been interested
21 in. So we haven't had it either/or at this point.

22 That will come, and I think -- and you'll see it
23 -- in the next few years, and we've actually just --
24 habitat enhancement is sort of overtaking the Habitat
25 Program, and I think it's -- it's a nice change as well.

1 We continue to mop up some of the things the Trustee has
2 tried to get for, I mean, sometimes for as long as
3 28 years.

4 I know Stacy Studebaker -- who I don't think
5 is online anymore -- when we -- I don't know if it was
6 Portage Lake, but she said, "We've been trying to get
7 that for 29 years."

8 MS. ADAMS: Yeah, yeah.

9 MS. HSIEH: So sometimes it'll take a long
10 time.

11 CHAIR HARTIG: Jim?

12 MR. BALSIGER: Yes. Thanks.

13 So -- so this -- this Habitat Protection
14 Support, \$408,000, is that -- is that all for the
15 parcel purchases, due diligence on them, or does some
16 of that actual habitat work come out of that money?
17 For example, culverts, does that come out of here, or
18 is this only for the purposes of purchasing or -- or
19 surveying the parcels that we're looking for?

20 MS. HSIEH: That due diligence comes out of that
21 amount. Sometimes we also tag on due diligence onto
22 some parcels depending on the size, and that's for the
23 parcel work. They do attend and do coordinate with us
24 as well on the habitat enhancement work.

25 MR. BALSIGER: Thank you.

1 MS. HSIEH: They also create most of the maps
2 you see and all the Habitat documents that come to our
3 office. They're excellent at -- at doing that as well.

4 MR. COTTEN: So they do more than -- the -- the
5 Great Land Trust does more than search out new
6 properties --

7 MS. HSIEH: Correct.

8 MR. COTTEN: -- whatever that title is -- does
9 more than doing just making certain it's surveyed,
10 because they also -- there's some of the habitat
11 enhancement stuff, because it -- I -- I have trouble
12 tracking which parts --

13 MS. HSIEH: We -- we overlap --

14 MR. COTTEN: -- are in there.

15 MS. HSIEH: -- it -- it overlaps with them. I
16 wouldn't say it's the majority of their work, but it
17 definitely overlaps. And they've also been -- I would
18 say that in some ways they've been our Council's
19 outreach because they've been meeting with Native
20 Corporation, Native village representatives on behalf of
21 the Council and have done an excellent job with
22 educating about our Habitat Program in a way that I
23 don't think our small staff of four or five has those
24 sort of outreach personable skills, at least I don't.
25 I'm a stiff lawyer. So I think they've done an

1 excellent job at --

2 MS. ADAMS: Well, that's their expertise, so --

3 MS. HSIEH: Yeah.

4 MS. ADAMS: -- is doing this, so -- the
5 investment part of it.

6 MS. HSIEH: I know the Habitat Program has been
7 portrayed for decades as a -- as a villainous program or
8 a fantastic program depending on who you talk to, but
9 with regard to the sellers that we're involved with
10 during my tenure, they're all willing sellers who are
11 excited, either families on the Kenai who want to watch
12 their piece of property be conserved that don't want the
13 riverbank to look muddy and just have people or a
14 subdivision, who actually have a personal interest in
15 the Kenai River, for example, or a Native Corporation or
16 village that -- that wants to both sell the land and yet
17 retain their subsistence abilities; access to the
18 public, hunting, fishing, and also not have to log it,
19 because we paid for those values, so they actually end
20 up -- you know, people who we purchase it from will pay
21 the timber values. We enable the habitat to remain and
22 also public access, and also they are paid for that. So
23 for those who are interested, it can be an excellent
24 opportunity.

25 That said, I think the Habitat Program is

1 morphing, and over -- you know, if it's this structure,
2 I think you'll see it winding down over the next couple,
3 few years, just by virtue of we've been able to achieve
4 many of the parcels we had eyes on, which created, like,
5 land bridges, where there was two EVOS parcels, and then
6 there was a parcel in between that finally, sort of,
7 came up, and Ouzinkie, you guys were able to purchase it,
8 and link all of that and it still available to Ouzinkie as
9 well.

10 I don't know, Lauri, if you can consider some
11 other -- I think some examples might be helpful, as
12 well. I think this was a --

13 MS. ADAMS: Oh, well, it -- it -- you know, most
14 -- most of the big projects that we've done in the last
15 three to four years have been with Native Corporations.
16 It's been mostly village corporations, where it's really
17 helpful to their shareholders, and there have been ones
18 that have been very heavily supported. A lot of them on
19 Kodiak, Afognak, out that area that were very high
20 habitat-value properties that the Trustee Council had
21 tried years ago to get to protect, and now we've been
22 able to do it.

23 So Elise is correct, some of it's been --
24 there's pieces that have been acquired to have -- you
25 know, had very additive benefits for habitat

1 protection, because there are pieces in between other
2 pieces that were acquired, you know, 20 years ago, and
3 -- and it's been, you know, very well received in the
4 communities and with the people that -- that we work
5 with --

6 MS. HSIEH: And I think --

7 MS. ADAMS: -- and that the Great Land Trust
8 works with.

9 MR. WACKOWSKI: Well, that's --

10 MS. HSIEH: -- I think Mark Fink is here today.

11 MR. WACKOWSKI: Hold on.

12 It hasn't been well received. We just heard
13 public testimony to -- to the effect that us buying out
14 parcels of land did not --

15 MS. HSIEH: Has been well received by the
16 sellers. We can't -- I don't patronize and ask sellers
17 to -- that's their decision. We don't make that
18 decision for them.

19 MR. WACKOWSKI: But Chugach Corporation just
20 said, you know, "Not only did this spill tank the value
21 of our land, but you came to us willing, and we had no
22 choice but to sell the land."

23 MS. HSIEH: That was in the '90s. I was not
24 here. That is --

25 MR. WACKOWSKI: Right.

1 MS. HSIEH: -- their perspective, and this --

2 MR. WACKOWSKI: But I'm just saying -- just
3 saying that have a little perspective here, that that is
4 -- it isn't all warm and fuzzies.

5 MS. HSIEH: No. There's some people who are --

6 CHAIR HARTIG: We're talking about the current
7 budget, though.

8 MR. WACKOWSKI: Correct.

9 MS. HSIEH: Right.

10 CHAIR HARTIG: I mean, we're talking about work
11 that we've done recently and with being carried on in
12 this current budget.

13 MR. WACKOWSKI: Understood.

14 CHAIR HARTIG: Yeah.

15 MS. HSIEH: I think I said that there -- it's
16 been vill- -- some people were very unhappy, and I
17 understand that, and that was an earlier era.

18 The sellers that we have worked with during my
19 tenure here have been extremely excited about the
20 opportunity to preserve their land, to not log it, and
21 to have it available for their families and shareholders
22 to still access, and as well, we're excited to have the
23 public access it as well, which would not have happened
24 otherwise necessarily.

25 I can't speak to the earlier era. I'm sorry.

1 CHAIR HARTIG: Okay. So any other questions on
2 the proposed budget, Annual Budget? Then do we have a
3 motion?

4 MR. COTTEN: Mr. Chairman, could we -- I'd like
5 a little more time on this, so could you maybe change
6 the order of the vote on the -- on the budget until
7 maybe after lunch?

8 CHAIR HARTIG: Yeah, we can do that.

9 MR. COTTEN: And it's -- I don't want to vote no
10 because I'd like to have a little more information, and
11 I'm not even sure how to ask for it, but maybe I'll do
12 -- to accomplish that during a break.

13 MS. HSIEH: We actually have Mark Fink here as
14 well who's on your staff who's been involved in our
15 Habitat Program, and he may be helpful to you as well.

16 CHAIR HARTIG: Okay. So what's the plan for --

17 MR. COTTEN: I'm -- I'm very familiar with --

18 CHAIR HARTIG: -- lunch so we can plan this?

19 MR. COTTEN: -- Mark. Thank you.

20 MS. HSIEH: We need lunch?

21 CHAIR HARTIG: We need a lunch break here.

22 MS. HSIEH: Well, we did have a lunch break
23 planned. What time did --

24 UNIDENTIFIED SPEAKER: 12:15.

25 MS. HSIEH: 12:15, oh, worked well.

1 But should we try and power through something
2 real quick, or do you want to go on lunch?

3 CHAIR HARTIG: Well, I'm just thinking it would
4 be good for Sam while it's fresh on his mind to get
5 these -- other people -- I don't want to -- other people
6 might be on a lunch clock and planned it as such.

7 MR. COTTEN: What time is lunch planned?

8 UNIDENTIFIED SPEAKER: 12:15.

9 CHAIR HARTIG: Now.

10 UNIDENTIFIED SPEAKER: Right now.

11 MR. COTTEN: Oh, what a coincidence.

12 MS. HSIEH: Oh, Scott has to catch a plane.

13 MR. PEGAU: No, I don't.

14 MS. HSIEH: You don't? Oh, that's right. Okay.

15 CHAIR HARTIG: Is anybody -- does anybody have a
16 problem with taking a lunch break now, where we'll kind
17 of iron out some of these questions on budget that are
18 probably not as interesting to some people in the room?
19 Anybody has to catch a plane or anything that wanted to
20 speak later?

21 Okay. So how long do you want to break for
22 lunch?

23 MS. HSIEH: Cherri --

24 UNIDENTIFIED SPEAKER: (Indiscernible).

25 MS. HSIEH: I think 30 minutes.

1 CHAIR HARTIG: Let's say 45 --

2 MS. HSIEH: Sorry.

3 CHAIR HARTIG: -- and be back at 1:00.

4 MS. HSIEH: Okay.

5 CHAIR HARTIG: Is that okay, Sam?

6 MR. COTTEN: Yes. Thank you. I appreciate it.

7 CHAIR HARTIG: Yeah. I think it's better just

8 to stay up on this subject and --

9 Okay. So we're on lunch break until 1:00.

10 (Recess taken.)

11 CHAIR HARTIG: We'll go ahead and get started

12 again. Okay. We're missing Fish & Game here. Okay.

13 So we're -- I was going to go back to the

14 budget, but I think we have to wait for Fish & Game,

15 either Sam or David to show up, so that we have --

16 UNIDENTIFIED SPEAKER: Are they right out there?

17 MR. PEGAU: David just went to grab Sam and drag

18 him in.

19 CHAIR HARTIG: Oh, good. Thanks, Scott.

20 Okay. We'll call the meeting back in order

21 here, and we were talking on the fiscal year for the

22 20- -- budget.

23 UNIDENTIFIED SPEAKER: '19.

24 CHAIR HARTIG: '19 budget.

25 Let's see. So I think we were still into

1 Trustee questions. Sam?

2 MR. COTTEN: Thank you, Mr. Chairman. I
3 appreciate the -- the time you gave me to discuss some
4 of my questions a little more informally. It's been
5 very helpful.

6 I don't have any other questions about the
7 budget at this time. I am at some point interested in
8 pursuing this Question Number 15. And I apologize,
9 I'm going to have to leave and attend another event,
10 so Mr. Rogers will be sitting in, but I'm hopeful that
11 the Council can request a -- a pretty extensive legal
12 review of what steps would have to be taken to advance
13 these -- these ideas in general, the content of a
14 restructuring.

15 And as Elise has reminded me, you ask lawyers
16 a question like that, they prefer a lot of
17 specificity. So I'm very interested in a range of
18 issues, including what steps would have to be taken to
19 consider changing some of the current parameters. An
20 example is that right now we're considering habitat
21 acquisitions on the Kenai River, but if you wanted to
22 consider habitat acquisitions further north in Cook
23 Inlet, you wouldn't be allowed to do that, even though
24 some of same fish and birds are going to be affected
25 probably similarly.

1 But that's the current structure. Those are
2 the current parameters we're required to follow, so
3 that would be one of the questions I'd like to have
4 some legal review on as far as what other options --
5 not just on structure, but that seems to be the focus
6 for a lot of people.

7 One of the proposals asks to move it from a
8 government Trustee Council to a non-government Trustee
9 Council. That's a separate question. But the -- the
10 so-called "Think Tank" has got yet another approach to
11 -- perhaps even following some of their current
12 guidelines have -- they've got their own proposal.
13 I'll put it that way.

14 So I'm hopeful that we can make that request,
15 and I've seen some different descriptions of what's
16 going to have to happen as far as changes, the Clean
17 Water Act, and Consent Decrees to district court. And
18 there's a lot of steps, I understand that, but I don't
19 think we should shy away just because there's some
20 complications as far as how to get there from here,
21 and we all know change is hard, and -- but I think
22 there seems to be a lot of interest from the public
23 and from other active proposals to at least give very
24 strong consideration to a different direction. So I'm
25 hopeful that the Trustees can assist in pursuing some

1 of those questions, but I have no other questions on
2 the budget, Mr. Chairman.

3 CHAIR HARTIG: Okay. Thanks, Sam.

4 So can I get a motion if there's no other
5 questions?

6 UNIDENTIFIED SPEAKER: I think Sam just made the
7 motion. I'll second it.

8 CHAIR HARTIG: There's a motion in your packet
9 that --

10 MR. MULDER: I'll make the motion.

11 Fiscal Year '19 --

12 MS. HSIEH: Agenda Item Number 7.

13 MR. MULDER: -- Agenda Item Number 7, Fiscal
14 Year '19, Exxon Valdez Oil Spill Trustee Council Annual
15 Budget Project, 19190100. I move we approve \$2,547,918,
16 which includes GA for funding of the Fiscal Year '19
17 Trustee Council Annual Budget, Project Number 1910100,
18 budget dated October 4, 2018, for the Fiscal Year '19,
19 except for the following projects which are authorized
20 to start November 1st, 2018: Alaska Department of Fish
21 & Game, Inter-Agencies Statewide, are SA 13,000, Data
22 Portal Update (Wang) \$10,000, Data Portal Update
23 Resource Data Inc., \$80,000, 2019 Annual Marine Science
24 Symposium, \$10,000, and Alaska Department of Natural
25 Resources ARLIS Outreach Materials, \$16,350.

1 MS. MARCERON: I second.

2 CHAIR HARTIG: Thank you.

3 Any discussion, further discussion? Okay.
4 Everybody in favor, I guess, raise your hand. I don't
5 see any opposition, so it passes unanimously.

6 Okay. So that's the Annual Budget. So we go
7 into the Long-Term Programs. Lead that for us.

8 MS. HSIEH: I think we also have Mandy here from
9 the Long-Term Monitoring with Scott Pegau and --

10 CHAIR HARTIG: Yeah. So Scott and Mandy, if you
11 want to --

12 MS. WANG: Hi, everybody. I'm Shiway Wang. I'm
13 your Science Coordinator. I'm going to review our FY19
14 Draft Work Plan.

15 And so your binder, I'm going to be referring to
16 your binder here and giving you page numbers, and if you
17 flip over to your tab that says "FY19 Draft Work Plan,"
18 please. Before I start, I wanted to review a letter of
19 cites from Sherri Dressel at ADF&G, which are the pages,
20 the first pages, in your Work Plan.

21 In 2016, the Trustee Council provided \$70,000 to
22 ADF&G to support Prince William Sound data, database,
23 and work to fulfill outstanding requests from Trustee
24 Council funded researchers, and Science Panel members,
25 and to develop processes and infrastructure so that

1 ADF&G can respond more quickly to future data requests.

2 The tasks completed are listed and described in
3 Sherri's letter, and all the work has been completed for
4 \$10,000 less than originally projected. Trustee Council
5 support has allowed ADF&G to make tremendous progress of
6 data management for regions effected by the oil spill
7 during the challenging time of State budget cuts. This
8 work has also helped facilitate increased collaboration
9 between ADF&G and Trustee Council funded researchers.

10 So we thank Sherri for your letter, and we're
11 happy to see all the -- the work that's come out of
12 the support we provided.

13 So what I'm going to do now is I'm going to
14 review each of the Long-Term Monitoring Programs and
15 the Non-Program Projects, and after each program, the
16 Program Lead will give you a presentation and overview
17 of FY18.

18 So starting on page 7 is the Herring Research
19 and Monitoring Program. Okay. So FY19 is the third
20 year of the second five-year program. All projects
21 submitted proposals for renewal. The Herring Program
22 is continuing to progress. All final reports, except
23 for one, from the first five-year program were
24 accepted and finalized earlier this summer. Program
25 goals are being achieved in a timely manner. The

1 Herring Program continues to generate data and publish
2 papers that are available for use by resource managers
3 and other scientists.

4 So far in 2018, three papers were published in
5 the "Deep Sea Research II" special issue in January.
6 Five additional project papers have already been
7 published this year, three are in review, and six are
8 in preparation.

9 Also this year, a 2017 paper that Dr. Paul
10 Hershberger is a co-author of, was awarded the
11 American Fisheries Society Publications Award for best
12 paper of the year in the "Journal of Aquatic Animal
13 Health."

14 So overall, the FY19 projects continue to
15 progress as planned in their original proposals,
16 except for four projects.

17 So the first Herring Project requesting a
18 change is on page 14 of your Work Plan, and this is
19 the Project A, the Program Coordination Project. So
20 we have found the review of the Gulf Watch Program
21 documents, including reports and proposals by their
22 program coordinator, Donna Aderhold, has resulted in a
23 more refined and higher-level quality for the Gulf
24 Watch Program's products. Due to this, starting in
25 FY19, the program coordinator for Gulf Watch will also

1 assist with similar activities for the Herring Program
2 for costs of 14.2K.

3 The next project asking for a change is on
4 page 18 of your Work Plan, and this is Project B,
5 Herring Migration Cycles. The Alaska Department of
6 Natural Resources is now requiring that a bond be
7 posted and the annual fees be paid for land use
8 permits for deploying the underwater acoustic arrays.
9 These costs were unexpected and required, and the PI
10 is requesting for FY19, an additional 6.9K for the
11 bond, costs, and annual fees so that work can continue
12 as planned.

13 MR. COTTEN: So we get that money back, or is
14 that stays in perpetuity?

15 MS. WANG: This is a one-year funding
16 authorization.

17 MS. HSIEH: Right. But the -- I think --

18 MR. COTTEN: It's a bond.

19 MS. HSIEH: -- he's asking about the bond,
20 yeah. I -- I can't answer that question.

21 MS. WANG: I am not sure that --

22 MR. PEGAU: No. That's mine.

23 UNIDENTIFIED SPEAKER: It's yours. Scott --
24 (indiscernible).

25 MR. PEGAU: No, we are not giving that money

1 back, it is my understanding from the arrangements that
2 they required.

3 MS. WANG: Okay. The next project requesting a
4 change is on page 46 of your Work Plan, and that project
5 is the Adult Pacific Herring Acoustic Surveys Project.
6 The project PI anticipates compressed field seasons in
7 the future due to recent patterns of fish distribution
8 and behavior and multiple projects competing for ship
9 time. There's been some difficulty in scheduling
10 acoustic sampling that will allow for a complete survey,
11 and the PI has requested funding of an additional 10.3K
12 annually starting at FY19 for five days of separate ship
13 time for two simultaneous surveys for both eastern and
14 western regions of herring spawning range.

15 And the last project with any change is on
16 page 51 of your Work Plan, and this is the
17 Immunological Compromise of Fish, and this is the
18 Lingering Oil Project, the PI is Andrew Whitehead.

19 Starting in FY19, this project will be part of
20 the Herring Program, and this will help facilitate
21 increased interaction and collaboration with the
22 Herring Program PI's, and also the Gulf Watch Program.
23 Because this project will be part of the Herring
24 Program, this proposal now includes travel costs for
25 Dr. Whitehead to attend the annual Herring Program PI

1 meetings, which is 2.6K per year.

2 And while reviewing this proposal, the Science
3 Panel noted that the PI had identified unexpected
4 differences in the seasonal timing of spawning from
5 each population. That's requiring the use of an
6 electronically-controlled oil dosing equipment for the
7 experiments to be highly reproducible.

8 During the PAC meeting, the PAC discussed that
9 prior similar studies would have been strengthened by
10 the use of this equipment. So noting the need for
11 this equipment in genetics work, the PAC recommends
12 the additional funding of 54.8K for the oil-dosing
13 system for this project.

14 So all the herring projects are recommended
15 by, as submitted, for funding by the Science Panel,
16 the Science Coordinator, PAC and Executive Director,
17 except for one project, the Studies of Reproductive
18 Maturity of Herring.

19 The Science Panel has concerns about the
20 timing of method validation on archive samples and
21 timing of sample analyses. The PI's submitted a
22 revised proposal and her response to the Science Panel
23 comments last Friday, and Science Panel members are
24 reviewing it right now, but it appears to be very
25 positive.

1 MR. WACKOWSKI: Is the PI here?

2 MS. WANG: She is not here.

3 MS. HSIEH: With issues like this, we typically
4 -- if the Trustee Council's comfortable with moving
5 forward with the funding, we condition it upon the
6 Science Panel and Science Coordinator's resolution of
7 the issues outstanding with the proposal, and if they're
8 not resolved, it doesn't get funded.

9 MR. WACKOWSKI: Who's the PI?

10 MS. WANG: Kristen Gorman. It is on page 29 of
11 your Work Plan.

12 MS. HSIEH: So I'm hearing there's some question
13 as to whether Kristen will remain with the project due
14 to some career changes, and I -- I've also checked --
15 we've checked with Scott, and I think that information
16 is necessary to go into the model.

17 Is that correct, Shiway?

18 MS. WANG: Mm-hmm, it is. Yeah, it's important
19 information for the age assessment model.

20 So that's all I have, and I'm going to turn it
21 over to our Herring Program Lead, Scott Pegau, and he'll
22 give overview and highlights from here.

23 MR. PEGAU: Sorry. Hopefully I can answer any
24 of the questions related to any of the individual
25 projects. The presentation that we have is going to do

1 a quick -- show you highlights from this past year for
2 each of the projects.

3 I know Mr. Wackowski asked, "Will herring ever
4 recover?" There is definitely the possibility that
5 they will recover. There is historical evidence that
6 they can recover from this population level, so given
7 what I have seen, I would say the answer is yes.

8 There -- for those that were here in 2014, I
9 think you were here when I was saying, yes, I expected
10 in 2015 a large recruit population, and we were going
11 to be well on our way to recovery. In 2015, I had to
12 come in and eat crow because I was wrong. What we
13 have learned is why I am wrong, or we are definitely
14 establishing why I was wrong. It turns out I did
15 manage to predict a very large herring recruitment in
16 Sitka, so some of what we had been able to use from
17 the information that we had gained, which led to the
18 prediction of a large recruit class, did apply through
19 the Gulf of Alaska, but there were other circumstances
20 that we learned that impacted the recovery in Prince
21 William Sound.

22 So I'm going to go -- just quickly go through
23 projects for the 2018. This is a picture of herring
24 spawn in Prince William Sound this past year. So
25 important things from the spawn surveys that are being

1 conducted, we had the lowest miles of milt on record.
2 We had 4.52-mile days of spawn, compared to peaks that
3 were over 250-mile days of spawn.

4 We have very few older fish, which is a real
5 concern. Almost all of the fish in Prince William
6 Sound are under the age five, or five or under, and
7 that the weight and length at age is very low for the
8 last three years, and this low weight and length is
9 consistent with poor growth associated with really
10 warm water temperatures that were in place.

11 Acoustic surveys, we had good surveys in the
12 two primary spawning areas, which is Gravina and Canoe
13 Pass, or that's where we found spawning activity this
14 year. We also surveyed in other traditional spawning
15 areas off of Zaikof and Chalmers. We just got the age
16 structure information this past week, and we needed
17 that to be able to convert the acoustic surveys into
18 biomass estimates, so we are in that process.

19 Disease, we've made some pretty big progress
20 in our understanding of -- of important diseases in
21 the herring world. What's plotted here is the
22 presence of antibodies for the viral hemorrhagic
23 septicemia virus, which is an extremely lethal virus.
24 The typical mortality rates are 80 to 90 percent when
25 you look at water temperatures that we are seeing in

1 the Prince William Sound.

2 You know, this is very new information as far
3 as our ability to detect these antibodies, and you can
4 see in 2015 in Prince William Sound there was a major
5 spike in the presence of this antibody, which would
6 suggest that there had been an epizootic, where that
7 disease ran through the population somewhere between
8 2014 and '15 and was in part responsible for the
9 decline of the population that started in that year.

10 We are in the process of actually trying to
11 incorporate this information into the models, because
12 the information in the models in the past was
13 prevalence, basically how many fish were sick on the
14 day we happened to sample versus how many had been
15 sick in the past year, which is what this information
16 is telling us. So it's changing our -- our model
17 structure to better able -- be better able to
18 understand the role of disease in the population.

19 We've had two post-doctoral people start
20 working with us in this past year. One's looking at
21 disease in the environment. What's pictured here is a
22 slice of a heart tissue, and the darker purple things
23 are Ichthyophonus, which is another major disease that
24 runs through the fisheries. What we don't understand
25 about the disease is we -- we don't understand how

1 it's transmitted, and we don't understand when it's
2 lethal, and so what we're trying to do is answer at
3 least the second of those two questions. Other work
4 is trying to address the first of the two questions.

5 MS. HSIEH: Can we ask the people on the
6 teleconference to mute their phones on their side,
7 please? We can hear you. Thanks.

8 MR. PEGAU: So all of the information I just
9 provided you goes into the modeling effort that we
10 have in place, which is being conducted at the
11 University of Washington. We rebuilt the model that
12 was used by Alaska Department of Fish & Game and
13 Prince William Sound, and Bayesian structure, and what
14 the model has showed -- in 2017, the model showed a
15 site uptick in the biomass. We don't have the 2018
16 model runs. Again, we need to work the antibody
17 measurements in the model so that we can better
18 understand the role of disease.

19 The second post-doc is working on modeling,
20 and he's looking at the environmental connections
21 between the herring and their spawns, spawn timing,
22 spawn location, as well as recruitment. You know, he
23 started March or April. So he's mostly been involved
24 in literature review, and he's making the connections
25 with both the Herring Research and Monitoring, Gulf

1 Watch Alaska programs, but we have started looking at
2 spatio-temporal shifts.

3 In herring spawn, one of the big questions has
4 always been, "Why has -- Why does spawn in Port
5 Gravina occur three weeks after the spawn typically"
6 -- or sorry -- Port Gravina is typically before what
7 happens on Montague Island, you know, and so we
8 started the analysis to see if that is just us always
9 assuming that's the case, or if that really does show
10 up, and there is definitely a statistical shift in the
11 spawn timing and location.

12 Kristen Gorman's project on maturity, one of
13 the things that we've looked at is just prior to
14 spawn, what the maturity is on these fish. We are
15 still awaiting histology, but we were finding fish
16 that had essentially very little gonad development the
17 week before we had expected them to be spawning, you
18 know, we are sampling out of the pre-spawning
19 population, so we found a lot more older fish that
20 weren't ready to spawn than we expected to find.

21 Tagging, this is a project that we are tagging
22 fish, letting them go, and seeing if we can figure out
23 where they move through the years so that we
24 understand where the environmental conditions are that
25 we need to account for. We have managed to put in an

1 additional array. We recovered some old sensors that
2 were sitting on the bottom of the ocean and got them
3 refurbished and put them back out for this project so
4 that we have a lot more information about what's
5 happening within Prince William Sound.

6 We actually detected 12 fish that we tagged in
7 2017. This year, from -- between February and
8 September, we picked up 12 of the fish that we had
9 actually tagged much earlier, and we picked up 124 of
10 the 210 fish that we tagged this year from limited
11 number of stations that we've uploaded. We typically
12 upload all of our stations in February, but we were
13 able to upload some of the stations in September, and
14 we were able to find most -- over half the fish in
15 September had passed one of the three or four stations
16 that we'd actually looked at.

17 There were some unexpected biofouling issues
18 that are noted in the comments. We worked with the
19 Canadians who helped us put in the original array.
20 They provided us 18 additional detectors, which we put
21 out so that our array is operational, and we are
22 waiting on weather right now to try and go retrieve
23 the ones that were previously in place. These are
24 things that are over 1,000 feet deep, and we did not
25 expect to have a lot of biofouling on it, but we were

1 wrong here, finding that we have large barnacles and
2 other things growing on things, and they're sinking
3 floats that hold 50 pounds of flotation.

4 One of the bigger changes that is in the
5 process occurring, is picking up the Lingering Oil
6 Project of Andrew Whitehead. His work is very much
7 tied to the types of things that the Herring Research
8 and Monitoring Program has been doing, and so it made
9 great sense to -- to fold his work in. They recently
10 completed processing of the 11 collections of fish,
11 that would be the four years from Togiak, four years
12 from Prince William Sound, and three years from Sitka
13 looking at genetic work, and they've also started
14 their exposure studies to be able to have controlled
15 information about how the genetics of herring change
16 with exposure to oil and whether or not they can be
17 detected beyond the first generation. So they've
18 exposed eggs from three different locations, and
19 they're growing them out now, so that project is on
20 track with that, and the equipment necessary to
21 provide those exposures were described by Shiway.

22 Outreach -- outreach, we tend to recommend the
23 -- the big things that -- that we end up doing. We're
24 definitely updating our website. We're embedding more
25 results. We developed project profiles, which are

1 written materials that we can provide that also
2 describe the same programs; field notes, which are the
3 radio programs and podcasts that we do that describe
4 the work that's taking place. Some -- the herring
5 contribution to the NOAA safe report, this was the
6 first year that Prince William Sound herring has
7 submitted a contribution to that report for their
8 ecosystem chapter.

9 Probably more importantly, is the amount of
10 time that we actually spend talking and listening to
11 people. We participated in the listening session in
12 Port Graham that the Gulf Watch Alaska Program
13 coordinated. A lot of our work comes from fishermen;
14 in fact, we relied very heavily on fishermen for their
15 observations. This year we did a lot of work to try
16 to interact with them, and they were providing us a
17 lot of information about what they were seeing over
18 this past summer.

19 They were instrumental in helping us identify
20 where we could pick up herring in the month of July,
21 which was a problem in the past. This year we were
22 able to make a sample. We also -- I am fortunate
23 enough to have a contact in Tatitlek that I am able to
24 -- we share objections every spring. He's telling me
25 what he's seeing in the Tatitlek area, which helps us

1 figure out when to send out our survey boats, and I'm
2 sharing what we are seeing from either our survey
3 boats or aerial surveys, and, you know, that creates a
4 really nice exchange of information between us and the
5 village as far as what we're seeing.

6 With that, any questions?

7 CHAIR HARTIG: Any questions for Scott? I
8 think --

9 MS. MARCERON: I -- I have one question, and I
10 -- I don't really know how to word it, but I'm -- I'm
11 kind of curious about, I like the fact that you've
12 shared and others have shared the potential for
13 herring recovery, and yet earlier today through some
14 public testimony, I heard about the concern about how
15 does it really affect those that really relied on
16 herring as a resource, and how is -- how is the
17 information and education getting to them about what
18 the outlook is on -- on herring or how -- how it
19 affects them, whether or not you have some of that
20 connection with -- I -- I -- I heard you --

21 MR. PEGAU: Yeah.

22 MS. MARCERON: -- say Tatitlek, but I'm -- I'm
23 curious --

24 MR. PEGAU: Yeah.

25 MS. MARCERON: -- about that. I appreciate

1 Port Graham, but I've heard it broader, that local
2 communities and those individuals living in those
3 small communities really don't -- don't feel -- this
4 is somebody else telling me this -- that they're
5 hearing about what the status of herring is, and what
6 is the potential for recovery, and -- and how much
7 more science is needed before we have an answer, or is
8 it really still benefiting them from a herring
9 perspective?

10 So it's kind of narrow, but --

11 MR. PEGAU: Yeah.

12 MS. MARCERON: -- I've been asked that, and I
13 -- I'm just curious your response.

14 MR. PEGAU: So a lot of our work, you know, is
15 centered in Cordova, and that is one of the big
16 advantages of having a program that's coordinated out
17 of Cordova, because I walk the docks fairly often, you
18 know, and everyone knows what I do, and they are more
19 than willing to grill me on, you know, what are you
20 seeing? What are you learning? Also, you know, how
21 will it matter?

22 So there's that. There's also a more formal.
23 We typically, at least once a year, do a community
24 presentation related to the Herring Program. Or in
25 the past, I've gone to the Cordova Fishermen's United

1 Herring Working Group and presented the results. I
2 did not do that this past year, but I anticipate doing
3 it again.

4 The -- one of the ways that I hear that same
5 question worded a little differently is, "How's it
6 going to help in the restoration?" and it really comes
7 down to a couple things. Research and Monitoring is
8 not going to restore resource. It is a way to
9 understand the impacts of an oil spill. What our
10 program is able to do is once the fish recover, is set
11 us up with the information so that we don't
12 accidentally collapse it again.

13 So if you look at the historic information,
14 after the initial collapse of the fishery, it came
15 back up for a couple of years. There was a fishery
16 from '96 to '98, then it collapsed again and stayed
17 down, you know, and I think what we're providing is
18 the information that the fisheries' managers could
19 have been able to use to recognize if there were
20 issues that needed to be accounted for during that
21 initial recovery phase.

22 So that's the -- the most direct, you know,
23 our work is primarily with Alaska Department of Fish &
24 Game's fisheries' managers, particularly the local
25 ones, to be able to address understanding how that

1 population works so that we don't collapse once it
2 recovers.

3 The other way that I view it, is that if there
4 was a more active restoration effort, and when this
5 program was -- initially started, it was based off of
6 a series of workshops that looked at much more active
7 restoration. One of the biggest problems is knowing
8 if those active restoration approaches had a chance to
9 succeed. So if you threw out, you know, millions of
10 fish and you had whales eating them all, it wasn't
11 going to be effective, you know; if you have disease
12 that you have to have accounted for, you need to know
13 that.

14 So a lot of what we end up doing is trying to
15 have the information for A, the future fisheries, but
16 B, if there ever was an effort to do an active
17 restoration, be able to -- to let the people know,
18 these are the things that you have to account for if
19 that restoration activity is likely to succeed.

20 MS. MARCERON: Thank you.

21 CHAIR HARTIG: Well, I have one question, Scott.

22 On the 2015 here when you didn't get the
23 recruitment that you were anticipating, it sounded like
24 it was because of the disease, it struck me as, kind of
25 -- what I got in my mind was, well, if the population

1 was already down, you wouldn't think the disease would
2 come in and move through the population too effectively,
3 you know, in the smaller population, where if you had a
4 large population, you could expect it much more likely,
5 you know, to have a big impact on the population.

6 I just want to know what -- what -- do you
7 know what triggered that disease and how it moved
8 through the population, effectively, and what the
9 story is there?

10 MR. PEGAU: We don't know what triggered,
11 although that is one of the things that we'll be
12 looking at because it was also right after the start
13 of the warm ocean conditions, so there is some
14 evidence that there was nutritional stress that may
15 have set things up, although you can also have the
16 same problem occur because you have a large recruit
17 class comes in, you know, and once they start to join
18 the older adults, that -- you know, it's like sending
19 your kids to school. Those first three or four weeks
20 after the start of school, everyone gets sick,
21 including those at home, you know, and so that's the
22 kind of situation that could have happened.

23 One of the -- how it spread through the
24 population is unfortunately easier to understand,
25 because they're a schooling fish. They like to spend

1 a lot of time in tight spaces, and the -- the VHS
2 virus is really easy to spread, so it does not take
3 hardly anything for one sick fish to manage to spread
4 that disease to a much larger population. And these
5 populations tended to end up schooling in one or two
6 very large schools during the winter, and so it would
7 be easy to picture how a disease, even in a small
8 population, will spread very rapidly, because that
9 small population tends to stay in one large population
10 during the winter.

11 MS. HSIEH: I think a lot of that research came
12 from EVOS funding the Hershberger, I believe the VHS
13 research and how it's shed --

14 CHAIR HARTIG: Yeah.

15 MS. HSIEH: -- was EVOS funded.

16 CHAIR HARTIG: Thank you.

17 MS. HSIEH: Oh, folks, could you mute, please,
18 who are on the phone? We can hear you rummaging around.

19 CHAIR HARTIG: So are we ready for a motion --

20 UNIDENTIFIED SPEAKER: Not quite.

21 CHAIR HARTIG: -- or presentation?

22 MS. HSIEH: I think because Sam and David are
23 trading places, perhaps we could continue on with the
24 presentation, and then do a --

25 CHAIR HARTIG: Okay.

1 MS. HSIEH: -- motion -- motion at the end of --

2 MS. WANG: Do you want me to wait for David to
3 come back in?

4 Okay. All right. So now I'm going to move on
5 to the Gulf Watch Alaska Program, which starts on
6 page 57 of your Work Plan.

7 So the Gulf Watch Alaska Program is
8 progressing well, also program and project goals are
9 being achieved in a timely manner. All final reports
10 in the five-year program -- the first five-year
11 program were accepted and finalized earlier this
12 summer.

13 The Program Management Team has shown an
14 impressive level of guidance so far during this
15 five-year term. The Gulf Watch Alaska Science
16 Coordinator is making progress with science synthesis
17 products, which includes four manuscripts to date.
18 The Gulf Watch Program also continues to generate data
19 and publish papers that are available to managers and
20 other scientists.

21 So far, in 2018, 16 project papers were
22 published in the "Deep Sea Research II" special issue
23 in January. Five additional project papers have been
24 published. One is in press, two are in review, and
25 two are in prep. So overall, the FY19 projects

1 continue to progress as planned in their original
2 proposals, except for four projects.

3 So the first project that has requested a
4 change is on page 62 of your Work Plan, and this is
5 Project A, the Science Coordination Project. The PI's
6 request additional funding for FY19 through '21 to
7 partially fund a post-doc candidate that will be
8 dedicated to synthesis efforts across project
9 components. This is a good opportunity to
10 inexpensively fund a program, experience post-doc.

11 The candidate is well qualified. He's a
12 current Ph.D. student in the Gulf Watch Alaska
13 Program. He's already familiar with the program and
14 has been highly productive already. The post-doc will
15 contribute to exist -- the existing four synthesis.
16 Manuscripts that have been outlined by the Gulf Watch
17 Science Coordinator and will be expected to also make
18 independent contributions to synthesis efforts. The
19 candidate is already funded at 40 percent time for FY19
20 through '21, and an additional 63.2K annually for '19
21 through '21 is requested to cover the remaining
22 60 percent of his time.

23 The next project that is requesting a change
24 is on page 69 of your Work Plan, and this is the
25 Forage Fish Project. The PI's request an additional

1 71K annually to reinstate summer aerial forage fish
2 surveys in Prince William Sound previously conducted
3 by the Herring Program. These surveys are important
4 for annual ground-truthing for aerial surveys
5 conducted by the Herring Program, which will be
6 reinstated with funding from RCAC starting in FY19.

7 The already established time series that began
8 during the North Pacific marine heat wave in 2014
9 through '16 will be extended and used to monitor the
10 recovery of middle trophic level species following the
11 warm-water Blob event.

12 So the last two projects that are requesting
13 changes are on pages 78, and this is the Seabird
14 Abundance Project, and then also on page 107, and this
15 is the Humpback Whale Predation Project, and I've
16 lumped these together because these two projects
17 previously leveraged a NOAA vessel for the marine bird
18 surveys and the humpback whale surveys. This vessel
19 will no longer be available for these projects for
20 FY19 and beyond.

21 Each project is requesting its own vessel for
22 the spring March surveys because the marine bird and
23 humpback whale projects have different objectives,
24 request different survey methods, and proposed spatial
25 coverage. The Seabird Abundance Project requests an

1 additional 24K annually to continue the November and
2 March cruises to continue work as described in the
3 original proposal. The humpback whale project
4 requests an additional 24.9K annually to continue the
5 March cruises, to continue -- continue work as
6 described in the original proposal.

7 All Gulf Watch Alaska projects are recommended
8 as submitted for funding by the Science Panel, Science
9 Coordinator, PAC, and Executive Director. So now I'm
10 going to turn it over to our Gulf Watch Program Lead,
11 Mandy Lindeberg, to give us an overview and highlights
12 from FY18.

13 MS. LINDEBERG: Okay. That's better.

14 Well, thank you for taking time to give me a
15 chance to present to you what's going on with the Gulf
16 Watch Program. First, I'd like to acknowledge our
17 management team, Rob Suryan, Donna Aderhold, and
18 Katrina Hoffman. They really helped make this program
19 go. Couldn't do it without them, so I really want to
20 highlight their contributions, and I get to do the
21 next line. Okay.

22 So this is a repeat slide from last year just
23 to refresh your memory about what the program is
24 about, and our goal overall is just simply to provide
25 sound scientific data and products, to inform

1 management agencies and the public about some of the
2 EVOS affected regions in the Gulf, and we do this by
3 sustaining some of these long-term data sets and
4 monitoring multiple ecosystem level factors, and we
5 also make this data available to the public. Within a
6 year, it's all available, and we also had some big
7 efforts in recovering some historical data sets. And
8 we are developing science synthesis products, that's
9 another goal, and also developing collaborations with
10 other regional partners, and so that's kind of it in a
11 nutshell, what this program is trying to achieve.

12 And really, we're organized under these three
13 ecosystem components, if you recall, there's
14 environmental drivers, the pelagic ecosystem, and the
15 nearshore ecosystem. That's how we're organized, and
16 this is 13 projects, monitoring projects, under these
17 various components. And we have -- I've been saying
18 over the years, we have about 20 PI's and Co-PI's in
19 all of these projects, and I actually went and counted
20 them the other day, and we have 28 to be specific, a
21 small army of scientists, because that's the Lead PI's
22 on these projects, but we also have supporting people
23 working within these projects, so it's a -- a small
24 army of folks.

25 And, also, you'll see all the logos at the

1 bottom, and really the message is that we have a
2 lot of diversity in the types of agencies and
3 non-governmental organizations that are part of this
4 project, so this is where -- these are the folks that
5 make it all happen.

6 And I'm going to cut to the chase and not mess
7 around, and I'm going to give you the bottom line
8 right now. So if you forget the rest of my talk, this
9 slide, please try to remember it. I'll try to keep it
10 simple, the message, but as Scott has kind of
11 mentioned, the -- the big thing that's been happening,
12 in 2014 and '16, we had the marine heat wave, and we
13 observed big changes in prey, zooplankton, and primary
14 productivity changed in its profile. We saw all the
15 major predators change their behavior in where they
16 were going, what they were feeding on. We saw
17 disease. We saw die-offs with seabirds, and we even
18 saw unusual mortality events with marine mammals.

19 So this was a significant event, and so in the
20 middle of our monitoring, this happened. So right
21 now, it's a couple years later. It's 2018. In
22 retrospect, what are we seeing? What are we seeing
23 right now from this event? The oceanographers are
24 starting to say it appears that in 2017 and '18,
25 things are returning to normal, as far as some of the

1 metrics that are being measured for sea level
2 temperature and some of the primary productivity, but
3 biologically, things are still recovering from this
4 event. They have not returned to baseline conditions,
5 so we're still watching that.

6 And then I threw in this graph. I know it's a
7 graph, but it's only one for this talk, so -- but I
8 have told Shiway in the past that no matter what I'm
9 talking about, I always try to sneak this one in. I
10 think this is one of the most valuable time series,
11 legacy data sets we have. It's the GAK1 mooring out
12 of Seward, out on a shelf. We're approaching almost
13 50 years of monitoring data on that buoy. It's really
14 impressive. You can see the trendline over the
15 decades. The black line there showing that, you know,
16 things are increasing, the temperatures slowly
17 increasing over the decades, but if you actually look
18 at the -- the cool events, annual data sets, you'll
19 see that sometimes it's cool. Sometimes it's hot. It
20 really fluctuates. It's very dynamic. And that heat
21 wave event was really captured in 2015. You can see
22 that at the end, and so every year I can't wait until
23 Seth Danielson adds another year to this graph,
24 because it's just really telling on so many levels,
25 that lots of stuff is happening, and it's definitely

1 changing over the long term. So really, this is the
2 bottom line.

3 MR. BALSIGER: So before you change it, the
4 '18 data point is not on there?

5 MS. LINDEBERG: It's the very last one on
6 there.

7 MR. BALSIGER: So it is on there? I see a
8 little white space, but that's --

9 MS. LINDEBERG: There is a little white space,
10 but the last data point there is '18 --

11 MR. BALSIGER: Is '18. Thank you.

12 MS. LINDEBERG: -- so this is -- Seth gave me
13 that last year. I demanded it. I had to have it, so
14 that's from this last year from the buoy.

15 And so -- but this is a -- a really nice
16 summary slide, but how did we get to this point? I
17 kind of broke my own rule and put way too much text on
18 a slide, never do that, but I will talk you through
19 it. The main message here, is this is how we have
20 been organizing our time series into these indices and
21 indicators of how the ecosystem is doing.

22 We provide this to the ecosystem status report
23 through the Alaska Fisheries Science Center that goes
24 to the North Pacific Fishery Management Council to
25 inform them on what is the health of the ecosystem,

1 how is it doing in this past year? This is an annual
2 report, and you can see -- if you just look at -- I
3 did little icons that were, like, green light, red
4 light, things that are doing well, things that weren't
5 doing well, and of course the green ones are the ones
6 that are the ocean graphic indicators for the
7 ecosystem, and most of those are returning to
8 baseline.

9 Things are looking good, and we see that out
10 on the shelf with the buoy. We see that with primary
11 productivity on the shelf. Also in Prince William
12 Sound, similar things are happening there. The
13 Continuous Plankton Recorder data that we collect
14 that's vessels going from Seattle to Anchorage back
15 and forth, and it's constantly collecting these
16 plankton recorders on their holes, and the same thing,
17 they are all having positive responses now to the
18 baseline since 2017, suggesting that primary
19 productivity will improve here from that event.

20 But the red dots, these red light situations,
21 we're seeing some of the seabird diet forage fish
22 index, that indicator from Middleton Island. Capelin,
23 which is a big prey item for seabirds, are associated
24 with cold water conditions, and birds returning with
25 fish are not bringing back capelin. We're still not

1 seeing them back in the ecosystem at significant
2 levels.

3 Also, humpback whales, our crew just finished
4 a survey in Prince William Sound in September, and
5 their counter rate with whales is second year of some
6 of lowest levels they've ever recorded, and it is
7 pretty sparse out there. They're also saying in the
8 Southeast, this year they didn't record one calf at
9 all with any of the females, so there may be some
10 reproductive issues there, but definitely, they're not
11 rebounding as quickly either.

12 The nearshore ecosystem, we developed from
13 indicators for there, there's so many. Some are
14 positive, some are negative. In general, I will cover
15 on beaches that provide habitat for a lot of the prey
16 items. They declined during this heat wave. It was
17 pretty stressful for them. Also, the sea stars, they
18 encountered a big disease outbreak. Their levels went
19 way down. But on the flip side, with the warm
20 conditions, Pacific mussels, a big prey item for a lot
21 of different organisms in the nearshore ecosystem,
22 they actually increased. They did better in the
23 warmer conditions. So that's how we kind of came to
24 that bottom line slide, was we developed these indices
25 to get reported, tell us the health of the ecosystem.

1 We've also continued a lot of our
2 collaborations and sharing our information with other
3 folks to use. Last year I gave you kind of several
4 slides and summaries of those were the Alaska
5 Fisheries Science Center that we're working with, the
6 Regional Stranding Network, Park Service, Fish &
7 Wildlife service, also contributing with the Pisces
8 Group and International Group for Pacific Marine
9 Science Organization, also AIMS, we've been helping
10 with ocean acidification information and harmful algal
11 blooms, and so that was a real -- we're continuing to
12 work with these folks. We had some great testimonials
13 that I presented last year from these folks, so those
14 are continuing.

15 New collaborations in the past year, we have
16 had some unexpected collaborators. I would say that
17 one was "A for effort," but not really helpful. But
18 we did help organize a special workshop with the North
19 Pacific Research Board that was held down at the ocean
20 scientist conference in Portland, Oregon, and that was
21 a workshop with a result of a report that gives
22 guidance on what we'd recommend for all the scientific
23 experts for this area, where future funding and
24 research should go in the Gulf of Alaska.

25 Also, we attended some internal groups at the

1 fisheries center in Seattle with the Integrated
2 Ecosystem Assessment Team, and also the recruitment
3 processes analysis. This is all groups that are
4 focused on ecosystem-based fishery management. This
5 is a big mission for our agency, and they're desperate
6 for ecosystem-type data. So they were thrilled to
7 find out that we had lots of that type of data, and
8 they actually only have data for some of these areas
9 every other area, so we have it every year, so they
10 were very encouraged by that, and we'll be sharing our
11 data with them in the future.

12 Also, we reached out to the Coastal
13 Observation and Seabird Survey Team, known as COASST.
14 This is run by Julia Parrish at U-Dub, and every year
15 they go out and do beach walks. They look for
16 carcasses. They put it into a model and get more
17 information about what's going on with the seabird
18 populations, and they have a strict protocol, but we
19 have scientists out in remote locations. It's a huge
20 state, can never have enough people out there, eyes
21 and ears looking for this, so our researchers will get
22 trained in their protocols. The nearshore group does
23 do beach walks, and so we'll be able to help add to
24 their database, and so they're very excited about
25 that.

1 And communicating our findings, we like to do
2 that at professional conferences, and there's a few
3 highlights here. Of course, the Alaska Marine Science
4 Symposium is a big conference that we attended, had
5 lots of contributions from our PI's as they presented
6 talks and posters, and attended workshops, and also
7 planning meetings, lots of sidebar planning meetings
8 there, including our own Gulf Watch Alaska planning.
9 And as I mentioned, we were at the Ocean Sciences
10 conference, but we also contributed to a special
11 session of that conference and gave presentations and
12 talks for that.

13 And then also, the Kachemak Bay science
14 conference that was held in March in Homer. This is a
15 great conference. It's a mix of scientists and the
16 public. It's really put on to have exchange with the
17 public and inform them of what's going on in the
18 Kachemak Bay ecosystem and beyond. I gave the plenary
19 talk to launch the conference. We had a lot of our
20 scientists there also giving talks and posters, and we
21 led several workshops with the public there, so that
22 was a great conference to attend.

23 We're also continuing to leverage a lot of
24 funds. Our program, as I mentioned earlier, is very
25 diverse. We have lots of different agencies and

1 organizations that contribute in-kind. It's a match
2 with what Gulf Watch and EVOS funded -- is funding us,
3 and so really, we're leveraging a lot to go with the
4 program and doing a whole bunch of really added value
5 with some of the in-kind resources that we have from
6 these organizations.

7 And, also, I mentioned last year that we
8 received funding from the National Science Foundation,
9 or oceanographers did on a separate proposal, that
10 they hung on, kind of, the Gulf Watch backbone,
11 monitoring backbone, and they're now receiving 1.2
12 million per year plus vessels to do these surveys.
13 And you can see that map, I've put -- they're sampling
14 in yellow on top of our footprint, and so it really
15 complements and enhances what the Gulf Watch Program
16 can do, have a bigger footprint. It's a huge area.
17 The map make it's look like a very small area, but
18 this is a huge area. So the more sampling points we
19 have, the better, the better we're going to understand
20 what's going on with the ecosystem.

21 Also, thanks to Scott Pegau, who acquired some
22 resources from Prince William Sound RCAC to do the
23 summer aerial forage fish surveys, we're going to have
24 the opportunity to help him out and do concurrent
25 ship-based ground-truthing for those surveys in the

1 summer, so we're looking forward to that.

2 And so in the last year, what have we
3 produced? Well, we've been busy bees. As Shiway
4 mentioned, we finished the final reports. They were
5 drafted about a year ago, but they went through the
6 review process, so 22 of them are now accepted and
7 complete, and Helen has them, so the ARLIS library is
8 happy. We also put in our annual reports and our work
9 plans. My recent count has been 11 manuscripts that
10 are being submitted to journals, and we have 16
11 indicators for the Gulf of Alaska ecosystem. That's
12 what's in that ecosystem status report. I showed you
13 some of them, but there's actually 16, and we've
14 actually in the last year doubled that. That used to
15 only be about seven or eight indicators that we
16 contributed, so we've really improved on those.

17 Our PI's have given 52 presentations. We've
18 given 20 outreach events, and four data sets were
19 updated with the AOS Axion Data Management Program
20 that published the DataONE, and this is because we
21 have some projects where it's the middle of winter and
22 they're sampling. It's out of cycle, and it doesn't
23 meet the cutoff for publishing, so there's a couple of
24 data sets there for those lucky PI's to get to go out
25 in March and sample. Their data kind of lags behind.

1 And so in the future, for FY19, what is our
2 goal? What is our focus? It's all about science
3 synthesis for this next year. We have four main peer
4 review publications that we're planning, and they are
5 focused on telling the story of the marine heat wave
6 and what we've learned from it and how the ecosystem
7 is responding to that event, so we're pretty excited
8 about that.

9 And I wanted to take a moment to talk about
10 outreach. I often go through it too fast, but I
11 thought I'd give you a little more detail this time
12 around. This was a big year for us for outreach. As
13 I've said before, our primary outreach tool is our
14 website, GulfWatchAlaska.org, and this is where we
15 have descriptions of the program, individual project
16 descriptions, all of our reports and publications. We
17 have educational materials there.

18 We have some great videos, little
19 mini-documentaries and interviewing of scientists
20 talking about nerdy stuff, and lots of photos, and we
21 also have the latest new news, kind of blog on the
22 home page. That's my favorite. We try and keep that
23 up to date with things that are what's going on in the
24 ecosystem Gulf of Alaska, what have our PI's been
25 doing recently, if they've been in the news or

1 whatever, that -- that is there.

2 We also do some periodic literature for the
3 public. We have a Gulf Watch Alaska newsletter, and
4 it's distributed to the Trustees and their
5 stakeholders, and we also post it on our website, and
6 that's done quarterly to keep you updated with what
7 the program's been doing. We also have our scientists
8 offering articles for the "Prince William Sound
9 Science Center's Delta Sound Connection," and this is
10 a real popular publication. It's not only online, but
11 it's actually printed in newsprint and distributed,
12 which, you know, hardly anyone does that anymore, but
13 it's a good read when you're sitting in the airport
14 and you're fogged in, the fog monster's there, so
15 people really enjoy reading it.

16 And we also, since we do have these sponsoring
17 agencies in our program, we want to take advantage of
18 some of their public relations resources. This -- so
19 sometimes when we have a story to tell, we can go to
20 them. They have a much bigger distribution and
21 national-level distribution on their website. So
22 these are some examples from the USGS and NOAA
23 national websites highlighting some of our
24 publications that came out last year.

25 And, also, we -- so we're doing those

1 activities for outreach throughout the year, but this
2 year was a special year. We had a focus on doing
3 outreach local communities, and this was in Homer, the
4 spring. We had one event that was a two-way listening
5 session with the Chugachmiut Group, which is a Native
6 nonprofit organization, and its surveying the Chugach
7 region area communities, Cordova, Tatitlek, Chenega,
8 Valdez, Seward, Nanwalek, and Port Graham. And what
9 we did was had a workshop with the Chugachmiut local
10 environmental coordinators who'd developed these
11 heritage kits for their curricula, and we reviewed
12 them and gave them feedback. But they also had the
13 elders there from these communities, and they reviewed
14 them and gave their feedback, things that they thought
15 were important to have in those heritage kits, and so
16 it was a great exchange of information.

17 We had a positive response from Nancy Yeaton
18 from Nanwalek. She was the Chugachmiut local
19 environmental coordinator, and thought it was a really
20 successful activity and was really looking forward to
21 having more interactions with some of our scientists
22 to ask more questions.

23 We also had an event where we actually went
24 into the villages that we were invited to, to have
25 some exchange and talk about some of the environmental

1 issues that they wanted to talk about, and we did that
2 in Port Graham and Seldovia. And it goes both ways, I
3 said, "These are two-way conversations." So this is a
4 quote from Ben Weitzman, and he's a scientist on our
5 project for the nearshore group, and they look at and
6 monitor sea otters. And he said he learned a lot of
7 really good information about what's -- what they've
8 observed with the sea otters in the Port Graham area,
9 information that he didn't have and didn't know about,
10 so he found it a very fruitful -- fruitful exchange.

11 So we will be planning, by the way, that last
12 bullet is -- we will be targeting next Prince William
13 Sound villages and -- and do some community work there
14 with them. We also have been in the background kind
15 of developing some graphics to help communicate some
16 science to the public, some of these linkages, simple
17 ecosystem linkages that we can show that are kind of
18 based on our ecosystem components. So we've just
19 developed two of those. We'll have one for the
20 environmental driver, one next year, and these are
21 kind of modular components. We can take pieces of
22 them and move them around, use them for different
23 platforms, whether it's talks, or whether it's a
24 poster, or a talk, or even just a public display. We
25 can use these graphics for all of those in lots of

1 different purposes, so I'm excited about those.

2 And just to end, I want to kind of step back.
3 We're going to the big picture now. I kind of want to
4 bring this home, give it some context, the 30,000-foot
5 view here, and some of us can -- I put down this
6 timeline that starts in 1970. Some of us can remember
7 that -- but what we've learned on this timeline and
8 the things that have happened, so we had a few data
9 sets that were started in this early '70s, like the
10 mooring GAK1. There was also some sea otter studies
11 and some seabirds, but then the spill happened, and we
12 had a lot more resources to look at some of these
13 other injured species, start these legacy data sets
14 and these long-time series, and during these decades
15 after the spill, and we actually learned that there's
16 other ecosystem-level things that are very important
17 to consider when you're looking at these species.

18 And we learned about the Pacific Decadal
19 Oscillation. We learned about El Nino's and La Nina's
20 and the cold periods and the warm periods, and all of
21 these different cyclic events that's happened in the
22 environmental drivers and how they influenced the
23 ecosystem. And so it's not as simple as just taking
24 data year to year. It's understanding how these
25 cycles happen, when they happen, how they influence

1 these populations. Even in the Gulf Watch, first
2 decade -- we're not quite there yet, but we've had the
3 marine heat wave, a big event that's really kind of
4 changed things up, and it's a great opportunity.

5 Scientists are kind of nerding out because we can see
6 how these legacy data sets respond to this event.

7 Will it have long-term impacts or short-term impacts?

8 We're seeing now -- I just read in the news
9 that they might think another Blob is coming, but
10 we're just recovering from this one. Hopefully that's
11 the end of it, but I think, you know, the message here
12 is decadal-scale-type data sets are really important.

13 They tell us a lot more about the health of the
14 ecosystem and how it responds, and we'll have a better
15 understanding of how it -- these perturbations are
16 handled, and the -- I can't wait to see what happens
17 in the next ten years for this slide and -- and where
18 we're at and what we've gained in our knowledge of the
19 whole system, not just one species, but how it all
20 works together and interacts and its overall health.

21 So that's it. Any questions?

22 MR. ROGERS: I just have one. I -- I'm -- we
23 had a --

24 MS. LINDBERG: Okay, Sam.

25 MR. ROGERS: -- (indiscernible).

1 MS. LINDBERG: What did you have for lunch?
2 MR. ROGERS: Yeah.
3 You said -- did you say the Blob might be
4 coming --
5 MS. LINDBERG: I just --
6 MR. ROGERS: -- again?
7 MS. LINDBERG: Yeah. The --
8 MR. ROGERS: That's a big deal.
9 MS. LINDBERG: -- forecasting is looking that
10 it might.
11 MR. ROGERS: Yeah.
12 MS. LINDBERG: "You guys have a couple more
13 years" --
14 MR. ROGERS: A couple more before it hits.
15 MS. LINDBERG: -- "before that hits again, or
16 it could be a one, two punch," but, you know, we're
17 not going to be alarmist yet. As far as we know --
18 MR. ROGERS: No, no.
19 MS. LINDBERG: -- the two years beyond this
20 event, it's trying to return to baseline conditions.
21 MR. ROGERS: That's good to know. I didn't
22 know that.
23 MS. LINDBERG: Yeah. But I would say, I
24 mean, how was your fall? It was pretty darn nice in
25 Juneau. We had --

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. ROGERS: The first time in --

MS. LINDEBERG: Ridiculous.

MR. ROGERS: -- in 20 years I didn't complain.

MS. LINDEBERG: I know, and that's probably not a good thing for the ecosystem, let's just put it that way.

MR. ROGERS: Thanks.

MS. LINDEBERG: Yeah. All right. All right.

MS. WANG: Okay. So we're going to move on to the Data Management Program.

CHAIR HARTIG: Do you think we can be ready? We have somebody else coming on at 2:30. Do you think we can make it?

MS. WANG: Yes.

MS. JANZEN: Oh, yeah.

MS. WANG: Yeah, yeah.

CHAIR HARTIG: Okay.

MS. WANG: Yeah. I have a paragraph to say about the Data Management Program --

CHAIR HARTIG: Okay.

MS. WANG: -- and then -- and then Carol will give a short presentation.

So on page 115 of your Work Plan is the Data Management Program Project Descriptions. There's one program. The Data Management Team continues to make

1 progress and goals, such as making program data
2 publicly available, and they're being achieved in a
3 timely manner. The final reports from the first
4 five-year program were accepted and finalized earlier
5 this summer. The process for uploading and sharing
6 data and making data public available appears to be
7 seamless.

8 The data -- the Data Management Team provides
9 detailed instructions and good support to PI's and
10 programs, EVOS staff, and reviewing committees. PI
11 compliance is high, which is a reflection of how well
12 the program is functioning and supporting the
13 Long-Term Monitoring Programs. The Data Management
14 Program is recommended for continued funding by the
15 Science Panel, Science Coordinator, PAC, and Executive
16 Director.

17 And so now Program Lead, Carol Janzen, will
18 present program overviews and highlights.

19 MS. JANZEN: This presentation is mostly just
20 facts and figures. It's not -- I don't have any
21 graphics to share or any pretty pictures at this time.
22 Probably next year.

23 So first of all, I want to thank you all for
24 the continued opportunity to serve this project, and
25 -- and I'll just say this, as a personal comment while

1 we're waiting for the slides is, I've been with Alaska
2 Ocean Observing System for just over three years, and
3 on this project now, my second year, and it takes
4 commitment and vision to see what this program is
5 doing for science, and especially ecosystem
6 system-based research, so everyone in this room should
7 be very proud of that. It's -- it's kind of a model,
8 I think, for how programs should be run that are doing
9 ecosystem-based monitoring. Because it's easy to lose
10 interest in it and pull the plug, and then when you do
11 that, you break your time series, and you miss, you
12 miss big -- big events that put everything into
13 perspective as to why things are not changing or why
14 they are changing and what the impacts are going
15 forward, so thank you for having that vision.

16 I want to thank my colleague, Stacy, over at
17 Axiom Data Science. She's our Data Management Lead,
18 and so she and I worked very closely together along
19 with another Axiom staff librarian, Chris Turner.

20 So this is my repeat slide from last year,
21 just to remind you of what our goal is. Really, we're
22 just providing the data management support for these
23 Long-Term Programs and making sure that the data
24 collected is -- is managed properly and can live on
25 into the future and be used by other people beyond our

1 lifetime. So that's part of that vision, is this data
2 goes beyond me and everyone in this room. This goes
3 out way to the future, so we want to make sure that
4 those data are utilized -- are -- are stored and
5 archived in a way that they can be utilized and
6 accessed easily, so that's our main goal.

7 Our, kind of, the Fis- -- Fiscal Year of 2018
8 update, part -- part of our goals in that, in this
9 Work Plan, was to finalize the 2016 data sets and
10 archive them in the research work space and get that
11 -- that last latent data sets from the 2016, the last
12 year of the last five-year program, into the DataONE
13 system for permanent preservation and archival.

14 So most of those data that hadn't been already
15 uploaded into the archival system where the latent
16 data types that Mandy mentioned, like zooplankton, and
17 then some of the metadata updates that were also
18 provided by a handful of projects just to complete
19 those records and make them compliant. All of our
20 other milestones and tasks are on target, and/or
21 completed. And objectives one and two were really the
22 first year and two years of the program that those
23 will be revisited as needed going forward.

24 So these are just kind of to show you we're on
25 -- we're on task. We're completing all of our

1 objectives for this program. I'm not going to read
2 through these. They're all in our -- our Work Plan.
3 If you're interested to know what we've been doing by
4 quarter, this is how we report out in our Work Plan
5 what we've been up to.

6 One of the main things to point out is that we
7 did have a delay in getting those latent data sets
8 from the last five-year program into DataONE, and that
9 was mainly waiting on those final data sets to be
10 submitted, and then also some connectivity issues that
11 we had getting the data into DataONE in a more
12 automated way. So that's been completed now as of
13 September, so we're all caught up.

14 What we've been working on this last quarter
15 -- so we're into the third quarter now -- is we're
16 conducting data set and metadata reviews, right now
17 preparing them for -- preparing for any issues we have
18 to discuss with PI's in the November meeting that we
19 have here in Anchorage, and they're working on the
20 metadata editor to make it more functional for the
21 PI's, so that's based on PI feedback from last year,
22 and improving authoring and timesaving tools,
23 streamlining features that were -- you know, as they
24 built that -- as they built that tool to make it
25 easier for scientists to get their metadata correct.

1 And then they're still working on the
2 semi-automated pathway to go from the research work
3 space to the National Center for Environmental
4 Information, which is the NOAA recognized data
5 repository for long-term archiving. So this will
6 allow for programs, adaptability for federal PI's who
7 also have to submit data to NCEI by obligation, and
8 that's part of our obligation too, at AOOOS, is to make
9 those data available to NCEI. So that activity will
10 actually -- is being leveraged across these
11 organizations to make it work well for this program as
12 well.

13 So here's your bank statement on how we stand
14 for this year's -- the last two years' project data,
15 and this is what I'm calling our data submission
16 metrics. It's a -- a first attempt at trying to
17 summarize how we're doing with data submission.
18 You'll see in 2016 we're 100 percent to the research
19 workspace, to the Gulf of Alaska data portal, which
20 is hosted by the Alaska Ocean Observing System, and --
21 and that there are no data compliant issues in 2016.

22 Our PI's have until December 2017 to get their
23 data into the research workspace, and so far
24 84 percent of the 2017 data has been submitted. So
25 we're ahead of sched- -- all of these projects have

1 been ahead of schedule that have submitted their data.
2 Three percent of those data sets have already been
3 published to the Gulf of Alaska data portal. This is
4 of the second quarter, so there's probably been more
5 -- I think, Mandy, you mentioned there's been four
6 data sets that have actually gone into the DataONE
7 already.

8 So as these -- as these data -- data sets get
9 completed, they're getting -- they're getting
10 published as quickly as possible, but there is -- you
11 know, we do provide time for PI's to do this, and
12 there's always -- there always are a number of
13 latent-type data sets that continue to get analyzed in
14 the winter months, and/or are being collected in the
15 winter months for this fiscal year. So the goal is to
16 have the data published into the Gulf of Alaska portal
17 by February of each year for the previous year's data.

18 And just to remind you, there's a -- there are
19 20 projects that are currently submitting data to the
20 research workspace, and in those 20 projects, there's
21 64 data types. So it's -- it's actually quite a lot
22 of information. And ten data types from eight of 20
23 projects are the only ones that haven't submitted data
24 to the research workspace yet, and basically those
25 could be partial data sets that are coming off

1 moorings that haven't been recovered, things like
2 that. So we're not worried at all. We feel like
3 everybody, all the PI's have been really on target,
4 and all the tools we're using for the data management
5 are working very effectively.

6 So these are just our objective -- objectives
7 for 2019. They're pretty much the same objectives
8 every year, so I wouldn't read through them, and
9 they're also outlined in the research work space.
10 It's basically this ongoing support that I report out
11 on every year. We just do this year after year, and
12 then in constant and continued improvement on any
13 tools and functionality.

14 We've done some outreach activities within the
15 programs, and also some other types of activities
16 Outside, which I think Mandy mostly touched -- touched
17 on and Scott as well, so I won't repeat those, but our
18 internal-type outreach that we do is really to support
19 our PI's on these programs. And so we hosted some --
20 we try to -- we try to host workshops when everyone's
21 in town, and so every year we'll be hosting these kind
22 of half-day workshops for PI'S who are trying to learn
23 the metadata editor, or are having trouble doing
24 something, or they may have a new data type and
25 they're not sure how to deal with it, so we'll just

1 make those workshops available for PI's during the
2 Marine Science Symposium every year.

3 They also during that time hosted after-hour
4 workshops, or office hours, if you will, to do
5 one-on-one consultation with people to help them, you
6 know, maybe finalize something. So we're just always
7 trying to make ourselves available for these -- for
8 these PI's when they're in town. And then, of course,
9 when we do the annual meeting, which is coming up in
10 November, there will be some time set aside for
11 one-on-ones. But as the program goes on and as the
12 PI's get more experience with the workspace, we're
13 finding that they're becoming quite competent with
14 those tools.

15 And I try to keep in touch with the program
16 leads. Mandy and Scott originally wanted to set up
17 midterm calls with them, so for this year we did a
18 midterm call in April. We haven't had one since. We
19 had some individual conversations with each other, and
20 -- but, you know, as -- as -- as needed, we can have
21 those calls anytime, but we'll probably be resuming
22 those as we go forward and try -- I try to schedule
23 those between annual meetings and the spring and
24 summer teleconferences, just to make sure that
25 everyone's happy with the way things are going and

1 that we can communicate any issues. So far it's
2 been --

3 MS. HSIEH: Carol, I think we're really tight.
4 I think we might be getting into the weeds a little
5 too much, but we appreciate your level of detail in
6 the management funds, but I think we need to move on a
7 little faster.

8 MS. JANZEN: Okay. Well, we continue to
9 support other programs and groups, including the
10 Lingering Oil Program and the PIGU Program.

11 And this is my last slide, so I don't think
12 there probably are any questions, but if there are,
13 I'm happy to entertain them. 2:25:40

14 CHAIR HARTIG: That's great to see. That's
15 expensive data, so it's good to be able to --

16 MS. LINDEBERG: It's reassuring --

17 CHAIR HARTIG: Yeah, to know that it's --

18 MS. LINDEBERG: -- to see that it's --

19 CHAIR HARTIG: -- not getting lost, and it's
20 going to be there for years to come.

21 MS. LINDEBERG: We're not just saying, "Yep,
22 it's all good."

23 MS. HSIEH: Yeah, and we appreciate it, and it's
24 nice to have this slide shot of this -- sort of, how
25 detailed your work has been, because as those who have

1 sat here for a long time know, that data hasn't always
2 been produced or replicated or quality control or
3 metadata, or retained --

4 CHAIR HARTIG: No.

5 MS. HSIEH: -- or then dispersed internationally
6 and nationally, so it's quite an effort.

7 CHAIR HARTIG: So this is essential.

8 Any other questions for Carol? I don't see
9 any. Thanks very much.

10 So do we try to get a motion done, or do we
11 want to get Max on first?

12 MS. HSIEH: I think we should try and get a
13 motion done, if possible. Well, let's see how --

14 (Indiscernible crosstalk.)

15 CHAIR HARTIG: Okay. So if we can get some
16 motions. It's under Agenda Item 8.

17 MS. MARCERON: So I make a motion that we
18 approve funding of \$1,996,900, which includes GA for
19 Fiscal '19 funding of the Herring Research and
20 Monitoring Project, 19120111, proposal dated October
21 3rd, 2018. This amount includes funding of 19170111-D
22 Gorman, contingent upon approval of the revised proposal
23 submitted October 12th, 2018.

24 CHAIR HARTIG: So that's -- is that approval of
25 the Science Advisory Council, or...

1 UNIDENTIFIED SPEAKER: That's the Herring
2 Project.

3 MS. HSIEH: That's --

4 UNIDENTIFIED SPEAKER: Herring.
5 (Indiscernible crosstalk.)

6 MS. HSIEH: -- the Long-Term Herring Program
7 with the one conditioned project.

8 CHAIR HARTIG: Okay.

9 MR. MULDER: Second.

10 CHAIR HARTIG: Okay. Any other discussion?
11 Everyone in favor, raise your hand, please. Okay. That
12 passes unanimously.

13 Next motion.

14 MR. MULDER: I move we approve funding of
15 \$2,540,070, which includes GA for Fiscal Year '19
16 funding of the Long-Term Monitoring of Marine
17 Conditions and Injured Resources and Services Project
18 19120114, proposal dated August 20 -- 25, 2018.

19 UNIDENTIFIED SPEAKER: Second.

20 MR. BALSIGER: Second.

21 CHAIR HARTIG: Jim seconds that.
22 Any discussion? All in favor, raise your
23 hand, please. Okay. That passes unanimously.

24 MS. MARCERON: I move we approve funding of
25 \$218,000, which includes GA for Fiscal '19 funding of

1 the Data Management for Long-Term Programs Project
2 19120113, proposal dated August 20, 2018.

3 MR. MULDER: Second.

4 CHAIR HARTIG: Any discussion? All votes in
5 favor, raise your hand, please. Okay. That passes
6 also.

7 Okay. We're going to go off agenda here a
8 little bit because we're a bit behind, and we have our
9 outside auditor, Max Mertz, and he's going to talk
10 about administration and costs, Agenda Item -- Agenda
11 Item 14. We just have to check if he's available, and
12 then we'll go back to the fiscal year --

13 MS. HSIEH: Max, do we have you? Did you call
14 in, Max? I think he's going to call in.

15 MR. WACKOWSKI: So while we're waiting for Max,
16 I asked for the agenda items -- this is Trustee
17 Wackowski -- you know, and in that Think Tank proposal,
18 I was aghast at some of the assertions made on our
19 administrative costs. And during a staff and Trustee
20 conversation, when I think some of you were on that
21 call, I wanted to kind of meet this head-on and address
22 it and get it out there and talk about it --

23 Is that Max?

24 MS. HSIEH: Is that Max Mertz on the phone?

25 MR. MERTZ: Yeah, this is Max.

1 MS. HSIEH: Hi, Max.

2 MR. WACKOWSKI: So I appreciate Max calling in,
3 because I do want to address that, and I'm told our
4 auditor has some good insight we can glean from those
5 assertions made in the proposal.

6 MS. HSIEH: We have a brief intro. We have on
7 the line, as we discussed, Max Mertz, who's a long-time
8 EVOS auditor -- I'm not even sure how many decades --
9 and Shiway Wang to review the numbers.

10 Shiway, you're welcome to come up to the table.
11 I know you love that "hot seat."

12 EVOS has a consistent low cost administration --
13 (indiscernible) -- complex program. We're actually --
14 (indiscernible) -- to put it in perspective, with regard
15 to investments and costs that we discussed with the
16 Department of Revenue and Bob Mitchell, is on our
17 10-year performance net of fees, 8.88 and 8.85 percent
18 for Research and Habitat respectively.

19 EVOS is very competitive in any environment, and
20 the program is right where it should be, as per the 2008
21 through 2011 planning, and the initiation of the
22 Long-Term Programs in 2012, the focus areas. EVOS has
23 adhered to its projected budgets and a combination
24 adaptive management and assertive asset allocations has
25 also allowed the Council to fund additional work that

1 was originally projected.

2 We rely on a small in-house staff that
3 includes contract workers, such as a Ph.D., two
4 attorneys, both former State assistant attorney
5 generals, and one also with Department of Interior
6 attorney. So the combination of State and federal
7 scientific expertise produces a tight shop.

8 As discussed during the NEPA update and the
9 planning process of the 16 public meetings that went
10 on for over two years, there was public comment that
11 said, "Hey, how about some nonprofits? How about
12 delegating some of the admin?"

13 EVOS used to be huge. Originally, it was,
14 like, three stories and 25 staff. I personally went
15 through every dollar spent when I first started this
16 job in the admin budget and all the other projects,
17 and it was an eye opener. I decided to put a lot more
18 in my admin budget than, perhaps, they did in the
19 past. I thought it was easier to fund. I also put, I
20 guess, programmatic things in there. It's just the
21 way I work.

22 During this process, Shiway and the auditor
23 went through our costs and delineated the as per
24 admin, indirect, programmatic, et cetera, and so they
25 have a presentation on that as well.

1 We also have the as per comments and
2 discussion back in the 2008, 2011 period. We have
3 contracts out, such as the Prince William Sound
4 Science Center, that we delegate a lot of our stuff
5 out to other entities, or to AOS for the data. We
6 don't have a big in-house staff with the computers in
7 our office anymore. I came from the Department of
8 Law, where we -- everything is outside our office, and
9 we do all of our stuff remotely, and I'm really
10 comfortable with that, and I think it's worked well
11 for the Trustee Council. It's enabled us to keep a
12 tight and small shop.

13 We've been able to fund a lot of things that,
14 because of our success with the wonderful service by
15 the Department of Revenue and our investment
16 management, Investment Working Group, we've been able
17 to fund a lot of things that we don't have to fund.
18 The Trustee Council -- I'm known as the chainsaw, back
19 from 2008 when I cut half the staff and also downsized
20 our entire program. I can do it again. I don't
21 really see that there's a need to do that, and I think
22 that we're seeing the fruits are really high quality
23 products. We're still stingy, but, you know, that is
24 something no one has actually asked me to do.

25 Programs and others have been asking for

1 additional funding and then explain what it's for.
2 Sometimes it's approved by the Trustee Council,
3 sometimes it's not. Other things like AMSS, ARLIS,
4 are things that the Trustee Council has done off -- on
5 and off for the years as -- as something the Trustees
6 felt should be supported in the community. Is that
7 something that a third party would do or want to do?
8 That's up to the Trustee Council to decide, but
9 there's a lot of flex in there, and we've tried to
10 address it accurately alongside with our long-time
11 auditor to give an accurate portrayal of some of our
12 costs. So Max would be next.

13 MR. WACKOWSKI: So I appreciate -- I'd just
14 like to interject, I appreciate those thoughts, Elise,
15 but again -- and -- and I'm glad Max is here -- there
16 were a lot of Alaskans that I know and respect, pretty
17 big names on here, and they asserted differently. So
18 I would like complete transparency in this process,
19 and -- and I want to be upfront about kind of where we
20 think we're coating issues, and -- and I hope that
21 meets the intent of what we're going to talk about and
22 hear from Shiway. Thanks.

23 MS. HSIEH: And, Shiway, did you make them a
24 copy of your entire Excel spreadsheet?

25 MS. WANG: (Indiscernible).

1 MS. HSIEH: Okay. Okay. I would like --
2 talking about transparency, I think this is the
3 document. This is actually what Shiway's been doing,
4 and so we're going to get you each a copy of this,
5 because this lists every single dollar --

6 MR. WACKOWSKI: I'd also like to make that --
7 can we make that public? Is there --

8 MS. HSIEH: Yeah.

9 MR. WACKOWSKI: -- an issue with that? Thank
10 you.

11 MS. HSIEH: No, not at all. In fact, this will
12 be circulated around to all of your staff as well and
13 the attorneys.

14 So, Linda, would you make sure that happens?
15 I thought the Trustees would have it now, actually.

16 MR. MERTZ: Elise, it's -- it's probably worth
17 mentioning too that that Excel spreadsheet is all
18 derived from the publicly available budget information
19 that maybe made available too, so there is no new
20 information there, really.

21 MS. HSIEH: I know.

22 Okay. So, Max, you're up first.

23 MR. MERTZ: Yeah, you bet.

24 And I just have a few comments here, and, you
25 know, I'm certainly -- certainly happy to be here,

1 although I'm not sure that I like to hear the word
2 "decades," Elise, you know, it just makes me feel old,
3 but I have been involved with EVOS, actually, since
4 1992. There was about a two-year break in the
5 mid-2000s, and -- and my term with EVOS actually started
6 in response to an OB review of -- I'm sorry -- a GAO
7 review of -- of EVOS that was requested by the senate,
8 and the subject matter being how they're spending their
9 money, and what they were spending their money on.

10 And so we came in and helped get the staff at
11 the time, and -- (indiscernible) -- was the director at
12 the time -- organized setups, operating procedures that
13 in another form are still in place today. They've
14 undergone pretty significant revisions, and certainly,
15 Elise and her staff have been instrumental in that, but,
16 you know, through my professional association, I've, you
17 know, become pretty familiar with -- with EVOS, with the
18 way it does its administration, with the way it
19 interacts with the Trustee Council agencies, and
20 certainly with the Alaska Department of Fish & Game,
21 which is the administrative entity.

22 I'm familiar with the way EVOS does its
23 investing through the Department of Revenue, and we'll
24 talk about that a little bit more. So I think I've got
25 the basis to evaluate the schedules --

1 MR. WACKOWSKI: Are you familiar with this Think
2 Tank -- this is Trustee Wackowski here. You -- you've
3 seen the Think Tank proposal and the -- and the
4 assertions made in there; correct?

5 MR. MERTZ: Yes, sir. Yeah, I -- I have. I've
6 read the -- and I've -- and I've interacted with --
7 well, when you said when I've read that, I -- what I'm
8 referring to is the document that was provided to me
9 about a week ago that the Think Tank produced. I didn't
10 do a detailed review of how they pulled their numbers
11 together. I was more focused on Elise's response to
12 those, and, you know, what staff has been working on in
13 -- in response to those, but I have read it and am
14 familiar with that.

15 So maybe just a couple of things, you know,
16 with respect to the numbers that you have there. So
17 Elise reached out to me about two weeks ago or so and
18 wanted to get my input on -- and guidance I think a
19 little bit too -- in terms of -- of how to present and
20 what would be the appropriate, accurate way to present
21 the administrative and overhead component for EVOSTC.

22 And so Shiway and Elise and I have had
23 interacted through several iterations of some of your
24 comparatives that you have there for FY16, '17, and
25 '18, and looked at the way they were essentially

1 gathering the administrative indirect and project
2 management components of the presentation to you
3 today, and looked at how they're grouping those and
4 presenting those.

5 And what I -- my yardstick for comparing that
6 information is to -- the way of business, especially
7 nonprofit business, would present an indirect
8 overhead. There are some very specific rules about,
9 you know, the types of things that do and should go
10 into administrative or indirect pools, and so I, you
11 know, was looking at it purely from having my CPA hat
12 on, looked at the way these amounts are aggregated and
13 presented here, and I -- and I feel based on that that
14 they're reasonable and that what -- what you have
15 there are accurate.

16 So one of the things I just wanted to point
17 out is -- is that investment management and agency
18 management are two distinct things that need to be
19 considered separately. So when you -- when you think
20 about agency management, you're thinking of all the
21 indirect and overhead costs related to carrying out
22 the Habitat Research Program, so all of EVOSTC costs,
23 all the Prince William Sound Science Center costs,
24 everything that goes into those, you know, project
25 management.

1 That function, or that effort, whether inside
2 the current structure or some other structure, is
3 going to have to be maintained. You have to create
4 that. It's going to be starting over. It's going to
5 be -- you know, you're going to be building that
6 administrative structure, essentially, and to -- to
7 some degree, from scratch to be able to administer
8 these programs and these funds. That's separate from
9 investment management.

10 So the investment management is just the
11 dollars that you have sitting in a broad investment
12 portfolio. And, you know, starting around -- and I
13 couldn't remember exactly the year, but it's around
14 2002, Judge Holland approved pulling the money out of
15 the Court Registry Investment System where it was
16 sitting previously, and placing that money with the
17 State of Alaska Department of Revenue Treasury
18 Division for investments, and that was done for two --
19 one, CRIS was very expensive. I -- if I remember
20 correctly, the fees that they were charging was ten
21 percent of the invested assets. And given the large
22 pool of cash, it was -- it was a huge cost to EVOS.

23 And the other one was the effectiveness of the
24 investment portfolio. It was the CRIS funds were in
25 basically cash value equivalents and weren't earning a

1 lot of returns, and with Department of Revenue
2 Treasury, it's in a very broad investment pool. And,
3 in fact, that investment pool treasury is \$42 billion
4 in assets. So the Treasury has a team of investment
5 professionals, largely in-house, who invest all of the
6 non-Alaska Permanent Fund money, but in various
7 buckets, and there's -- there's many of these, and
8 they're investing everything from retirement assets,
9 to EVOS, to money at the airport, the railroads, the
10 list is long.

11 And the value of that is that, number one, you
12 get extremely good investment advice, but in my view,
13 in terms of how you're going to be doing your
14 allocations, and what is the best place for you all to
15 be in going forward here. And the yield over the last
16 ten years has been -- from my calculation, has been
17 about seven-and-a-half percent, and that's an
18 averaging of the Habitat and the Research buckets
19 together, because you have two separate accounts with
20 that from Valdez --

21 MS. HSIEH: Max?

22 MR. MERTZ: -- and so --

23 MS. HSIEH: Max? I actually --

24 MR. MERTZ: Yeah?

25 MS. HSIEH: -- have an accurate figure.

1 Department of Revenue calculated it for me upon my
2 request yesterday, and it was 8.88 for Research for the
3 last ten years, net of fee, and 8.885 for Habitat.

4 MR. MERTZ: Yeah, and they're -- they're -- you
5 know, I'm doing it -- they're -- you can calculate yield
6 a couple of different ways, and net. I'm sure their --
7 their method is accurate. You can do gross of fees, net
8 of fees. It depends on how you do the averaging over
9 what period of time. Mine was looking only at annual
10 downs, and so, you know, certainly 8.8 is -- is --
11 (indiscernible) -- depending on how you do that
12 calculation, are -- are very good market-based for
13 competitive year.

14 The other side of investing those yields on
15 Treasury is that it's also a very low cost, so over
16 the last two fiscal years, you've -- your investment
17 fees have been about \$100,000, more than one year, a
18 little less than one year. So on a measure of your
19 invested assets, that's less than .005 percent, so --
20 so it's a very low investment. It's much lower than
21 -- than you would typically find, and certainly lower
22 than the .75 percent that -- that is being proposed if
23 AETF were to manage the funds.

24 So I just want to make a couple of points
25 about that -- that portfolio as well, so -- because I

1 do think that there's been a pretty successful vehicle
2 for you, for Exxon Valdez over the past several years.
3 So -- so that's -- that was really all I kind of
4 wanted to include -- was say.

5 Concluding comments, I'm happy to stay on the
6 line here and answer any questions.

7 MS. HSIEH: Shiway also has a presentation of
8 the actual information.

9 Max, would you mind staying on -- on the
10 line --

11 MR. WACKOWSKI: That's just -- that -- it's
12 really hard for me to -- I guess I'm more visual.

13 Max, is there any way you could, like, put
14 that into a couple slides and put some metric -- I
15 mean, it would be good --

16 MS. HSIEH: I think Shiway's about to.

17 CHAIR HARTIG: Yeah.

18 MR. WACKOWSKI: Should have had those up in the
19 first place, then.

20 MS. HSIEH: Not the revenue part, but I think
21 you got that.

22 MR. WACKOWSKI: Okay.

23 MS. HSIEH: Yeah. Okay.

24 MS. WANG: I can go ahead.

25 All right. So I am going to present the

1 breakdown of our program budget for Fiscal Year 2018.
2 We're still in this fiscal year, so these data are
3 actual so far and projected for the rest of the year.

4 There are three sections. The largest section
5 is our science and habitat programs and projects,
6 which makes up 84 percent of our program budget. Part
7 of the remaining is our administrative budget, which
8 is allocated to costs that are associated with Trustee
9 Council management, our indirect costs, which ends up
10 only being .1 percent of the total program budget for
11 2018. And then also general administration, or GA. So
12 Trustee Council management accounts for only
13 11 percent of the total program budget for 2018.

14 The rest of the costs are allocated to
15 third-party and nonprofit project management entities,
16 such as the Prince William Sound Science Center and
17 Great Land Trust. This also includes their indirect
18 and project entity indirect costs in total. This
19 makes up five percent of the total program budget for
20 2018.

21 So it's important to note that management and
22 administrative tasks and responsibilities are not the
23 same for the Trustee Council and those of third-party
24 and nonprofit entities. Any other entity would have
25 to replace our programmatic task and expertise.

1 So, for example, as the Trustee Council
2 Science Coordinator, I am the communication for
3 science, the information conduit, if you will, between
4 the science programs, projects, PI's, Science Panel,
5 PAC, Trustees, our staff, the public --

6 MS. HSIEH: And budget analyst.

7 MS. WANG: Ha, yeah, my new hat, budget analyst.
8 -- other researchers and the media. I draft and
9 review proposals, reporting requirements. I refine
10 projects and programs for reviewing proposals or
11 reports. My job is to make sure that the science
12 conducted is sound and Trustee goals, Council goals, are
13 being met. My job is also to enable the Trustee Council
14 to supervise at an expert scientific level, and also to
15 ensure continuity of projects and programs that so few
16 organizations have been able to pull off.

17 So if another entity were to administer these
18 programs, if they want to maintain the high quality of
19 these programs, they would have to uphold the same
20 level of review and management to make sure that these
21 programs and projects are producing high quality
22 products and meeting Council objectives.

23 MS. HSIEH: Basically, they'd have to hire this
24 Ph.D. She -- she does everything.

25 MS. WANG: The third-party entities, such as

1 Prince William Sound Science Center, provide direct
2 project management and support coordinate --
3 coordination necessary to achieve the program goals.
4 These include activities on a smaller scale, but they
5 are very important, such as making sure that PI's are
6 submitting reports and proposals on time, coordinating
7 logistics, providing outreach and community involvement
8 for programs and scientific guidance, and also
9 facilitating communication among PI's programs.

10 I'm sure I'm missing a bunch of other
11 responsibilities that Katrina has and Scott can also
12 tell us about.

13 We also conducted an analysis on the actual
14 budget for fiscal years 2016 and 2017, which is shown
15 in the left and the middle, along with the data that I
16 just showed you from 2018. So you can see that the
17 programs and projects make up the majority of
18 expenditures, while management ranges from ten to
19 18 percent of the total program budget.

20 Now, these percentages vary because of the
21 individual timetables for project development review
22 and released funds. And it's also important to note
23 that these figures do not include substantial
24 leveraging by third-party and/or nonprofit entities
25 and federal and State agencies, as Mandy also pointed

1 out in her talk, which for 2018 comes out to be almost
2 \$6.8 million leverage for science projects alone.

3 So in regards to administrative support to
4 projects and programs, the Trustee Council has stuck
5 to their Long-Term Strategic Spend-Down Plan, and
6 because of that and the accompanying budget
7 projections and targeted asset allocations, the
8 Council has been able to support a high level of
9 programming and projects, and during times of market
10 volatility, the Council adapts by adjusting the
11 budget.

12 So next I'm going to show you some examples of
13 science project costs with overhead components for
14 three projects for 2018, and if you have the Think
15 Tank proposal, it is their Figure 3, I believe.

16 On the next page, Terri. Yeah. Is that
17 Figure 3?

18 MS. MARCERON: Yes, it is.

19 MS. WANG: Okay. Figure 3.

20 So these projects from left to right are the
21 GAK1 mooring in the Gulf Watch Alaska Program, the Age
22 At Reproductive Maturity, and the Herring Program, and
23 the Pigeon Guillemot Restoration Project.

24 There are six cost components for each
25 project. First is the project costs with the percent

1 of the total cost shown in green, and then there are
2 five overhead components. Third-party indirect is
3 associated with the project PI's entity, which would
4 incur regardless of funding entity.

5 So for the GAK1 mooring project, the third
6 party is UAF, which charges a 25 percent indirect fee
7 on non-equipment costs, and so this ends up being
8 about ten percent of the total project costs.

9 And for the Herring Project, the third-party
10 is the Prince William Sound Science Center, which
11 charges a 30 percent indirect fee, and this turns out
12 to be about 17 percent of the total project cost.

13 Next are the Prince William Sound Science
14 Center Administration Project costs for the Gulf Watch
15 Alaska and Herring Projects. These are for the direct
16 coordination and management within the routine
17 programs that I talked about before.

18 And next we have GA, or General
19 Administration. So the Trustee Council does not
20 function as an agency or entity that can receive funds
21 or issue contracts, and so funding has to be
22 administered through trust agencies, and to cover this
23 cost, a nine percent overhead is added to each
24 expense.

25 And finally, we have the Trustee --

1 MS. HSIEH: Shiway, the GA is General
2 Administration, and it's tagged on all the dollars that
3 you guys authorize. How it is spent actually varies.
4 Department of Fish & Game sometimes uses it to actually
5 further the program. U.S. Fish & Wildlife Service has
6 also done that. Sometimes agencies waive it and we're
7 thrilled. Sometimes they want more, and we tell them
8 no. So this amount is very fluid, and we have not -- we
9 don't have the data to -- I mean, I know this from
10 having talked to agencies, but it's used in different
11 ways, or sometimes they just -- we don't know what it's
12 used for, but it is because they are a contracting
13 agent.

14 And, also, the Pigeon Guillemot Project is not
15 part of the programs, so it has less of this -- she's
16 saying "overhead" -- but these additional
17 administrative -- or however you want to term the
18 word, but that's -- that's what our projects look
19 like, where they're just so low and not within --
20 within the programs, which have extra added value,
21 which we did on purpose, based on much of the public
22 comment and discussion, were integrated programs that
23 were collaborated and not just 50 to 60 to 70
24 individual projects that came to each of you every
25 year and then tangle. 2:51:34

1 So that's -- that is what you see, and good
2 science does cost money. I -- I mean, you could cut
3 that down, but you will get different products, so...

4 MS. WANG: Okay. So then we have our Trustee
5 Council administrative and indirect costs, and the
6 Trustee Council total management costs includes GA,
7 our administration and indirect costs, and you can see
8 that the Trustee Council administrative costs for each
9 project is only between 16 to 17 percent of the total
10 project budget, which is much lower than what was
11 projected in the Think Tank proposal.

12 To summarize, the total Trustee Council
13 program management costs for fiscal years 2016
14 through 2018 is only between 10 to 18 percent of the
15 total Trustee Council program budget. The Trustee
16 Council management costs for science projects is
17 between 16 to 17 percent for project.

18 So the take-home message is that the Trustee
19 Council management costs are less than 20 percent of
20 the total program and project costs. This is a
21 reflection on the efficiency and the expertise of the
22 Trustee Council administrative management, and I want
23 to reiterate that this will be hard to duplicate
24 elsewhere, and those all -- are all the slides I have.

25 CHAIR HARTIG: Any questions for Max or Shiway?

1 MR. WACKOWSKI: So my comparison, like UAF, if I
2 remember correctly, they're typically 40 -- 54 percent
3 admin and overhead, and then Fish & Wildlife Service is
4 --

5 Veronica, when we do science, what's our typical
6 overhead?

7 MS. VARELA: We only use -- oh, outside of EVOS?

8 MR. WACKOWSKI: Yeah.

9 MS. VARELA: Our National Resource Damage
10 Assessment, it gets to be -- it's pretty high.

11 MS. HSIEH: So we try and keep the -- we try to
12 keep certain caps when we approach different projects,
13 because it's our tradition. It works.

14 CHAIR HARTIG: Yeah, I know from my experience
15 -- this is Larry -- too, that there's a lot of things
16 agencies just kick in --

17 MS. HSIEH: Yes.

18 CHAIR HARTIG: -- you know, so if we're just
19 going, I know we do --

20 MS. HSIEH: Yep.

21 CHAIR HARTIG: -- you know, have done it a lot
22 of times --

23 MS. HSIEH: Yeah.

24 CHAIR HARTIG: -- and you run into something,
25 "Okay, we can look at that, and we can work on something

1 and hand it off, hand it back, and" --

2 MS. HSIEH: Actually, sometimes agencies will
3 approach us and want funding for staff as working with
4 the program, and we will actually decline requesting
5 funds from the Trustee Council until there's a project
6 that's actually going to be funded on the ground, so we
7 kind of expect the agencies to give us all their time
8 free, because I -- I believe a third party would as
9 well. We wouldn't compensate a third party, so I
10 believe it runs across the board.

11 CHAIR HARTIG: Well, we get value back from
12 EVOS -- (indiscernible) --

13 MS. HSIEH: You do.

14 CHAIR HARTIG: -- I mean, that's part of the
15 interaction that I like, is that as we get further along
16 here, it's more managing --

17 MS. HSIEH: That's right.

18 CHAIR HARTIG: -- for success, and we get good
19 information through EVOS and the PI's and Pacific --
20 Prince William Sound Science Center and others that we
21 use for management, so it's helpful.

22 MS. HSIEH: I actually have a really odd
23 administrative footnote that I forgot during the budget
24 because all of this has been very recent. Max Mertz has
25 just been giving us his time, but I do think we should

1 approve a small increment in our budget so we can pay
2 Max, so -- because we weren't expecting this analysis,
3 so Shiway luckily was pretty organized for the
4 meeting --

5 CHAIR HARTIG: But first I've got to ask him a
6 few questions.

7 MS. HSIEH: Sure. No problem. But we should --
8 (Indiscernible crosstalk.)

9 MS. HSIEH: -- but we should, if you're happy
10 with his -- he has put in the time, but we should make a
11 motion, because we weren't --

12 CHAIR HARTIG: Yeah, we'll look at that.

13 MS. HSIEH: -- they squeeze this stuff in.

14 CHAIR HARTIG: So, Max, this is Larry Hartig.
15 Thanks for joining us today and for providing us your --
16 your assessment here.

17 Are there any of the EVOS admin costs or any
18 of the outside management costs that you think that we
19 should look at, you know, whether there might be an
20 opportunity that without, again, lowering the quality
21 of product, do you think we would look at?

22 MR. MERTZ: You mean avoidable overhead costs,
23 Larry?

24 CHAIR HARTIG: Yeah. Speaking as an accountant,
25 yeah.

1 MR. MERTZ: Well, there are -- there are costs
2 inside the structure of Fish & Game that I've had some
3 discussion with Elise and with folks in Fish & Game
4 about how some of those costs are -- are allocated, and
5 they relate to employee overhead cost, and we -- that's
6 an ongoing discussion, probably best -- (indiscernible).
7 It's fairly complicated. It has to do with the way the
8 State does cost pooling and -- and how those costs are,
9 then, ultimately allocated to the overhead for the
10 direct salary dollars that you're incurring, and that's
11 -- that's an area that I think, you know, makes sense
12 for us to continue to look at, and -- and both Linda and
13 Elise, you know, I know are -- are planning to do that.

14 To be completely frank, beyond the, you know,
15 pure administrative structure, you know, I haven't
16 looked at, you know, for example, you know, what and
17 why are we giving dollars to Prince William Sound
18 Science Center. I -- I haven't done that kind of
19 analysis, so I'm not sure that I really am in a
20 position to -- to talk about that.

21 I have seen over the years a -- a significant
22 reduction, especially, you know, you think about the
23 liaison budgets and the dollars that were being spent
24 on that at one time, and the way the overall
25 administrative structure was being carried out, and,

1 you know, a lot of those things should have been made.
2 Frankly, Elise, I thought her opening
3 statements covered it well. I mean, she -- she made a
4 lot of those -- those changes already, and, you know,
5 there is -- I've seen it, you know, certainly with
6 NMFS and NOAA there's -- there's a lot of -- you know,
7 support to EVOS that's provided that really isn't
8 compensated, as far as I can tell, but -- but as far
9 as, you know, why are we giving, you know, a certain
10 dollar to a certain agency, really, I -- I haven't
11 spent time on that.

12 CHAIR HARTIG: Okay. Thanks, Max.

13 MR. WACKOWSKI: Thank you, and I want to delve
14 into this further. Can we make this available as an
15 Excel spreadsheet?

16 MS. WANG: Yes.

17 MR. WACKOWSKI: Thank you.

18 MS. WANG: Yeah, of course.

19 MR. WACKOWSKI: On the website, publicly?

20 MS. WANG: Yes.

21 MR. WACKOWSKI: Thank you.

22 MS. WANG: And it's being -- it will be
23 circulated as well. We just finished it last night.

24 CHAIR HARTIG: Okay. So do you have a motion?

25 MS. HSIEH: Yeah. Can we amend the FY19 Annual

1 Budget with funds available starting November 1st for
2 Max Mertz audits services in an amount up to \$6,000?

3 CHAIR HARTIG: Well, I think this might be a
4 continuing discussion, so we might want to --

5 MS. HSIEH: Oh, that's true. I'm sorry.

6 CHAIR HARTIG: -- make sure that --

7 MR. WACKOWSKI: Yeah. I would like to -- we do
8 -- are we going to include a scope of work with that?
9 Because I -- I may like to discuss -- I would like,
10 like, a little bit of historical perspective. If we
11 have the GAO audit, that's what brought him on in the
12 first place, and so maybe if we can get a little room in
13 that --

14 MS. HSIEH: Max --

15 MR. WACKOWSKI: -- so we could --

16 MS. HSIEH: -- would you mind if we did an up to
17 \$15,000 for starting November 1st through the FY19 EVOS
18 Fiscal Year for tasks as we will discuss, but including
19 Trustee Wackowski's discussion of past -- are you
20 thinking --

21 CHAIR HARTIG: Historical.

22 MS. HSIEH: -- historical admin? Is that --
23 does that --

24 MR. MERTZ: Sure. I think that's fine.

25 MS. HSIEH: -- sound -- does that sound okay?

1 MR. MERTZ: If we start running into fine
2 issues, we can -- we can, you know, talk about it some
3 more, but I -- I think that's fine, Elise.

4 MS. HSIEH: Does it need to be 20? Max, does
5 this need to be 20?

6 MR. MERTZ: I'm sorry?

7 MS. HSIEH: Does this need to be up to 20 so you
8 don't get stuck, like, if this ends up taking up --

9 MR. MERTZ: Sure. That's -- that's fine.

10 MS. HSIEH: -- a lot of our time, your time?
11 Okay. Let's do that.

12 MR. MERTZ: It's always hard to, kind of, put
13 an --

14 MS. HSIEH: It is.

15 MR. MERTZ: -- estimate on something that's
16 open- -- open-ended, and that's why I'm a little
17 hesitant, but I -- you know, I think that's fine, you
18 know, I'm sure that we can figure that out.

19 MR. WACKOWSKI: I'm just confused. Do we have
20 you on retainer? How does that work?

21 MS. HSIEH: No. We just do contracts.

22 MR. MERTZ: I'm on a -- I'm under a contract
23 with Fish & Game.

24 MR. WACKOWSKI: Understood.

25 CHAIR HARTIG: Okay. So what we're looking at

1 is amending the FY19 budget, and I guess it's also the
2 current year budget, I guess --

3 MS. HSIEH: Right.

4 CHAIR HARTIG: -- to starting -- starting
5 November 1st to provide \$20,000 for audit services to
6 Max Mertz to look at historical and current
7 administrative to the management costs.

8 MR. WACKOWSKI: I'll make that motion.

9 MR. ROGERS: I'll second it.

10 MS. HSIEH: This is from Max. I don't know if
11 you want it put up on the board.

12 MR. WACKOWSKI: So while we're discussing that,
13 you know, I would just like to encourage the public,
14 those Think Tank members that may be listening in or are
15 here, please poke holes in this and challenge us. If
16 you reach out to Elise and her team, she's usually
17 pretty good about letting us know, but I -- I want to be
18 fully transparent and address this head-on.

19 So if we're missing any data you would like,
20 please let us know, and we'll try to make it available.

21 MR. MULDER: And if you find the data is
22 accurate, you're welcome to reimburse the 20 grand.

23 MS. MARCERON: Larry, I just want to -- can I
24 just add one element --

25 CHAIR HARTIG: Mm-hmm.

1 MS. MARCERON: -- backing on these guys?

2 My interest is, as -- as we look, what -- what
3 Shiway did was great, because she kind of compared it
4 with the overhead, but I think try to go understand how
5 to compare the apples of what's on this document on both
6 pages -- I know you did it for those three -- but sort
7 of what you have, and I -- I realize there was only a
8 few days.

9 That's my interest in working with Max, is
10 trying to make sure it is very transparent, but there
11 were some other projects on the other side. I just want
12 to make sure it's very clear.

13 CHAIR HARTIG: Yeah, I think there's kind of two
14 aspects of it. One is, is are there any things --
15 things that we should do now where admin management
16 costs are suspect and we need to go look at them and
17 maybe adjust them.

18 I think the second question you're getting to,
19 Terri -- and tell me if I'm saying this wrong -- is --
20 is if we're going to look at some other form of
21 management here, including an outside nonprofit, we
22 have to know what our admin management expenses are so
23 we can make apple-apple comparisons because we're not
24 doing that yet, and I wouldn't expect it. I mean,
25 other people don't have all of this information and

1 wouldn't be able to do that, and we don't have their
2 pro forma budgets, so this allows to get on the same
3 page. That's why I think it's going to be an ongoing
4 thing, and I think 20,000 is very reasonable.

5 Any other discussion? Okay. All of those in
6 favor of the motion, please raise your hand. Okay.
7 It passes unanimously. Anything else on that one?

8 MS. HSIEH: Thank you, Shiway.

9 CHAIR HARTIG: Okay. Max, we'll be back here,
10 I'm sure. I really appreciate, again, you joining us
11 today.

12 MR. MERTZ: You bet. Thanks very much. Talk to
13 you later. Bye-bye.

14 CHAIR HARTIG: Bye.

15 So I think we're back to Item Number 9, pigeon
16 guillemot.

17 MS. WANG: I'm back. Told you. My other hat.

18 CHAIR HARTIG: And we're going to have to move
19 along pretty quick.

20 MS. WANG: Oh, this is going to be quick. Don't
21 worry.

22 CHAIR HARTIG: Yeah.

23 MS. WANG: Yeah.

24 CHAIR HARTIG: No. I'm sorry, but --

25 MS. WANG: No. It's okay.

1 CHAIR HARTIG: -- we're running out of time.

2 MS. WANG: So Pigeon Guillemot Restoration
3 Project is page 123 of your Work Plan. This has been a
4 surprisingly successful restoration project. During
5 this five-year restoration study, counts of pigeon
6 guillemots at Peak, Naked, and Story Islands have more
7 than doubled from 69 to 167 individuals during 2014
8 through 2018, and numbers of nests increased more than
9 four times, 11 to 51 nests.

10 Numbers of pigeon guillemots counted at
11 control islands did not show a similar increase in
12 population data. So the PI's requested continuation
13 of their project to determine when or if mink might
14 return, and to continue monitoring the population
15 recovery of pigeon guillemots. The PI's propose to
16 search for evidence of mink in guillemot breeding
17 areas, monitor the recovery of pigeon guillemots, and
18 monitor relative food availability using black-legged
19 kittiwakes as indicators.

20 So we acknowledge the importance of this
21 follow-up project and determining when the mink might
22 return. This information will add to what is already
23 known about fox predation on seabirds, and
24 furthermore, the utility of this method of culling
25 mink improves our ability to conserve and restore

1 pigeon guillemots and other ground-nesting seabirds.

2 The Science Panel, Science Coordinator, PAC
3 and Executive Director recommend funding this
4 continuation project and recognize that it will not
5 cost much more to conduct the kittiwake monitoring to
6 be an additional 9K annually, and believe this would
7 be -- would cost effectively add forage fish
8 availability information to this project and knowledge
9 of seabird ecology in Prince William Sound.

10 And we have one of the PI's, David Irons, here
11 to answer any questions you might have.

12 MS. HSIEH: And, also, a PAC member who --
13 Amanda Bauer, who runs charters out of Valdez, actually
14 set up a meeting, that she was seeing pigeon guillemots
15 and actually noticed the numbers increasing. She's
16 super-excited. We're super-excited.

17 MR. WACKOWSKI: I move we approve funding of
18 \$69,000 -- \$69,514, which includes GA for FY14 -- FY19
19 funding of the Pigeon Guillemot Restoration Research in
20 Prince William Sound Alaska Project 19110853, proposal
21 dated 17, August 2018.

22 MS. MARCERON: I second.

23 MR. ROGERS: I'll second.

24 CHAIR HARTIG: We've got a third there.

25 Any discussion?

1 MR. BALSIGER: I think it's very cool we've
2 got some --

3 CHAIR HARTIG: Got some results.

4 MR. BALSIGER: -- birds coming back, yeah.

5 CHAIR HARTIG: Yeah. The mink might not like
6 it, but...

7 MS. HSIEH: But they'll like it if they get to
8 it.

9 CHAIR HARTIG: Okay. All those in favor, please
10 raise your hand. Okay. We've got a unanimous vote on
11 that too.

12 MS. HSIEH: Shiway, thank you very much.

13 MS. WANG: You're welcome.

14 Do we need to -- there's one more on here. Do
15 I need to mention it?

16 MS. HSIEH: I'm sorry. Which one? What's left?

17 MS. WANG: Is there one on the agenda, or not?

18 MS. HSIEH: No.

19 MS. WANG: Okay.

20 MS. HSIEH: No.

21 MS. WANG: Just kidding. Thank you.

22 MS. HSIEH: Rys Miranda, I think you may want to
23 come up to the table, and then after that Joe Klein.

24 Oh, I'm sorry. Right. There was a Chinook
25 Salmon Feeding Ecology Project, but it was actually

1 withdrawn after review by the Science Panel, raised an
2 issue. So the PI agreed, could understand their
3 perspective, and we recommend it be withdrawn until
4 it's further developed.

5 CHAIR HARTIG: Okay. So we're onto Agenda --

6 MS. HSIEH: Yes.

7 CHAIR HARTIG: -- Agenda Item 10?

8 MS. HSIEH: Yes. So the Department of Natural
9 Resources State Parks Habitat Restoration Project --
10 Protection Projects. Rys is here for reauthorization of
11 one of six projects, the Kenai Flats, 17170116. The
12 Council has previously authorized funding for six
13 Riverbank Restoration Projects that address fish habitat
14 restoration and protection of habitat that support
15 numerous species affected by EVOS.

16 The primary goal of each project is to restore
17 fish habitats that have been adversely impacted by human
18 activity, and to provide continuing habitat protection
19 in the future. The Council funded up to approximately
20 2.214 million for the six projects.

21 The one project, Project Number 1, Kenai River
22 Special Management Area, Kenai River Flats Riverbank
23 Protection. EVOS office recommended that the Council
24 funded up to \$327,000, 1.4-ish total, as there is a
25 potential for other federal funds to complete the

1 anticipated total budget.

2 We recommend reauthorization of the previously
3 authorized \$327,000 for that project, Kenai River Flats.
4 Funding was scheduled for release after award of grant
5 funds from the Department of Transportation and under
6 the Alaska Transportation Alternatives Program -- that
7 Terri's familiar with, ATAP -- the project application
8 has been submitted to DOT; however, decision on grant
9 awards have not been made yet.

10 And in your notes, or if you'd like for me to
11 review -- or Rys can answer more specific questions --
12 The remaining projects that were previously authorized
13 EVOS funding listed below, in your notes, the projects
14 do not require reauthorization and are in advancing
15 status in your notes -- notes. Those include Eagle
16 Rock Riverbank Protection, Crooked Creek State
17 Recreation Site, the Kenai River Ranch Riverbank
18 Restoration, Pipeline Crossing Riverbank, and the
19 Anchor River State Recreation Area Riverbank
20 Protection Projects.

21 So this is asking for reauthorization of
22 \$327,000 for the one project that we kind of lead the
23 -- the money authorizer and continue to apply for
24 federal funding. It just is not -- the cycle just
25 hasn't cycled back through again.

1 CHAIR HARTIG: It's the same money.

2 MS. HSIEH: It's the same money, and you guys
3 have seen all of these projects, all the others are
4 already authorized and in process. We just included the
5 status for each of them for you.

6 CHAIR HARTIG: Okay. Welcome.

7 MR. MIRANDA: Thank you.

8 MR. WACKOWSKI: Only one question, Rys: This
9 won't limit dipnetting, access for dipnetters, will it?

10 MR. MIRANDA: It's not specifically associated
11 with that. It -- it -- this is for -- to construct an
12 elevated walkway. It's -- this is the site near the
13 river access bridge, and it's to create an elevated
14 walkway for that area for access.

15 MS. HSIEH: So the people don't trample the
16 bank.

17 MR. WACKOWSKI: Right.

18 MR. MIRANDA: Yeah.

19 MR. WACKOWSKI: So it'll give better access for
20 dipnetters --

21 MR. MIRANDA: Right. There's no --

22 MR. WACKOWSKI: -- on the Kenai River.

23 MR. MIRANDA: -- I -- I guess what I meant is
24 there's no --

25 MR. WACKOWSKI: Understood.

1 MR. MIRANDA: -- regulation associated with the
2 project.

3 MR. WACKOWSKI: Gotcha. Thank you. I strongly
4 support this project.

5 CHAIR HARTIG: (Indiscernible).

6 MS. HSIEH: No. He's just here to answer
7 questions.

8 CHAIR HARTIG: Oh, okay.

9 Any other questions, then, on that project?

10 MR. WACKOWSKI: I move we reauthorize \$327,000,
11 which includes GA for FY19 ADNR/DPR River Flats Habitat
12 Restoration Project 17170116, proposal date 17,
13 September 2018.

14 MR. MULDER: Second.

15 CHAIR HARTIG: Any other discussion? Okay.
16 Seeing none. Raise your hand if you approve. Passes.

17 MS. HSIEH: Okay. We have one more.

18 The Department of National Resources KRSMA
19 Riverbank Protection Project, Funny River, and Morgan's
20 Landing. This DNR project benefits EVOS-affected
21 resources, such as Dolly Varden, Pink Salmon, Sockeye
22 Salmon, and EVOS-impacted services, such as tourism and
23 recreation, by protecting habitat impacted by foot
24 traffic accessing these fisheries.

25 The Funny River Restoration will include 105

1 feet of elevated light penetrating walkway at the
2 confluence of the Kenai and Funny Rivers to replace a
3 previous section of walkway that outlived its intended
4 useful life and was removed for public safety. Two
5 sets of river access stairs will also be constructed
6 to accommodate managed river access.

7 The original walkway was actually part of an
8 EVOSTC-funded project from the mid-1990s. This
9 project will also install three interpretive displays
10 to facilitate redirecting human impact and promote
11 public participation in the long-term success of the
12 project objectives.

13 The cost for the Funny River Riverbank
14 Restoration is 248,525. The Morgan's Landing
15 Restoration will restore 700 linear feet of habitat
16 along the Kenai River, construct 24 linear feet of ELP
17 walkway with one set of river access stairs, and
18 install three interpretive displays to facilitate
19 redirecting human impact and promote public
20 participation in the long-term success of the project
21 and its objectives.

22 The cost for the Morgan's Landing Restoration
23 is 507,710. This project is supported by the Kenai
24 River Special Management Area Advisory Board and the
25 Kenai River Sports Fish- -- Sports Fishing

1 Association.

2 Rys is also available to answer questions for
3 this project.

4 CHAIR HARTIG: Okay. So I guess we can start
5 with a motion if we're ready for that.

6 MR. WACKOWSKI: I move we approve \$824,296,
7 which includes GA for FY19 funding of the ADNR, KRSMA
8 Funny River Protect- -- Funny River Riverbank
9 Protection, and Morgan's Landing Riverbank Restoration
10 Project, 19190121, proposed dated 27, August 2018.

11 MS. MARCERON: I second.

12 CHAIR HARTIG: Any further discussion?
13 Questions? Okay. All those in favor, raise your hand,
14 please. Unanimous.

15 MS. HSIEH: Okay. Thank you, Rys, very much for
16 attending today. I know you've been -- (indiscernible)
17 -- all morning.

18 Can Joe Klein please come up?

19 MR. MIRANDA: Thank you very much.

20 CHAIR HARTIG: Thanks very much.

21 UNIDENTIFIED SPEAKER: Thank you.

22 MS. HSIEH: The last Habitat Enhancement Project
23 is U.S. Forest Service, and Department of Fish & Game,
24 Prince William Sound Instream Flow Protection Project.

25 The Department of Fish & Game and U.S. Forest

1 Service collaboratively proposed to acquire the
2 necessary hydrologic data and jointly file for
3 reservations of water on identified priority streams and
4 lakes within western Prince William Sound. Securing
5 adequate instream flows in rivers, and water levels in
6 lakes, with reservations will provide protection in
7 perpetuity, or at least assist in, protection to fish
8 and wildlife habitats within any of the important areas
9 effected by EVOS.

10 State instream flow law allows for reservation
11 of water as adjudicated by DNR. DNR recommends a
12 minimum of five years of continuous streamflow or lake
13 level data to support reservations of water. This
14 project proposes to collect hydrologic data needed to
15 file "reservation of water" applications on two lakes
16 and four streams that were selected to provide the
17 long-term healthy habitat for multiple fish and
18 wildlife species, and the services of subsistence and
19 passive use affected by EVOS.

20 This project will also benefit affected
21 wildlife species dependent on healthy rivers and
22 lakes, including bald eagles, common loons, and river
23 otters. The project objectives will be accomplished
24 by collecting sufficient hydrologic data to meet DNR
25 guidelines quantifying instream flow requirements for

1 fish species at various life stages, and preparing
2 reservation of water applications for submittal to DNR
3 to protect fish and wildlife habitat migration and
4 propagation.

5 The cost for this project is 452,500 with
6 166,000 in-kind contributed by USGS, Department of
7 Fish & Game, and U.S. Forest Service.

8 Joe Klein, from the Department of Fish & Game,
9 is here to answer your questions.

10 MR. WACKOWSKI: What's the closest neighboring
11 community to Eshamy Lake?

12 MR. KLEIN: "Eshamy"?

13 MR. WACKOWSKI: "Eshamy."

14 MR. KLEIN: I -- I believe it's Chenega. I'm
15 not 100-percent sure because I'm not as familiar with
16 that area --

17 MR. WACKOWSKI: Gotcha.

18 MR. KLEIN: -- as other staff.

19 MR. ROGERS: You ready for a motion --

20 CHAIR HARTIG: Yes --

21 MR. ROGERS: -- Chair?

22 CHAIR HARTIG: -- David.

23 MR. ROGERS: Yes?

24 CHAIR HARTIG: Yes.

25 MR. ROGERS: Oh, I'm sorry. I'm still trying to

1 clear my ears from the plane flight.

2 I move we approve \$148,567, which includes GA
3 for FY19 for Prince William Sound Instream Flow
4 Protection, Project 19190125, proposal date, August
5 30th, 2018.

6 UNIDENTIFIED SPEAKER: Second.

7 CHAIR HARTIG: Jim, any discussion?

8 MR. BALSIGER: I'll just say it leverages a lot
9 of good money, so it's relatively inexpensive, so it's a
10 good deal for us.

11 CHAIR HARTIG: Yeah, it's pretty popular among
12 the agencies.

13 Okay. All of those in favor, please raise
14 your hand. It passes, unanimous.

15 Okay. So now we're on to the habitat
16 protection.

17 MS. ADAMS: All of the proposed habitat
18 projects in your materials are on the Kenai Peninsula
19 reflecting an emphasis on the importance of the fish
20 and wildlife resources there, and which you've also
21 just seen reflected in the Habitat Restoration and
22 Enhancement Projects that you've just discussed.

23 The four new projects, three are small
24 parcels, and the fourth is the larger project
25 involving lands owned by CIRI in the lower Killey

1 River Watershed Basin and the Kenai River confluence.

2 Details regarding the property descriptions,
3 habitat values, and other information are in your
4 materials. I'll just give a brief overview of the
5 project here.

6 As a reminder, all of our habitat projects
7 follow the prioritization, the highest value lands in
8 the spill area, and are also subject to extensive due
9 diligence and legal review and other review by State
10 and federal agencies to ensure State and federal
11 standards for acquisition are met before completion.
12 The funding amounts requested are estimates, that
13 include due diligence and closing costs, and the final
14 purchase amounts to be paid for the purchases are
15 determined based on approved appraisals, being
16 government and EVOS Trustee Council standards.

17 And I'd also mention that in your materials we
18 have received letters of support from the Kenai
19 Peninsula Borough and the City of Kenai for our Kenai
20 River Habitat Projects.

21 So turning to the first one -- the first one
22 is on Deep Creek. This project includes approximately
23 88 acres adjacent to Deep Creek, plus three to five
24 additional acres for access from a separate property
25 owner. The property includes approximately one-half

1 mile of streambank turning on Deep Creek and has high
2 habitat values for riparian habitat and wetlands.
3 This stretch of Deep Creek provides excellent rearing
4 and overwintering habitat for EVOS-affected species,
5 including Dolly Varden, Pink Salmon, river otters, and
6 migratory birds.

7 It is also a desirable property for public
8 access for recreational fishing use, as it's not far
9 upstream from the Deep Creek State Recreation Area,
10 another prop- -- and another property that was
11 acquired years ago, not by EVOS, but it's managed by
12 the Alaska Department of Fish & Game for public fish
13 and wildlife related uses as well.

14 The Alaska Department of Fish & Game is
15 particularly interested in acquiring the Deep Creek
16 property, both for its habitat values, and because
17 they have a fish weir located on the property, which
18 is key infrastructure needed to collect fisheries data
19 necessary for managing Deep Creek fisheries for
20 commercial and recreational uses. And with all our
21 projects, maps and photos are in your materials.

22 The adjacent small acreage of a separately
23 owned property provides access to Deep Creek by means
24 of a four-wheeler trail, currently with the permission
25 of that owner, and the owner of the access lots is

1 willing to sell the access route portion that passes
2 her property in order to secure public access to the
3 river.

4 Management -- (indiscernible) -- Department of
5 Fish & Game, and the funding request to purchase --
6 the purchase of both properties, two separate purchase
7 agreements, by \$100,000. We would endeavor to
8 purchase the larger Deep Creek parcel regardless, but
9 we would only purchase the smaller access parcel if
10 we're successful in obtaining the larger 88-acre
11 parcel in order to ensure -- ensure that we have
12 public access to the river.

13 Kachemak Heritage Land Trust may be contracted
14 for a portion, a small portion of the funds, up to
15 \$25,000 to complete the due diligence tasks associated
16 with completing this project.

17 Any questions? I'll move on. I'll try to be
18 quick.

19 The next one is the Corr parcels, which I
20 think someone mentioned, Elise mentioned earlier.
21 This project is for approximately 67 acres on the
22 Kenai River that is part of the Corr family homestead,
23 and it comes as close to a mile of river frontage on
24 the lower river near some of the finest and most
25 popular fishing holes on the river.

1 The property is also just downstream from the
2 -- and I was supposed to learn how to pronounce this,
3 "Slikok" -- Slikok State Recreation Area. Somebody
4 help me from Parks.

5 Okay. For almost 20 years, the Council has
6 made previous efforts to purchase the Corr property
7 because of its high habitat values for fish and
8 wildlife resources, and also its potential for public
9 access for recreational uses.

10 The long-time landowner, who homesteaded back
11 in 1958, would like to see the project completed while
12 she is still the sole owner. The purchase would
13 encompass all of the homestead's riverfront acres,
14 except for an existing dirt access road and the small
15 unimproved boat-launch site that the owner would
16 retain.

17 The property includes naturally vegetated
18 riverbanks, and then a connected slough with
19 high-value river and wetlands that provides excellent
20 rearing and overwintering habitat for EVOS-affected
21 species, including Dolly Varden, Sockeye, and Pink
22 Salmon, and migratory birds, as well as land mammals.

23 It is also adjacent to an additive to prior
24 Trustee Council acquisitions and would help strengthen
25 protection of the Kenai River's economically valuable

1 fish docks. Management will be by the State Division
2 of Parks and Outdoor Recreation, in line with the
3 Kenai River Special Management Area, and the funding
4 request is for \$3,950,000.

5 I'll keep going unless --

6 MR. WACKOWSKI: Can I -- I have a question.

7 That's a homestead. Who -- where would the
8 subsurface rights go?

9 MS. ADAMS: I think the subsurface -- Dave, is
10 it --

11 MR. ROGERS: It's already --

12 MS. ADAMS: -- owned by the State?

13 MR. ROGERS: -- owned by the State of Alaska.

14 MS. ADAMS: Yeah, it's already owned by the
15 State of Alaska, so we would just be purchasing
16 surface on that one.

17 I should mention that here also, Dave Mitchell
18 from Great Land Trust, Steve Miller from the Fish &
19 Wildlife Service, and Lauren Rusin from the Kachemak
20 Heritage Land Trust is on the phone. I believe she's
21 still here with us. If I have -- if we have any
22 questions, I can manage.

23 Okay. No question?

24 MR. ROGERS: Yeah, hang -- hang on.

25 MS. ADAMS: Okay.

1 MR. WACKOWSKI: Sorry. I was just asking for
2 some expert advice here.

3 MR. ROGERS: The -- is there any value in the
4 subsurface?

5 MS. ADAMS: I think it's nonmineralized --

6 MR. ROGERS: All right. So it's --

7 MS. ADAMS: -- sub- -- subsurface, so, I mean,
8 they should --

9 MR. ROGERS: -- not -- not --

10 MS. ADAMS: -- leave pretty minimal, yeah.

11 MR. ROGERS: Okay.

12 MS. ADAMS: Should I start, go forward?

13 MR. WACKOWSKI: Press onward, yep.

14 MS. ADAMS: The next project is the Killey
15 River property, and the lower Killey watershed
16 encompassing the confluence with the Kenai River.
17 This project is proposed by the Fish & Wildlife
18 Service to acquire approximately 3,263 acres from Cook
19 Inlet Region, Inc., and a group of undeveloped parcels
20 surrounding the lower Killey River and it is
21 confluence with the Kenai River, and it includes
22 substantial Kenai Riverfront acreage as well. The
23 surface and subsurface is currently owned by CIRI, and
24 we'd be acquiring both.

25 The proposed lands include high-value

1 forested, riparian, and wetlands habitat supporting a
2 number of EVOS-affected species, including several
3 species of salmon, migratory birds and land mammals.
4 It contains Marbled Murrelet nesting habitat, a
5 species still designated as not recovering from the
6 spill.

7 In addition to the benefits to EVOS-affected
8 species, among other notable values, the Killey River
9 is thought to support more than half of the early-run
10 Chinook Salmon that returns to the Kenai River
11 watershed to spawn. Coho and Pink Salmon also spawn
12 in the Kill- -- Killey River and its tributaries,
13 thus the purchase would contribute to recovering of
14 affected human services, including commercial
15 recreation and tourism services as well.

16 If purchased, the property would be
17 incorporated into the Kenai Refuge, and managed for
18 access for the public, fish and wildlife recreational
19 uses, and its habitat values. This project is also
20 part of, and would further, the proposed -- a proposed
21 land exchange between CIRI and the Fish & Wildlife
22 Service involving other Refuge lands in the Juneau
23 Creek area.

24 The land exchange has been previously
25 authorized in federal legislation naming the Killey

1 River specifically, and it would also enable timely
2 completion of the final preferred alternative for the
3 Cooper Landing bypass road, a high priority for the
4 State of Alaska and its Department of Transportation &
5 Public Facilities.

6 And as a final additional benefit, two blocks
7 of lands in the same area of CIRI's properties, that
8 are currently held by The Nature Conservancy, are
9 anticipated to be donated to the Kenai Refuge as part
10 of this project, which will further help complete a
11 contiguous block of lands protecting the important
12 fish and wildlife corridor along the Killey River from
13 its headwaters all the way to its confluence with the
14 Kenai River. Management of the property would be by
15 the Fish & Wildlife Service, and the funding request
16 for the project is 20.5 million.

17 MR. WACKOWSKI: I guess that's a big ticket
18 item, and --

19 MS. ADAMS: It is.

20 MR. WACKOWSKI: -- it's one of my agencies, so
21 I'll speak to it real quick, and that's where I grab
22 Veronica.

23 Not only is this a priority to the State of
24 Alaska, but this is a priority for the administration.
25 We feel it's important, as part of the Copper River

1 Land Exchange deal, this caps an important con- --
2 conservation legacy in the Kenai National Wildlife
3 Refuge. It protects some of the most critical King
4 Salmon spawning habitat, and I would appreciate
5 support from my fellow Trustees on this.

6 This Copper River Land Exchange is actually
7 the longest standing EIS in history, and with the help
8 of the U.S. Forest Service, we have been able to get
9 to a point where the Federal Highway Administration
10 has seen the light of logic and reason. And for those
11 of you that don't know, this will enable us to improve
12 the highway while keeping it out of the Kenai River
13 and having to build another bridge and repair.

14 So we're pretty excited about this, and I
15 would appreciate the support of my fellow Trustees.
16 Thank you.

17 MS. HSIEH: Perhaps a good footnote, with regard
18 to EVOS perspective, these lands, all of them, are
19 red-hot quality habitat, which is why we are here. We
20 understand it has a broad benefit to the agency as well,
21 but as Lauri and I focus on, it's also been
22 predetermined in two different land prioritizations to
23 be excellent habitat and --

24 MS. ADAMS: They're -- they're all in the
25 highest priority category. I don't think we're bringing

1 many to you that are not in that category.

2 I will mention briefly that there is one last,
3 much smaller piece, the Kenai River Fair Family Trust
4 Property. This is approximately 47 acres, small
5 parcel on the lower Kenai River, which is actually
6 immediately adjacent to the CIRI parcels that I just
7 talked about. The property is owned by the Fair
8 Family Trust, and they are interested in selling it to
9 us, Fish & Wildlife Service, for inclusion in the
10 Kenai Refuge.

11 It has Kenai River frontage and extensive
12 wetlands, which are particularly valuable to
13 supporting fisheries, rearing and spawning habitat.
14 It's also prime migration bird habitat, again,
15 including Marbled Murrelets, and EVOS-affected species
16 that are not recovering, as well as several other
17 species.

18 The purchase of this property will also
19 contribute to recovering human services, including
20 commercial fishing, recreation, tourism, and vast
21 uses. The Fair property is currently subject to a
22 private conservation easement that allows certain
23 private development, including a cabin, outbuilding,
24 sewer and water, underground utility enlargements.

25 If the property is purchased, the private

1 development would not occur the fish and wildlife
2 habitat values would be protected, and its Refuge
3 lands would also provide additional opportunities for
4 public access for sport hunting and fishing.

5 Management would be by the Fish & Wildlife
6 Service, and the funding request for this project is
7 120,000. That's all I have, unless anyone has
8 questions.

9 CHAIR HARTIG: Okay. So can we get a motion?

10 MR. BALSIGER: Mr. -- Mr. Chairman, I would just
11 note that we -- we had some conversations this morning
12 from public testimony about rights purchased by the
13 Trustee Council, so just note that, I understand that
14 CIRI has actually pursued this --

15 UNIDENTIFIED SPEAKER: Yes.

16 MR. BALSIGER: -- as well, and so they're
17 informed of all of that, and so I'm -- I'm happy to be
18 able to support this.

19 CHAIR HARTIG: Thanks, Jim. It is important.
20 We do care about that point.

21 Okay. So it's Agenda Item --

22 (Indiscernible crosstalk.)

23 MR. ROGERS: Yeah, I'll motion. Do you want
24 me to do this one?

25 MR. WACKOWSKI: Knock it out.

1 CHAIR HARTIG: Go for it.

2 MR. ROGERS: Sit back, relax.

3 Okay. This is Habitat Protection Kenai River
4 Parcels. I move we approve funding as of November 1,
5 2018, for the protection of the following parcels,
6 with the purchase of interest in land, be at the fair
7 market value established by an approved appraisal, and
8 the total cost of which, including due diligence,
9 initial enhancements for public use and closing costs,
10 not to exceed the amount noted for each parcel.

11 Parcel -- this is "A" -- Parcel KEN 4013, Deep
12 Creek, Raemaeker/Ry- -- Ryherd/Simonds parcels, Kenai,
13 \$500,000 up to \$25,000 of which may be contracted to
14 Kachemak Heritage Land Trust for due diligence work.

15 "B," Parcel KEN 4014, Corr parcels, Soldotna
16 \$3,950,000. "C," parcel KEN 4015, CIRI -- I'm sorry
17 -- "Killey River" -- am I getting that right? Anyway,
18 you know what I mean -- Kenai Peninsula, 20.5 million,
19 Parcel KEN 4016, Kenai River Fair Property, Kenai,
20 \$120,000.

21 Do I need to add the provisions as well?

22 UNIDENTIFIED SPEAKER: Of course.

23 MR. ROGERS: All right. These purchases are
24 further conditioned upon due diligence reports, which
25 are acceptable with the Alaska Department of Natural

1 Resources, U.S. Department of Interior, Solicitor's
2 Office, and the Alaska Department of Law.

3 And provided that the EVOSTC Executive Director
4 in consultation with the Alaska Department of Natural
5 Resources, U.S. Department of Interior, Solicitor's
6 Office, and Alaska Department of Law determines that it
7 is in the interest of the Council to move forward with
8 the purchase of the interest in the parcel.
9 Authorization for funding for the purchase of interest
10 in the parcel shall terminate if a purchase agreement is
11 not exec- -- executed by April 1, 2020.

12 MR. BALSIGER: Second.

13 CHAIR HARTIG: Okay. We've got a motion
14 seconded. Any other discussion?

15 I just might say that I support these
16 acquisitions. One thing that we've noticed that you
17 see over the years is that the water quality is
18 deteriorating in the Kenai, and something needs to be
19 done, and I think it's a long-term solution, you know,
20 it's just more people living in the area, more
21 activity in the area.

22 It's what you would expect. It's kind of the
23 beginning stage of something that's going to progress
24 and progress, so to be able to go in and protect the
25 areas and -- and be able support management, like the

1 Fish & Game and those kind of things, are key for the
2 long-term health of that river, in my mind, and this
3 is an important step, so I do support this.

4 MS. HSIEH: I think what we're finding is a
5 generational turnover in some of the properties with
6 some of the original owners wanting to see their smaller
7 parcels conserved, and wanting to keep the river with
8 some of its natural character, and they have been coming
9 to us with their parcels, and it's been some time. It
10 takes a long time, but also rewarding, so...

11 CHAIR HARTIG: Okay. So all of those in favor,
12 please raise your hand. I don't see any opposed. It
13 passes.

14 MR. WACKOWSKI: Lauri, Lauri, can I get some
15 water? Is there a little more water back there?

16 MS. MARCERON: Here, you can have mine.

17 (Indiscernible crosstalk.)

18 UNIDENTIFIED SPEAKER: Oh, you don't have one?

19 MR. WACKOWSKI: No. I drank mine. Thanks.

20 MS. MARCERON: You can take mine. I have -- I
21 have extra water.

22 CHAIR HARTIG: Okay. So we're going to have to
23 move fairly quickly, but we're on Agenda -- Agenda
24 Item 12, Outreach Update. This is for the 30th
25 anniversary, I believe.

1 MS. HSIEH: Helen?

2 MS. WOODS: I can -- I can make it really quick.

3 MS. HSIEH: Sure.

4 CHAIR HARTIG: Now, we all are interested.

5 Don't get me wrong.

6 MS. HSIEH: We can make it as long -- long.

7 MS. WOODS: So we've been working with
8 Department of Natural Resources Interpretive Office. We
9 have a film in progress. We have some fixed
10 interpretive panels that are just starting out for
11 parcels in Eshamy Bay, Diamond Creek, and Mineral Creek.
12 We also have some pop-up six-foot-tall panels too that
13 are in the final stages of review, and they will be
14 available by December 1st with the movie.

15 We have a social media clip that will be made
16 after the movie, and a poster, and several venues that
17 have committed to showing these using the pop-up
18 displays and showing the film, some as part of a -- an
19 exhibit around the 30th anniversary. I think it was the
20 Pratt Museum that was talking about building an entire
21 exhibit and using that as kind of the centerpiece, so --
22 so it feels like a really successful effort.

23 I don't think I've missed anything in the --
24 in the general overview, but if you have questions,
25 I'm happy to answer them.

1 MS. HSIEH: And, also, I think it's important to
2 know that the 20th anniversary used National Park
3 Service, which fantastic products. We've been working
4 with DNR parks because we've been already making
5 interpretive panels that are going out at some of these
6 sites that EVOS have already worked on in the past, like
7 in the 1990's, or is currently working on.

8 So what we kind of did is, sort of, leverage
9 that using -- because we're spending time with our
10 staff, educating them about going over, like, every word
11 on their poster, so we're -- we're replicating some of
12 that into different products as well. So we appreciate
13 Parks. During any of these outreach, we can use other
14 entities, but this has been productive because we're
15 already working with them to get hard panels up on some
16 of these other enhancement sites as well.

17 We have -- actually have a lot of venue
18 interest. We actually had -- if you remember, we had
19 the \$16,000 budget because we have so many venues,
20 including State ferries, that will play the movie and
21 put up posters, and so I think Helen has an extensive
22 list, if we can actually go through it.

23 MS. WOODS: I do. I'm just being mindful of
24 the time. I didn't --

25 MS. HSIEH: Yeah.

1 MS. WOODS: -- want to go too into it.

2 CHAIR HARTIG: We can always send that out to
3 people, but I think they should all be aware of it
4 because it might tie into other events that they'll have
5 in that period of time.

6 MS. HSIEH: So, Helen, if you'll make a note to
7 circulate it, Sherry and I.

8 CHAIR HARTIG: I think there will be a fair
9 amount of public interest, given the 25th, 20th
10 anniversary, there was a lot of public interest.

11 MS. HSIEH: We had 1,200 people come to an event
12 at the zoo, including 400 school children at that time.
13 That was before I cut the staff.

14 CHAIR HARTIG: Okay. Thanks, Helen.

15 MS. WOODS: Okay. You're welcome.

16 CHAIR HARTIG: Okay. So we'll go on to --
17 unless people really want a break, I'll just keep
18 pushing forward.

19 MR. ROGERS: Keep rolling, Mr. Chair.

20 CHAIR HARTIG: Okay. So we're up to Agenda
21 Item 13. These are the proposals that we got into
22 recently, and I -- I don't know to an extent these are
23 ripe, but I guess we'll hear that, and -- but they're
24 all ones to know, that the Trustees are very interested
25 in hearing about, so --

1 MS. HSIEH: Right.

2 CHAIR HARTIG: -- we appreciate people coming
3 here today to present on that.

4 MS. HSIEH: So the Prince William Sound Science
5 Center proposal, I believe, is -- is in good shape. I
6 think that if the Trustee Council wanted to pursue any
7 of these, the Prince William Sound Science Center, the
8 Alaska SeaLife Center -- which I had just asked for a
9 preliminary list, and that's why it looks like that.
10 I'm sure they can give us much more detail -- and also
11 the Alutiiq Museum proposal.

12 The Trustees can move on any of these today,
13 with the caveat that the funding would be conditioned
14 upon further development of the proposal in a more
15 detailed resolution that would be written, as they
16 typically are, after our meeting, that would be then
17 circulated to the Trustees to cover things such as
18 funding plan, a managing agency for construction, for
19 example. We've used DCCED. We've used ADEC. We've
20 used different entities, and all that sort of thing
21 would happen after the meeting, so be contingent on
22 that, kind of, further development.

23 In addition, the SeaLife Center document is as
24 I had asked for, and it's sort of more of a fish list,
25 and if there was certain areas of those the Trustees

1 wanted to further develop, I'm sure we can do that as
2 well. There's different ways that this could roll out
3 for the Trustees.

4 CHAIR HARTIG: Yeah, one other thought I had on
5 it is that there will be a lot of interest in the next
6 thing that we'll talk about, and these are these kind of
7 alternative proposals and legal analysis and all of
8 that. We may want to have an interim Trustee meeting --

9 MS. HSIEH: Right.

10 CHAIR HARTIG: -- where we could take up some of
11 these proposals that are not fully ripe.

12 MS. HSIEH: Right. I think the Prince William
13 Sound Science Center is fairly ripe. Writing a detailed
14 resolution, I just didn't have the time. We're a small
15 shop. I didn't have time. I started researching past
16 resolutions and taking a look at different conditions
17 and things the Trustee Council want to say; however,
18 they also have a time issue with regard to --

19 CHAIR HARTIG: Right. Right.

20 MS. HSIEH: -- their new --

21 CHAIR HARTIG: I'm aware of that.

22 MS. HSIEH: -- new --

23 CHAIR HARTIG: Yeah, so I -- I wouldn't talk
24 about all three. I'd just --

25 MS. HSIEH: Yeah.

1 CHAIR HARTIG: -- I'm saying that we have --

2 MS. HSIEH: Yes.

3 CHAIR HARTIG: -- several options here, and one
4 of them is that if the Trustees want to meet again
5 relatively soon, rather than wait six months or whenever
6 the next time will be, to talk about all -- you know,
7 alternative EVOS management scenarios, and to look at
8 the new legal questions, answers that we get. We could
9 also take up some of these when they're more fleshed
10 out. Some of them are ripe today.

11 Jim?

12 MR. BALSIGER: Mr. Chairman, I -- I think
13 that's good guidance. I recall when we built other
14 large construct- -- funded other construction
15 projects, we had a lot of input from our legal
16 advisors about how they met -- how they met the terms
17 of the Consent Decree and all of that, and I like
18 these proposals, but has it undergone that inspection
19 yet, and with --

20 MS. HSIEH: No. I --

21 MR. BALSIGER: -- the Chairman's suggestion,
22 should we have that done and then look forward to
23 picking these up at another meeting?

24 MS. HSIEH: Yes. I mean, the Trustees, you can
25 craft the motion in any way you like. You can just set

1 the whole thing aside and -- and ask us to go talk to
2 Law, et cetera. You can conditionally -- like you guys
3 often do -- conditionally approve it upon, you know,
4 Department of Law, U.S. Department of Justice, review
5 with our office, which we also do, and further
6 development of conditions and a managing agency and that
7 sort of thing. So we can -- we do that sometimes, in
8 different parts and pieces with the projects you
9 approve, or you can put it all off. It's up to you.

10 MR. WACKOWSKI: Mr. Chairman, maybe it's because
11 I'm a Trump Administration appointee, but I land on the
12 more aggressive side. I think our lawyers are there to
13 give us advice. We can take action if they need to reel
14 us back in. That's the route I prefer to go.

15 And with regards to, especially the Prince
16 William Sound Science Center proposal, it seems pretty
17 baked to me. I mean, I was able to read through --
18 they've got letter of support from our congressional
19 delegation, the villages, the tribal entities,
20 stakeholders. Is this -- is it not baked to our
21 liking, or, I mean...

22 CHAIR HARTIG: Well, I think they're -- they're
23 at three different stages, and that one is the furthest
24 along. I just -- but they're -- I think they're -- all
25 three proposals, as I understand, the Trustees are very

1 interested in. I just was trying to figure out, there's
2 various options of ways to moving them along, and I
3 agree with you, we want to move them along, but I think
4 Jim's cautionary statement's a good one too, is on
5 brick-and-mortar projects, historically, we've had to
6 look at what is the next, is the restoration. Prince
7 William Sound Science Center I think is easier to draw
8 that. I thought Craig Tillery did an excellent job this
9 morning of talking about that tie-in.

10 MS. HSIEH: But you can approve the funding, and
11 I --

12 CHAIR HARTIG: Yeah.

13 MS. HSIEH: -- will continue to work --

14 CHAIR HARTIG: Yeah.

15 MS. HSIEH: -- with the Law, and if there's an
16 issue, we'll be coming back to you.

17 CHAIR HARTIG: Yeah, so there's different
18 options, but I think what we need to do is move to the
19 -- the presentations, and then that will give us a
20 better sense of what we've got.

21 Is that okay? Yes?

22 MS. HSIEH: I didn't -- I didn't prepare a
23 presentation on these, but we have Katrina Hoffman here
24 from the Prince William Sound Science Center, and I
25 believe we -- we do also have someone on the phone, and

1 we also have Tara Riemer-Jones here from the Alaska
2 SeaLife Center as well.

3 CHAIR HARTIG: Yeah, I'd like to hear from each
4 of them, if that's okay with the Trustees. I don't
5 think it will take too long. They know their proposals
6 well, and we're very familiar with all --

7 UNIDENTIFIED SPEAKER: Sounds good, Mr. Chair.

8 CHAIR HARTIG: So, Katrina, would you please
9 join us?

10 MS. HOFFMAN: Sure.

11 CHAIR HARTIG: I think one of the things we're
12 interested in is the need for these projects and the
13 timing. I think we understand that's a port expansion,
14 and we've got a limited window of time to find a new
15 home, and one that also fits your current size.

16 And some of the questions I had, though, is
17 that if you get a larger facility, would you be able
18 to maintain that, you know, without additional support
19 in terms of an endowment if that doesn't occur? So we
20 go forth with the capital request, but if you don't
21 get at least movement on the endowment quickly, would
22 that saddle you with something you can't afford?
23 That's one question I had, and the timing.

24 MS. HOFFMAN: Good question, Mr. Chair.

25 I currently rent eight facilities in the

1 community of Cordova, some of them are more than
2 50 years old. We do not own any of them, except we
3 own structures on properties that are owned by other
4 landlords, and in two cases on two of those eight
5 properties. We do not own the office and lab that we
6 currently occupy. We've invested a million dollars in
7 the upgrades of that facility over 29 years. None of
8 that equity has been maintained.

9 Across those properties, we spend tens of
10 thousands of dollars a year on rent. Actually, in one
11 year we spend almost the same amount on rent as the
12 City of Cordova is willing to sell us a five-acre
13 parcel for that we would own in perpetuity ostensibly,
14 and given the various states of maintenance and
15 deferred maintenance on these different facilities
16 with different owners, we believe that the modern
17 facilities that we would construct, which would
18 condense eight facilities to three buildings on one
19 site, would streamline those expenses, and they would
20 be extremely efficient by comparison, so it's not
21 anticipated that we would be coming back to you for
22 any operating costs.

23 CHAIR HARTIG: Okay. And the timing, then?

24 MS. HOFFMAN: The timing is twofold. One, the
25 City of Cordova is not interested in extending our lease

1 on our current site. They have harbor expansion plans.

2 And secondly, you know, in April of this year,
3 the Alaska Department of Transportation called a
4 community meeting in Cordova. They are implementing a
5 significant culvert replacement project at Shelter
6 Cove, which is adjacent to the site of the five-acre
7 parcel that we are acquiring from the City of Cordova.

8 Along with that, they'll be doing about 2500
9 lineal feet of paving work from, essentially -- those
10 of you who know Cordova -- from the ferry terminal out
11 to the lagoons where they're replacing the culvert.
12 They'll be replacing two culverts that are undersized
13 with one much larger one.

14 The Public Works Department in Cordova at the
15 City has seen the cost of asphalt go up about
16 250 percent in the last two months. For a project of
17 that size, there is no asphalt plant in Cordova. We
18 would have to barge in about six barges of 400 tons
19 each of asphalt. If the Science Center development
20 project advances on a different timeline than the
21 Alaska Department of Transportation project, which
22 they intend to implement in summer 2019, we would be
23 ripping up and repaving road that they have just done
24 at the cost -- the paving cost of approximately
25 \$700,000.

1 If we're able to advance the project in unison
2 with their interests, we would save that cost, and
3 that would allow for the installation of the necessary
4 sewer facilities to support this development project.

5 CHAIR HARTIG: Terri.

6 MS. MARCERON: So I just have a clarifying
7 question. I'm going to go back a little bit to the
8 Think Tank document, which at least at this point
9 outlines that you were requesting 14 million for the
10 construction of the facility. The proposal we have in
11 front of us is for 18 million, and then the Think Tank
12 says an operating endowment, and I -- I think that's
13 what Larry was meaning with operations and maintenance,
14 but I just want to have an understanding as to what -- I
15 assume you engaged with the Think Tank in terms of what
16 the 14 million plus the endowment would be, and I just
17 want to understand --

18 MS. HOFFMAN: Right.

19 MS. MARCERON: -- again what's in that proposal
20 versus this, and just confirm longer dates --

21 MS. HOFFMAN: Right.

22 MS. MARCERON: -- and so I just need that
23 clarification.

24 MS. HOFFMAN: We provided that number to folks
25 affiliated with the Think Tank more than approximately

1 six months ago, and that was before we had these
2 meetings with DOT, the Public Works director gave us
3 updates, and we have been meeting with engineers and
4 geotechnical advisors throughout the summer advancing
5 our development plans.

6 As we learned of those increased costs from our
7 conversations with the experts we were working with, we
8 had to revise our budget, and so that results in the
9 \$17.5 million request that you see here. Essentially,
10 it is reflective of what we believe current conditions
11 and costs to be.

12 MS. MARCERON: And then how much was the
13 endowment portion going to be under the Think Tank that
14 you guys were seeking?

15 MS. HOFFMAN: I believe the Think Tank document
16 recommended \$20 million endowments for multiple
17 entities.

18 MS. MARCERON: Okay. So -- so not a specific
19 number that you guys were looking for at this point?
20 I'm just trying to go get clarity --

21 MS. HOFFMAN: We're not --

22 MS. MARCERON: -- and trying to understand.

23 MS. HOFFMAN: -- making an endowment request in
24 the capital proposal.

25 MS. MARCERON: Okay.

1 MR. ROGERS: Will there be an endowment need?

2 MS. HOFFMAN: Well, David, I think anyone who
3 lives in a spill-affected community that has these
4 place-based institutions understands that endowments
5 would be transformative for the communities, and we do
6 know, just based on assessment of the lost herring
7 fishery alone, that Cordova has suffered the largest
8 loss in gross revenues from the loss of that fishery,
9 for example, and that's just one of many measures that
10 you can take to look at the effects of the spill that
11 are ongoing economically.

12 In general, the loss of that herring fishery
13 has probably exceeded a billion dollars in value, well
14 over that, and Cordova owned 40 percent of the --
15 close to 40 percent of the permits, and so I'm not
16 going to look down on the opportunity to have
17 conversations about future iterations of how the
18 Trustee Council chooses to spend their funds. Our
19 board is absolutely interested in participating in
20 those conversations. What we have had to focus on at
21 this time is our immediate capital needs.

22 Based on this long-term trajectory -- this
23 isn't just coming out of the woodwork. We've been
24 advancing this conversation for a long time. It
25 predates the Cordova Center, which we provided seed

1 money for the conversations around. Originally, some
2 of those facilities would have been located with our
3 facility.

4 And so I think there's a lot of ways the
5 future can play out that we'd be open to participating
6 in. At this time, as one of your key implementers of
7 the research and restoration programs, we're looking
8 to make this facility's development project --

9 MR. ROGERS: Focused --

10 MS. HOFFMAN: -- complete.

11 MR. ROGERS: -- on the facility.

12 MS. HOFFMAN: Yeah.

13 MR. ROGERS: Thanks.

14 MS. HSIEH: And the Long-Term Monitoring Program
15 funds, what percentage of the current operating Prince
16 William Sound Science Center? Like, let's say it goes
17 on for five more years, and it's already been going for
18 seven, that would have been 13 years of funding at what
19 level, percentage of the Prince William Sound Science
20 Center?

21 MS. HOFFMAN: What percentage of our funding,
22 well, we have two institutions that are audited in our
23 financial statements, and so the Science Center receives
24 right now from the Trustee Council, about \$1.3 million a
25 year in support. Our audited financials, depending on

1 the level of work we have going on in any given year, in
2 the last five years, six years, they've ranged between
3 three to \$6 million; that includes some of OSRI's (ph)
4 work, which is about a million dollars a year.

5 In general, you could say that the Trustee
6 Council funds about 50 percent of our research
7 portfolio on average overtime. The numbers Craig was
8 referring to earlier this morning, is he did a
9 five-year lookback at research projects that we had
10 implemented between FY12 and '16, and he looked at
11 ones, as a former Trustee, that he felt the Trustee
12 Council could have funded. They include projects that
13 you do fund, and they include projects that you didn't
14 fund, and what he came up with is that in that
15 five-year lookback, 80 percent of the projects that we
16 had done in the spill-affected area could have
17 qualified for Trustee Council funding --

18 MS. HSIEH: Right.

19 MS. HOFFMAN: -- even though they did not all
20 receive Trustee --

21 MS. HSIEH: Right.

22 MS. HOFFMAN: -- Council funding.

23 CHAIR HARTIG: Jim.

24 MR. BALSIGER: Mr. Chairman.

25 What other construction money will you have?

1 MS. HOFFMAN: What other construction money,
2 right, we will be running a traditional capital
3 campaign, and so we will be working with foundations,
4 corporations, and individual donors to raise the
5 remainder of the funds. We do anticipate some of these
6 costs being streamlined if we're able to dovetail our
7 work with that of DOT. And so it looks like the capital
8 campaigns that you see all nonprofits in Alaska run, and
9 we've done predevelopment work there through the Foraker
10 Group with funding support from the Rasmuson Foundation.

11 MR. BALSIGER: Okay. That's fine. Thanks.

12 CHAIR HARTIG: Any other questions?

13 MR. ROGERS: None here.

14 CHAIR HARTIG: Okay. So we have a draft motion
15 under Agenda Item 13. I think we'll take these one at a
16 time.

17 Going back to Jim's question on any potential
18 legal review, we do have -- the second part is
19 conditioned upon the Executive Director's final
20 approval. We could add something, like, after
21 consultation with the Department of Justice and the
22 Alaska Department of Law regarding any legal concerns
23 or the use of EVOS funds for the project.

24 There would be another conditions that -- I
25 guess that the Executive Director could come up with,

1 and I assume that if the conditions, it looks like
2 it's not being met or something, then we could meet on
3 that if we needed to.

4 Are there any other specific conditions that
5 you think, Elise, that you would want to spell out?

6 MS. HSIEH: No. I've just started. We've been
7 so busy --

8 MR. WACKOWSKI: What does --

9 MS. HSIEH: -- and that's --

10 MR. WACKOWSKI: -- so can you clarify --
11 Liz, or DOJ, are you on the phone?

12 MS. HSIEH: Liz is here today.

13 MR. WACKOWSKI: I see Liz, yeah.

14 DOJ? Going once -- what's her name?

15 UNIDENTIFIED SPEAKER: Erika.

16 MS. HSIEH: Ms. Gobewski? Oh.

17 MR. WACKOWSKI: Erika. I work -- Liz is, like,
18 two offices down. I know Liz.

19 UNIDENTIFIED SPEAKER: Erika Wells.

20 MR. WACKOWSKI: Erika, are you on the phone?
21 Because you've got a shot now to talk, to speak up,
22 because you're going to pick up the pieces on the back
23 end.

24 MS. WELLS: Yes, I am. I am on the phone.

25 MR. WACKOWSKI: That worked.

1 MS. WELLS: It's a little later here.

2 MR. WACKOWSKI: Just to recap, we're talking
3 about some conditional language to fund this, the Prince
4 William Sound Science Center, and I'm going to -- so
5 it's -- well, the draft -- I'd like to talk about two
6 things. One, what does it mean for the Executive
7 Director's final approval?

8 But we've got a motion. I move we approve
9 funding of 18 million, which includes GA for the Prince
10 William Sound Science Center Technology Institute
11 Facilities Replacement Proposal, which I hope you have a
12 copy of, dated 17, August 2018, conditioned upon -- and
13 we're talking about what those conditions may be, and we
14 had discussed possible language for pending legal review
15 or analysis or -- anyway, we would appreciate your input
16 on that.

17 CHAIR HARTIG: The language we were looking at
18 -- and this could be changed -- "conditioned upon the
19 Executive Director's final approval after consultation
20 with the Department of Justice and Alaska Department of
21 Law regarding any legal concerns relating to use of EVOS
22 funds for this project." It's a brick-and-mortar
23 project. It's facilities.

24 The Prince William Sound Science Center does a
25 lot of -- I guess, the bulk of the work you do is

1 related to EVOS projects, and we rely on them for
2 research and data gathering and helping manage some of
3 the science projects, some of the efforts to integrate
4 the work of different scientists, among other things.

5 MS. HSIEH: I think -- I think there may be a
6 small -- you know, legal review may, you know, look at
7 it and find some small uses, some small percentage of
8 the building that's not necessarily EVOS related and
9 that sort of thing, but I think you've paired it well
10 with some capital campaign as well, so -- and I think
11 that's the sort of information we would get from Law.

12 Erika, does that sound consistent with your --

13 MS. WELLS: Yes, I'm sorry. Could you repeat
14 that for me?

15 MS. HSIEH: I said, if I may, that I think that
16 what could be expected is Department of Justice and
17 Department of Law would take a little closer look at the
18 proposal and see what all the uses of the different
19 parts of the building are. There may be some small
20 percentage of the building that may have a use that's
21 not really EVOS-tied, and that's what we've done in the
22 past, for example, and then you also have a capital
23 campaign, so, you know, if those percentages were small,
24 we would continue down the road, but if it's larger,
25 we'd have to come back to the table with the Trustees

1 and have another discussion, and/or talk about mostly
2 knowing that you have --

3 MS. WELLS: This is something that the Trustees
4 can talk with their -- also their individual agency's
5 counsel and -- and condition it on proceeding legal
6 advice on what conditions might be appropriate.

7 MS. HSIEH: Our office can also work with them.

8 CHAIR HARTIG: Yeah.

9 MR. WACKOWSKI: What do we mean, Elise, by
10 Executive -- what are you going to weigh when you
11 approve, when you do the final approval?

12 MS. HSIEH: So what I --

13 MR. WACKOWSKI: Because did we just -- did we
14 just cede our authority to you to approve the project?

15 MS. HSIEH: Yeah. So what I do, Steve, is
16 keeping in mind any concerns or discussions by the
17 Trustees, I'll go back and take a closer look at some of
18 the other capital project resolutions that we've
19 drafted, the Seward Vessel Wash-Down, the Cordova
20 Center, that sort of thing. I -- I haven't had enough
21 time with this to draft one for today, but there's other
22 things we look at, clear title of the land, an assurance
23 that all due diligence has been done with regard to
24 that, that they have -- that we have a managing agency
25 that has expertise.

1 So we'll line all of that out. My goal will be
2 to get this funded. That's what the Trustees have
3 tasked me with, and I've actually never had something
4 where I rejected it, where the Trustees did not, but,
5 however, if you guys approve it wholesale, I wouldn't
6 really -- it would be a ship that left the port.

7 CHAIR HARTIG: Well, the other thing that we can
8 do would be to ask you to work with legal counsel to
9 come up with those list of conditions, send that out to
10 us, and if we want to meet on it, then we can have --

11 MS. HSIEH: That's right. I will be --

12 CHAIR HARTIG: -- a meeting; otherwise, we can
13 say --

14 MS. HSIEH: That's correct.

15 CHAIR HARTIG: -- to move forward.

16 Is that --

17 MS. HSIEH: That's correct. I will be sending
18 those to --

19 CHAIR HARTIG: -- do you want to do that, Steve,
20 that way you can get a look at those conditions before
21 she moves forward, and if we --

22 MR. WACKOWSKI: Sure.

23 CHAIR HARTIG: -- if any Trustee wanted to have
24 a short call or meeting on it, we could do that.

25 MS. HSIEH: Yeah. They would be circul- --

1 whatever -- whatever I do after about a condition, I
2 send it out to substantial -- like this, for example.

3 CHAIR HARTIG: Well, we'll just make it a
4 condition on the conditions --

5 MS. HSIEH: Yeah. Sure.

6 CHAIR HARTIG: -- that you'll circulate that --

7 MS. HSIEH: Of course.

8 CHAIR HARTIG: -- before moving forward.

9 David?

10 MR. ROGERS: Yeah. A question, I want to
11 follow up on something Sam said earlier today about
12 PAC review of these things. Are we cart before the
13 horse?

14 MS. HSIEH: You guys have authorized for a
15 number of projects that -- you know, that -- that have
16 received PAC review, and sometimes you've authorized
17 things that have not received PAC review. I would
18 recommend that this proposal go out to individual PAC
19 members, and we also solicit individual comment. That's
20 different than a full PAC meeting where they get one
21 comment to the Chair. That's up to the Trustees.

22 It's not necessarily illegal. You guys have
23 done it in another cases. We try to do it where there
24 isn't going to be a lot of, you know, where there
25 would be a lot of concern, but it's perfectly within

1 your authority to do so. Now, whether the PAC is
2 unhappy about it, that would -- that is something
3 that's maybe on the horizon.

4 MR. ROGERS: Well, that's the -- you know,
5 we'll see what happens on that, if you believe in that
6 review process, I mean, I -- this is new to me, so I
7 don't know.

8 MS. HSIEH: Oh, we -- well, we typically do have
9 a PAC meeting and review, but we have also had things
10 that come up that are emergency, and I sent it to the
11 PAC and asked them. They often do give me individual
12 comments, which are different than fact-based comments,
13 and that -- and we have run fairly smoothly. I -- I
14 can't say what the reaction --

15 MR. ROGERS: Why wouldn't we --

16 MS. HSIEH: -- to this would be.

17 MR. ROGERS: -- do that in this case?

18 MR. WACKOWSKI: There's a time constraint.

19 MS. HSIEH: There's a time problem with this
20 one.

21 MR. ROGERS: A time constraint.

22 MS. HSIEH: Yeah. They're losing their --
23 they're losing their building.

24 CHAIR HARTIG: Well, I mean, the other pragmatic
25 thing here is that you could have a turnover of

1 Trustees, and you could be starting over.

2 MR. ROGERS: Well, that could certainly happen.

3 CHAIR HARTIG: Yeah.

4 MR. ROGERS: Gotcha.

5 CHAIR HARTIG: We've got some retirements, and
6 some --

7 MR. ROGERS: Some.

8 CHAIR HARTIG: We'll move on to other things.

9 (Indiscernible crosstalk.)

10 MR. WACKOWSKI: So -- so back to the language,
11 then, because I'd like to at least give some certainty
12 to the Science Center now.

13 We're going to condition this upon the ED's
14 final approval based on additional conditions that will
15 be vetted at a later time -- Liz, just listen really
16 carefully and pipe up if we're way off -- and then
17 conditioned upon legal review by DOJ, Alaska Department
18 of Law, and most legal agent -- or agencies of
19 supporting legal, so, like, my solicitor, your
20 lawyers -- your lawyers --

21 How do we -- how do we word that?

22 MS. MARCERON: I -- I would go back to the
23 wording that --

24 MR. WACKOWSKI: Okay.

25 MS. MARCERON: -- they had. I think it hit the

1 mark, Steve --

2 MR. WACKOWSKI: Okay.

3 MS. MARCERON: -- in exactly what you want, and
4 it allows it to move forward. Maybe Larry could read it
5 again.

6 MS. HSIEH: Larry's drafting it --

7 CHAIR HARTIG: Yeah.

8 MS. HSIEH: -- right now.

9 CHAIR HARTIG: I'm just doing something quickly
10 now.

11 MS. GABOWSKI: I think what Erika's suggestion
12 is perhaps instead of referring explicitly to DOJ, refer
13 to appropriate review by federal state --

14 UNIDENTIFIED SPEAKER: Legal advisors.

15 MS. GRABOWSKI: -- legal counsel.

16 MS. MARCERON: Agency counsels.

17 MR. ROGERS: Now, if you threw PAC review into
18 the mix, allowing things to go forward but building that
19 into the next steps, could we --

20 MS. HSIEH: Well, I think what I would do --

21 MR. ROGERS: -- do that?

22 MS. HSIEH: -- if you guys are on a fast track,
23 is I would send out -- they have the proposal. We
24 actually sent it to them, with the meeting materials
25 when we received it --

1 MR. ROGERS: And we just haven't heard anything
2 back?

3 MS. HSIEH: -- together, but I would send a
4 second e-mail -- we could do that through our office --
5 saying, "Hey, PAC, this was discussed. This is what
6 happened, and this proposal is moving forward, you know,
7 we'd love any individual comment," and if you get, you
8 know, nine individual comments that hate it, you'll see
9 it. I'll send it to you, and you guys can make a
10 decision as -- as needed.

11 MR. WACKOWSKI: We've got some -- and while
12 we're waiting for this draft --

13 CHAIR HARTIG: Okay. I'm ready.

14 MR. WACKOWSKI: You're ready?

15 CHAIR HARTIG: Yeah, when you are.

16 MS. HSIEH: You guys -- you guys have actually
17 approved a lot of -- by the way, things that have gone
18 very well. This one is bigger.

19 CHAIR HARTIG: Okay. This is off the cuff, but
20 there would be the original motion, which is move to
21 approve the funding of 18 million, et cetera,
22 conditioned upon Executive Director's final approval.
23 Then there would be a new sentence added to that: The
24 Executive Director shall develop a list of such
25 conditions and provide them to the EVOS Trustees before

1 finalizing them. She shall also consult with the
2 Department of Justice and Alaska Department of Law.

3 MR. ROGERS: I don't hear anything about the PAC
4 review.

5 MR. WACKOWSKI: So, Liz, what was your --
6 instead of Alaska Department of Justice and Alaska
7 Department of Law, it was the State and federal
8 respective...

9 MS. GOBESKI: Or you -- instead of referring
10 to DOJ, Department of Justice --

11 CHAIR HARTIG: Which we --

12 MS. MARCERON: Agency counsels, Trustee agency
13 counsel?

14 CHAIR HARTIG: With federal agency.

15 MR. WACKOWSKI: Federal and State --

16 MS. GOBESKI: Right. And if we need --

17 MR. WACKOWSKI: -- Trustee --

18 MS. GOBESKI: -- to go to DOJ, we can.

19 CHAIR HARTIG: Counsel for Trustee agencies.

20 MS. MARCERON: Yeah.

21 UNIDENTIFIED SPEAKER: We may need to borrow
22 that, Larry, when you're done.

23 CHAIR HARTIG: Yeah. Okay. So it's consult
24 with -- so it's -- it's Executive Director shall develop
25 a list of such conditions and provide them to the EVOS

1 Trustees for finalizing them. She shall also consult
2 with counsel for Trustee agencies.

3 MS. MARCERON: And I heard one more sentence,
4 just that PAC members will be --

5 CHAIR HARTIG: The Executive Director.

6 MS. MARCERON: -- outreached --

7 (Indiscernible crosstalk.)

8 MS. MARCERON: -- and provide individual --

9 (Indiscernible crosstalk.)

10 MS. MARCERON: Provided at the time of --

11 MS. HSIEH: Yeah.

12 MS. MARCERON: -- at the same time.

13 MS. HSIEH: I wouldn't say provided at the same
14 time. I might say we want it faster than the other.

15 MS. MARCERON: Just meaning before we get --

16 MS. HSIEH: Yes.

17 MS. MARCERON: -- to that final list of
18 conditions, that we've seen the PAC comments --

19 MS. HSIEH: Yes. Yeah.

20 MS. MARCERON: -- before that.

21 CHAIR HARTIG: Okay. So I added a sentence,
22 "The Executive Director shall provide copies of the
23 proposal and list of conditions to the PAC members and
24 provide any individual or PAC comments to the EVOS
25 Trustees."

1 Okay. Should I read the whole motion? I don't
2 know if anybody else can read my handwriting --

3 UNIDENTIFIED SPEAKER: Yeah.

4 CHAIR HARTIG: -- then one of you can say, "So
5 move," if you like it.

6 Okay. So, let's see, I move we approve
7 funding of \$18 million, which includes GA for the
8 Prince William Sound Science Center technology
9 institute facilities replacement proposal, dated
10 August 17, 2018, conditioned upon the Executive
11 Director's final approval.

12 The Executive Director shall develop a list of
13 such conditions and provide them to the EVOS Trustees
14 before finalizing them. She shall also consult with
15 legal counsel for Trustee agencies. The Executive
16 Director shall also provide copies of the proposal and
17 list of proposed conditions to the PAC members, and
18 provide any individual or PAC comments to the EVOS
19 Trustees.

20 MS. MARCERON: Second.

21 CHAIR HARTIG: You --

22 MR. WACKOWSKI: So --

23 CHAIR HARTIG: -- make the motion, then, and
24 somebody has to second.

25 MS. MARCERON: Oh.

1 CHAIR HARTIG: I -- I can't make the motion as
2 Chair.

3 MS. MARCERON: Oh.

4 MS. HSIEH: You can say what he said. That's
5 what they usually do.

6 (Indiscernible crosstalk.)

7 MS. HSIEH: Steve.

8 MR. BALSIGER: Mr. Wackowski.

9 CHAIR HARTIG: Okay. So we have a motion and
10 second there. Any further discussion? Jim?

11 MR. BALSIGER: So somebody -- somebody may have
12 not got the -- all of the words, but in the -- if we
13 approve the funding, subject to the approval by the
14 Executive Director, and then we added some other
15 language, which isn't clear to me that if the lawyers
16 say, "You can't do this," but we haven't already
17 approved the funding. So my understanding of the motion
18 would be it has to pass not only the Executive
19 Director's approval, but some checkoff by the legal
20 people before -- before the funding is accomplished.

21 CHAIR HARTIG: Well, I don't know if it's
22 exactly a checkoff, but I think if Elise is getting
23 serious legal concerns, that she would --

24 MS. HSIEH: We'll be back.

25 CHAIR HARTIG: -- be back talking with the

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Trustees.

MR. BALSIGER: Okay. That's -- that's what I wanted to --

CHAIR HARTIG: Yeah. If you --

MR. BALSIGER: -- it wasn't clear to me because --

CHAIR HARTIG: -- say a "checkoff," then I don't -- I think the legal counsel would balk at that because they're just going to get --

MR. BALSIGER: Poor -- poor choice of words.

CHAIR HARTIG: Yeah.

MR. BALSIGER: Poor choice of words. I was afraid the first sentence gave them the funds regardless of what came from the PAC, and that's why I wanted to clarify it for the record, so thank you.

MR. WACKOWSKI: So since my legal counsel is here, are you good with that? Now -- now --

MS. HSIEH: The language of the motion?

MR. WACKOWSKI: Yeah.

MS. HSIEH: Yes.

MR. WACKOWSKI: All right. Thank you.

MS. HSIEH: Liz knows where to find me.

CHAIR HARTIG: Okay. Any other discussion?

MR. BALSIGER: Well, I -- I --

CHAIR HARTIG: Jim.

1 MR. BALSIGER: -- don't want him to think I'm
2 hesitant about this, because I think it's a great
3 motion. I think it's a great expenditure. I look
4 forward to, hope to still be around, that I can go down
5 and walk into a new building, so I'm entirely for it.
6 It's exactly where the money ought to go.

7 CHAIR HARTIG: Okay. Okay. So we'll vote. All
8 of those in favor. Okay. I don't see any opposition.
9 The motion passes. Thank you.

10 Okay. Alaska SeaLife Center proposal. Want
11 to introduce it?

12 MS. HSIEH: Sure. Tara, do you want to come up?

13 As many of you know, the Trustee Council was
14 formative in funding the SeaLife Center initially. I
15 think that there are some graphs -- Tara, for just a
16 wish list, so if it's -- if it's minor, and actually
17 it's been shaded, that's what I ask for at this stage
18 -- you see some Building Exterior, Critical Building
19 Systems, Dive & Vessel, Animal-Related Facilities,
20 Water Intake & Pumping.

21 I -- you know, some of the Trustees who have
22 sat longer than I might have a better sense. I sort
23 of -- I think some of the Dive & Vessel and
24 Animal-Related Facilities and Water Intake & Pumping
25 feels to me closer to what would support EVOS

1 activities than, perhaps, building exterior and that
2 sort of thing, that said institution as a whole,
3 similar to some extent, to the Prince William Sound
4 Science Center, is an asset to both governments and
5 the public here in the State and adds capacity that is
6 related to EVOS in general. So where do you draw the
7 line on that? It's hard to say.

8 MR. MULDER: What's the total?

9 MS. HSIEH: Well, there's several different --
10 it's --

11 MS. RIEMER: It's about 6.5 million.

12 MS. HSIEH: Yeah, thank you.

13 For example, if you looked at our Seward
14 Vessel Wash-Down, it had water intake and pumping, and
15 it had walls and siding, and we didn't pull those out
16 because it's not related. If you look at the Prince
17 William Sound Science Center, these sorts of things
18 are included in what support the activities within, so
19 we don't -- it's not -- it's not necessarily that
20 narrow a definition.

21 Tara, can you speak to some of the
22 EVOS-related work that the SeaLife Center has
23 performed?

24 MS. RIEMER: Sure.

25 Earlier on, as the -- the SeaLife Center was

1 also kind of an apple in the eye before the spill, and
2 so similar to Prince William Sound, quickly came into
3 being with some of this capital work, and -- and our
4 labs were specifically designed for restoration
5 projects. In the first few years that's most of the
6 work that was done in the building.

7 We're celebrating our 20th anniversary this
8 year, and I miss -- missed the first five years. I've
9 been there 15 years. So I do know that over those
10 first five years, that amount of EVOS work dropped off
11 very quickly. I'm not exactly sure why that happened.
12 I know that we still are required through our
13 agreement with resolution through EVOS to maintain
14 some research space for EVOS-related activities, and
15 we're always happy to do that.

16 Part of -- we -- we were involved in a lot of
17 harbor seal work, and -- in the early days, and a lot
18 of seabird work with various species of birds. As the
19 concern shifted towards fewer and fewer species that
20 were still unrecovered, our higher areas of expertise
21 are more the upper trophic level birds and marine
22 mammals, and not as much some of the items like
23 herring, so --

24 MS. HSIEH: Well, actually, Tara, a good
25 footnote to that is in 2010 the IRS was updated after an

1 extensive revision. Prior to that, the IRS has -- and
2 still does -- has these listed species as injured and
3 not injured, and that was a primary driver in many ways
4 for funding.

5 The 2010 rewrite came off a lot of heavy-duty
6 discussion with the Science Panel with the public,
7 with the Trustees, and actually fits better under the
8 Restoration Plan which talks about an ecosystem
9 approach, and that language started in 2010 and the
10 IRS, and that's what we continue today, is continue to
11 enhance whole ecosystems versus picking out a bird.

12 We love to pick out the PIGU (ph) or a bird,
13 but we actually have -- the Trustee Council itself
14 institutionally has moved forward more similar with
15 what Tara's discussed.

16 MS. RIEMER: Right. And so we're involved in
17 a lot of ecosystem projects with seabirds and marine
18 mammals. We did have, during the first five years of
19 Gulf Watch Alaska, we had some involvement with the
20 conceptual model with Tuula Hollmen. We have been
21 involved in the past in the outreach portion of that.

22 There was also a Lingering Oil Project that
23 was doing some molecular work, that was probably six,
24 seven years ago, I'm thinking, that I know is quite of
25 interest in terms of getting FOIA requests, so -- but

1 we also are involved in world Wildlife Response --
2 Wildlife Response, which is something that I -- I
3 think would be interesting to find out how close of a
4 fit that is to the mission, I think in a similar way
5 to the science mission has broadened a bit over the
6 years to be not specifically looking at only injured
7 species, but looking at the whole ecosystem.

8 We are looking at the health of the animals in
9 that ecosystem and some of those that come in through
10 stranding programs. We are the only facility
11 available to respond to live marine mammals in the
12 state, and we do respond Statewide, but of course a
13 lot of our response is in the spill-affected area.
14 The vast majority of our animals do come from the
15 spill-impacted area.

16 MS. HSIEH: Well, I think the Response may not
17 be under the EVOS rubric. I think the fact that you
18 guys take in animals and research them as to their
19 health, and their -- how they are bellwether for the
20 ecosystem is. I -- I know that sounds like a lawyer,
21 but...

22 CHAIR HARTIG: I'm -- I'm wondering here, Elise
23 and Tara, I think that -- and I don't want to speak for
24 all of the Trustees, let them get an opportunity here,
25 but we're very interested in supporting the SeaLife

1 Center and looking for opportunities to do that. It's
2 just hard, the time we have today, to walk through these
3 and say, "Okay. This is how much this has, and this
4 amount of that." I think that we could today direct the
5 Executive Director again, work with legal counsel of
6 agencies, whatever, to take a serious look at these and
7 what these -- what of these we might be able to fund,
8 and then we can meet again, because I get the sense
9 we're going to have a meeting sooner than later. So I
10 don't think it would be a big delay.

11 But are there any that are just burning items
12 here that -- before I turn it --

13 MS. RIEMER: So --

14 CHAIR HARTIG: -- to questions?

15 MS. RIEMER: -- that's a good question, because
16 you were talking about timing.

17 Not -- there are some that have been burning
18 for a while, definitely the Water Intake & Pumping.
19 We were able to get some funding for the parts that
20 were of the highest priority, so we're at a
21 pseudo-stable point in the short term.

22 You can also -- you'll notice there's some
23 suggested funding sources. We have been looking at
24 proposals to other organizations. This is a document
25 we use for lots of different purposes, so it is

1 something that we're definitely working on trying to
2 get funding for.

3 You know, when -- when you look at the
4 original funding for the SeaLife Center, at that point
5 the legal discussion was half of the SeaLife Center,
6 what fit the restoration mission. Half of the capital
7 went in there. And so one possibility that if there's
8 interest is to say, any of these projects, if we could
9 get 50/50 matching support, I think that might be an
10 easy way to get past some of those legal hurdles.

11 That would be huge to us to be able to go to
12 other funders, like the Rasmuson Foundation, like the
13 Murdock Charitable Trust, even a State capital grant,
14 some of these items I've been talking to my State
15 legislatures about for the last five years, and try to
16 get some matching support on that. So we would be
17 definitely open to that.

18 MS. HSIEH: That's a very salient idea.

19 CHAIR HARTIG: Yeah, no, that's a great idea.
20 So let's get some discussion here. Jim?

21 MR. BALSIGER: No.

22 CHAIR HARTIG: Oh, you didn't have -- okay.

23 MR. WACKOWSKI: I was just going to generally
24 say, actually being on the road system and being -- you
25 know, as I look at the legacy of this Council and of the

1 spill itself, you know, the education program, the
2 outreach, I know that's not our "j-o-b," but to me, the
3 intent is that's where people can actually, like, touch
4 some of the good of what this -- see and touch. I mean,
5 90 percent of Alaskans can get their -- I'm sorry, a
6 good chunk of Alaskans can get their "see and touch"
7 some of the effects of our work.

8 So I would like to come to a place where we can
9 have a, you know, more mature priority list that is in
10 line with what we can fund and get you guys -- help --
11 help you guys out, I guess.

12 MS. HSIEH: I think this is a good start with
13 the 50/50, and then we've discussed, you and I, in the
14 past, displays and other things that tie into the spill,
15 which I think would also enhance that.

16 MS. RIEMER: Right. And we do actually
17 currently have an exhibit on Gulf Watch Alaska --

18 MS. HSIEH: Right.

19 MS. RIEMER: -- in the facility that was
20 developed along with the outreach part of that project,
21 so we are already doing some of that work, and we are
22 very interested in displaying active science, and we
23 have a changing exhibit room, that our goal is to have
24 new science in there every year or two, because having
25 the same science up for years isn't helpful because it's

1 not new anymore, and we would be open to putting active
2 research projects in there that are EVOS Trustee Council
3 funded.

4 CHAIR HARTIG: I don't know that we would need a
5 motion for this. I think we could just ask Elise to
6 work with Tara and legal counsel, and whoever else you
7 think, to look at a 50/50 option, and then -- and also
8 look at refining this list and identifying those where
9 there's more immediate -- immediate need, and also
10 looking at where there's an access to restoration, or
11 whatever the requirements are here, and then be ready to
12 take that up as a proposal at our next Trustees'
13 meeting, and we'll talk about that later.

14 MR. ROGERS: I think that's a good plan.

15 CHAIR HARTIG: Is that okay with everybody?

16 MR. ROGERS: Yeah.

17 MR. WACKOWSKI: Yes. I'm supportive of that.

18 CHAIR HARTIG: Yeah. Because I think you have
19 support here. We just need to zero in on it.

20 MS. RIEMER: Absolutely. And -- and I thank
21 Elise for reaching out. As she said, this -- this was
22 all we had time to get to, but --

23 CHAIR HARTIG: I know.

24 MS. RIEMER: -- we can definitely be more
25 prepared for the next meeting.

1 CHAIR HARTIG: You did great on short time.
2 Thank you.

3 So we'll take up the Alutiiq Museum.

4 MS. HSIEH: Yes. Let me look. I think we have
5 someone on line. I know April had to go.

6 MS. COUNCELLER: Actually, this is April
7 Counciller --

8 MS. HSIEH: Oh, April, you're back.

9 MS. COUNCELLER: -- and I've decided to stay on
10 line.

11 MS. HSIEH: Oh, okay. Thank you, April.

12 MS. COUNCELLER: It looks like it's getting
13 close to our time, so I'm available --

14 MS. HSIEH: Thank you.

15 MS. COUNCELLER: -- to talk about the
16 preliminary proposal, or whatever questions the Trustees
17 may have.

18 CHAIR HARTIG: Okay. Do you want to say
19 anything else, or should we just go to April?

20 MS. HSIEH: I think April captured some history
21 of the EVOS funding with the Alutiiq Museum in here, and
22 I think you could just go to April. The background
23 information is there.

24 CHAIR HARTIG: Okay. April, would you like to
25 talk about the proposal or preliminary proposal?

1 MS. COUNCELLER: Sure.

2 I wanted to let the Trustee Council know a
3 little bit about the context that the proposal is
4 coming from. The Alutiiq Museum has been looking at
5 facility issues since at least 2008, and went through
6 a couple rounds with the predevelopment program with
7 Foraker through 2010, knowing for many years that our
8 facility space is not adequate for our program,
9 particularly in our gallery and archeological
10 repository spaces.

11 At the same time, though, we're also looking
12 at extension of other programs, and so the Alutiiq
13 Museum facility projects that you see before you today
14 is kind of the first stage of where we're going with
15 the organization in terms of leading our mission
16 within the community.

17 I think that the Alutiiq Museum's work is
18 really closely related to the spirit of the EVOS
19 Trust, especially given that we were created initially
20 with some of the funding from -- from the Valdez Oil
21 -- Oil Trustee Council to one of our founding
22 organizations, the Kodiak Area Native Association.

23 So part of our message to the community is
24 about that cultural preservation, that preservation
25 message. It does say in -- in previous reports that

1 the archeological resources in the field region has --
2 are considered recovered, and -- and I believe that's
3 because they're, you know, a nonrenewable resource.

4 However, the Alutiiq Museum, with our own
5 funding, has conducted a site survey and -- and site
6 monitoring of archeological sites in our region and
7 have seen continued disturbing of sites that were
8 initially found during the oil spill clean-up, as well
9 as sites that have stabilized or not been disturbed,
10 as well as sites that have been disturbed by other
11 processes, such as erosion or animal activity.

12 And so we think that there's a great value to
13 our ongoing work in the region in terms of
14 archeological resources. Kodiak Island is incredibly
15 rich with archeological sites, and the documentation
16 that the Alutiiq Museum has participated in over the
17 years has contributed to our region having a
18 higher-than-average percentage of all Alaskan
19 archeological sites that are documented. This
20 information is shared with the State for their --
21 their archeological database, as well as with large
22 landowners in the region were interested in protecting
23 archeological and cultural resources.

24 So the -- the main goal of the proposal that
25 we have before you is to acquire the facility and to

1 conduct the limited remodel. We are doing the capital
2 campaign associated with the project, and also
3 planning for larger-scale renovations to the facility
4 in the coming years.

5 As I mentioned in my statements this morning,
6 this proposal was not coordinated with the New Vision
7 for EVOS proposal, and so with the money that is
8 recommended in that proposal for the future of our
9 organization, I can say that that would be incredibly
10 beneficial to our long-term existence of other
11 organizations, given that we do not have a meaningful
12 endowment. We've been supported through grant funding
13 contracts and contributions from the Native
14 corporations in our region, and we also have a small
15 board to support some of our operations.

16 So we're -- we're a small entity in comparison
17 to some of the others, I -- I definitely felt this
18 morning. And some -- some of the -- the early
19 comments, a little bit of resonance in terms of
20 perceptions from the Native community, that the EVOS
21 Trustees Council funding is it meets kind of
22 stereotypically for scientists.

23 And so while we consider ourselves scientists
24 here at the Alutiiq Museum, it's a different type of
25 science, and I hope that the Trustees will favorably

1 look at this preliminary proposal and allow to move
2 forward for additional review and potential funding.

3 I'm available for any questions you might
4 have.

5 CHAIR HARTIG: Okay. Thank you.

6 Yeah, Terri.

7 MS. MARCERON: I just have a clarification.

8 The proposal on page 2 indicates seeking from
9 the Trustees 2.5 million, and then there's other
10 entities it looks like you're looking for sources from
11 for the 4 million. Are -- are we looking at 2.5 or 4?
12 I don't know which is --

13 MS. HSIEH: I thought --

14 MS. COUNCELLER: The -- (indiscernible) -- from
the

15 EVOS Trustee Council would be 2.5 million under this
16 proposal. We are in discussion with the Rasmuson
17 Foundation about a previously discussed grant in the
18 amount of the \$1 million that's noted, and the plan is
19 to initiate the public capital campaign within the next
20 couple of months to cover some of the other costs of the
21 renovations that's discussed in this proposal.

22 CHAIR HARTIG: Other questions for April? Okay.

23 Well, it sounds like maybe what we should do is
24 something similar to Alaska SeaLife Center, is have
25 Elise work with April and the people from the Alutiiq

1 Museum, our legal consultants, whoever else, to kind of
2 refine the proposal and look at the rest of the
3 restoration and other legal requirements that we have.

4 MS. HSIEH: And, also, with something like this,
5 we often --

6 MR. ROGERS: Contingent on the matching?

7 MS. HSIEH: Yes.

8 CHAIR HARTIG: Then it would have to be part of
9 this.

10 MS. HSIEH: Right.

11 CHAIR HARTIG: That would be part of the
12 proposal --

13 MS. HSIEH: Yeah.

14 CHAIR HARTIG: -- and, but I think that it's
15 something that we can look at, for sure, and I think
16 preserving the -- the artifacts and the history of the
17 area as part of the impact from the spill is what we're
18 trying to do, and it needs to go somewhere, and it's a
19 perfect spot to go --

20 MS. HSIEH: Yeah.

21 CHAIR HARTIG: -- and they're running out of
22 space, and, you know...

23 MS. HSIEH: We funded this work earlier, too.

24 CHAIR HARTIG: Yeah. So I think we're -- we're
25 on track here.

1 MR. ROGERS: I agree with your approach,
2 Mr. Chair.

3 MR. WACKOWSKI: Me as well.

4 CHAIR HARTIG: Okay. So it sounds -- April, it
5 sounds like looking around the table, people are very
6 interested in this, and if you're willing, then we would
7 have Elise and our staff work with you on refining this
8 and bring it back to the next Trustee meeting.

9 MS. HSIEH: The three of us.

10 CHAIR HARTIG: Yeah.

11 MS. COUNCELLER: Thank you very much.

12 CHAIR HARTIG: Thank you.

13 Okay. So I think we're down to the last
14 agenda item. Do people want to take a short break
15 before we hit Agenda Item 15? I see --

16 MR. MULDER: Yes. But you can --

17 CHAIR HARTIG: -- a "yes" --

18 MR. MULDER: -- foresee -- (indiscernible).

19 CHAIR HARTIG: -- in Steve's eyes.

20 Okay. So we'll take a short break, and maybe
21 it's a little cooler outside. I don't know what it's
22 like on that side of the room.

23 (Recess taken.)

24 CHAIR HARTIG: Okay. We're on to Agenda
25 Item 15, and this is the discussion on an alternative

1 form for EVOS. We had some public testimony on this
2 this morning, I think, which was good for setting this
3 up.

4 There's -- there's different ways that we
5 proceed on this. There's not an actual proposal on
6 the table, so I don't see that there's a -- you know,
7 anybody expecting, like, a resolution today, a formal
8 resolution or something like that, but on the other
9 hand I think that would be nice to be able to -- to
10 move it forward in terms of getting some of the
11 questions answered, you know, so that we can get into
12 the substance of the proposal in -- in another
13 meeting, and a lot of those questions I think will go
14 around, the legal questions, which we'll talk about in
15 a minute, the process questions about getting the
16 PAC's input, the public's input, making sure that if
17 there's all other alternatives out there that we --
18 those -- those get in play.

19 I think there's other things that we would
20 like at, like one of the things we saw this afternoon
21 as we were going through the proposal, there's a lot
22 of interplay between the agencies that do science --
23 (indiscernible) -- that manage these resources that --
24 and manage the lands, like DNR, and Forest -- the
25 Department of Agriculture, Forest Service, and we

1 wouldn't want to lose that, you know, that is
2 synergetic there, you know, the science is helping the
3 management; the management helping -- is helping the
4 science.

5 And there's a lot of history there. People
6 know each other and stuff, so there's -- it's a huge
7 change. It's not just, you know, one -- you know,
8 just hiring a different company to do your janitorial
9 service. It's -- this is a big deal.

10 But on the other hand, there's a lot of good
11 people that have worked on the Think Tank proposal,
12 and Rick Steiner has put a lot of time in, involved
13 for many years, and very serious about wanting to take
14 a look at the potential alternatives. I think, you
15 know, with he -- we need to respect that, you know,
16 their expertise, and there's a lot of political
17 support out there for, you know, looking at this too.

18 So I think it's ripe to take a look at it.
19 It's going to take some resources. We need to be
20 thinking about that too. I don't expect Elise and
21 others just to pick this up on top of everything else
22 and do the job that we want them to do on it in terms
23 of getting us information and advice.

24 So I think that today we want to have a
25 discussion on, you know, what are the next steps, what

1 -- what are we -- what would best prepare the Trustees
2 to take a deeper dive into this, realizing that an all
3 -- if -- if it goes this direction, it's going to take
4 a lot of other people looking at it and other people
5 approving it besides us, but it would -- I think we're
6 a key piece of it because we're the ones on the
7 ground. We're the ones with experience of running
8 this thing for years, and, you know, we need to weigh
9 in.

10 So that's my introduction, and I'll just open
11 up to any kind of opening comments anybody else has in
12 terms of what direction they'd like to go with this
13 and how they'd like to proceed with this discussion
14 today.

15 MS. HSIEH: I think everyone's familiar with the
16 -- I've mentioned it a couple times today -- the 2008
17 through 2011 where the Trustees had many, many, many
18 meetings --

19 CHAIR HARTIG: You know --

20 MS. HSIEH: -- and talked about using third
21 parties, endowments, how to focus the funds for a glide
22 path to send out in an organized fashion. The
23 overwhelming support for Long-Term Integrated Science
24 Programs, which the Trustee Council have tried to do for
25 a long time and had -- had smaller ones, such as the

1 Integrated Herring Restoration Project.

2 So there is a history that sounds similar here,
3 and, in fact, actually, you see the current iteration of
4 the Council. Instead of having three floors of 25
5 employees, we actually have us, and then we have Prince
6 William Sound Science Center, Great Land Trust. We have
7 parcels, a lot of the management integration out for
8 third parties, which was also discussed at that time.
9 So it's a little bit of a -- that was also just before
10 the 20th anniversary. So before the 40th.

11 CHAIR HARTIG: Yeah. Most were here for that
12 too.

13 MS. HSIEH: The 20th.

14 CHAIR HARTIG: But I think I'll just open it up
15 to, kind of, general observations and comments first,
16 and then we can get more deep into it.

17 MR. ROGERS: Well, I'm -- I'm -- of course Sam
18 spoke for me.

19 I mean, I think it's worth taking -- taking a
20 look at. It seems like a timely analysis. I -- I
21 really think we need to understand the law before we
22 go too far, see if it's even doable. And in that
23 context, you have to define what the option scope is,
24 because it's -- there are other ideas out there, and I
25 think we need to entertain all ideas and not just the

1 ones that are in front of us today. I don't know
2 about a process, but I do think that.

3 So -- but it seems like a legal analysis is --
4 is Step 1, to me, because they may say, "Don't waste
5 your time on Steps 2, 3, and 4," or it may constrain
6 or dictate how we think about it in the future. So
7 that's my two cents worth.

8 MR. WACKOWSKI: Oh, sorry. Do we want to go
9 down the table, or...

10 CHAIR HARTIG: Well, we can just go down the
11 table. It will be easier.

12 MR. WACKOWSKI: I think this is something we
13 need to consider. I would like to take a proactive
14 approach, as I have with my legal counsel at the
15 Department of Interior, who's engaged with DOJ. I think
16 I got the sense -- and, Liz, please chime in. Correct
17 me if I'm wrong -- but they wanted to get an idea of the
18 temperature of how serious we are about this so you
19 could delve into the options.

20 I'd like to know if there is a legal framework
21 where we could get to a yes, and if it's there, then
22 we should give him the merits. I -- I do agree, no
23 way, no how. Liz pointed out a D- -- DOJ memo from
24 Secretary Jeffrey Beauregard Sessions, saying that,
25 you know, pushing settlements to a third party is a

1 no-go, which, you know, when I read that memo, we've
2 got some challenges, but I -- I would -- as I said in
3 the opening, there are a lot of Alaskans I know and
4 respect that signed their name to this. Some of them
5 are from Trustee Council members. One of them is a
6 former executive director. So they must be on to
7 something.

8 I -- I guess -- and maybe it's because my time
9 here is -- is limited to, you know, the -- the scope
10 of my job in presidential and secretarial terms, but
11 if this is a way where we can speed up the business of
12 what it is that the -- the settlement -- and then the
13 courts agree -- agree to create this. I think it's
14 worth an -- worth a hard look. So I would be
15 supportive in questioning this to our counsel in
16 saying, "Find a way if there is a way for us to say
17 yes," and then we can back into that and say, "All
18 right." Now let's talk about the merits or the
19 proposal, or if there's a revision.

20 CHAIR HARTIG: Jim.

21 MR. BALSIGER: I -- I don't have much different
22 than that, you know, I -- I guess I wouldn't say -- I
23 expect there is a way. So what -- what are the list of
24 things that would have to happen? Do we need to change
25 a federal statute? Those -- I mean, what are the things

1 that would have to happen in -- you know, when there's
2 a list, perhaps we won't be interested in going through
3 all of those steps. Perhaps we would. I don't -- I
4 certainly don't have a mindset against going to some
5 private organization at this time, but I'm curious of
6 the steps that would have to go through.

7 It's not clear to me that the private cost
8 structures that have been put forward actually will
9 provide more funds to projects than we do under this
10 system. So I'd like to know. I'd like to have that
11 clear at some point as well.

12 CHAIR HARTIG: Steve.

13 MR. MULDER: That could be useful for the
14 lawyers to know what the ask is.

15 CHAIR HARTIG: We'll get to that.

16 MR. MULDER: Or, I mean, because there seems to
17 be a disconnect between handing the corpus off to a
18 third party to manage. Is it within the current
19 restrictions on what the Consent Decree in the law
20 sideboards, or is the real issue, "We'd like to be able
21 to use it for broader purposes than what's restricted to
22 now"?

23 CHAIR HARTIG: We'll try to refine that, because
24 I think we owe it to the lawyers to give them a specific
25 ask, and it will possibly be a string of things, but it

1 will be their --

2 MR. MULDER: I'm not going to get off that easy?

3 CHAIR HARTIG: No. Don't retire yet.

4 Terri.

5 MS. MARCERON: All right. Well, certainly the
6 legals come up. Our counsel also brought up the
7 Sessions, the third party, and noted some concerns
8 brought up between the 2009 and 2011 efforts, so just
9 making sure that those questions are clear, and we -- we
10 can elevate those.

11 You know, one of my interests is looking at
12 the past. I mean, the Trustee Council has been doing
13 work for a long time. It seemed to me like only
14 having been on the Council a few years that some of
15 the past projects actually are or were done years ago
16 that are being proposed under some of the Think Tank
17 and the current proposals.

18 And so my -- my -- my interest is always
19 recognizing the past is very valuable to reflect on,
20 and see what we learned from it, see what kind of
21 projects were done. How successful were they? Is
22 there a way to still bring those forward or not? I
23 mean, I just think that reflection is important,
24 especially with -- with changing Council members and
25 just changing people engaging in the process.

1 My one interest -- interest from the cost
2 efficiency with some of the proposal is really what is
3 the driver, and so I think some of the other members
4 here have talked about, is the driver of the cost in
5 the efficiency or getting more money, or is it really,
6 what is the real issue of the bureaucracy? I've heard
7 -- I've heard the word, I just don't know exactly what
8 that means or what's the measure of success in not
9 having it or -- or what the streamline is.

10 And my last biggest issue is really about the
11 human services scope. I've heard about the human
12 services side of it and how that -- how science helps
13 local communities and/or people, and I do think that
14 there are opportunities to better make that
15 connection. What I can't answer on is I haven't seen
16 enough projects as for human services in my tenure to
17 say, "Gosh, if things came in, could they be funded,
18 and could they be considered?" And I do think with
19 the evolution of -- of all of the entities, like the
20 Science Center, and SeaLife Center, that there may be
21 some ways to make some more mutual connections there.

22 Somebody -- Sheri may have said it earlier,
23 but people are the connection to the land. The land
24 doesn't exist for the land. The land is also always
25 connected with people. And so to me, the thing that

1 while we focus in on injured species, I want to
2 understand how we get to some of those services, or
3 how we address those services now since some of those
4 services have not recovered.

5 And so my interest is just trying to figure
6 out the -- the sideboards. Elise, we've talked about
7 this, a little bit about what -- what can be
8 considered under the human service recovery side that
9 we haven't looked at, because that's kind of the
10 leaning is.

11 And I agree that it's the individuals that
12 were affected originally from the spill that need to
13 be focused in on, and I say that recognizing that we
14 addressed lingering oil a few years ago, and we know
15 we still have oil there. That -- that's -- that's not
16 going to change, and so how does that affect the
17 people today and what they -- what they can do.

18 I know we've done some things there, but there
19 are --

20 MS. HSIEH: Would you actually see another -- a
21 Long-Term Monitoring -- which is your duty -- Proposal
22 coming to you next fall as well. They've been working
23 on it, Shiway.

24 MS. MARCERON: So, again, I kind of try to put a
25 lot of pieces together, but -- but those would be my

1 comments.

2 MR. ROGERS: Larry, could I just add one other
3 point for you to sum up?

4 The other sort of big-picture issue that I --
5 I don't struggle with but I'm just thinking about is,
6 the value of government-directed effort versus a
7 privately-directed effort and pros and cons. I mean,
8 it's -- it's a different approach when you have
9 citizens involved versus the -- the government making
10 -- sitting at the table making these decisions. So
11 just something on my mind. I don't have an opinion at
12 this point.

13 CHAIR HARTIG: So I think that the changes that
14 -- and maybe we can get Molly and some others up here
15 because I don't want to put words into mouths and try to
16 describe their proposal. They can do it better than me
17 -- but people are interested in a different, kind of
18 broadening the set of criteria we use.

19 I think, though, that the Think Tank was careful
20 in saying that we -- you know, the underlying goals are
21 the same, you know, the restoration and the legal
22 requirement there doesn't change, but maybe a more
23 flexible mindset -- which kind of relates to the
24 bureaucracy too -- and that flexibility, I think they're
25 looking at in areas, different areas like endowments for

1 operation, maintenance, more flexibility, and maybe,
2 kind of, being able to use government funds and matching
3 them with private funds, other donors and getting some
4 synergy there going.

5 MS. HSIEH: And we do that.

6 CHAIR HARTIG: Yeah. I mean, I'm just saying
7 that --

8 MS. HSIEH: Yeah.

9 CHAIR HARTIG: -- these are some of the things
10 that are out there that are being discussed.

11 Human services, you know, being able to do
12 more there, kind of broaden, again, you know, the
13 scope of the kind of things that we're doing still
14 tied to restoration or whatever the legal requirement
15 is, but it's more of a mindset than actually changing
16 the criteria, although I heard Sam earlier talking
17 more interested in changing the criteria themselves,
18 so maybe there's a continuum there, and people are
19 different places on it.

20 MR. ROGERS: Well, they're kind of separate.
21 They're separate issues.

22 CHAIR HARTIG: Well, depending on how strong you
23 feel the criteria needs to be changed, depending on how
24 much flexibility you see, you know...

25 MR. ROGERS: That will be a fun discussion.

1 CHAIR HARTIG: Yeah. I think it's a good
2 discussion. I mean, it's one that we've had ad hoc here
3 a number of times. We sort of did today with the Prince
4 William Sound, saying, "Well, let's talk to the
5 attorneys too" --

6 MR. ROGERS: Right.

7 CHAIR HARTIG: -- "and make sure that they're on
8 board." So I think that's one thing that people are
9 looking for. The cost savings, being able to make
10 apple-to-apple comparisons, see if there's any real
11 savings there, and I think just the bureaucracy being
12 able to push things through and the transparency around
13 that because it is hard to understand the EVOS process
14 sometimes. There's a lot of nuances to it. I learn
15 something every time I come to a meeting still.

16 MR. ROGERS: Yep, same here.

17 CHAIR HARTIG: So I think we do need to look at
18 the applicable laws here, both federal and State. I
19 think that some people missed that there are State laws
20 that abide here too, to the State Trustees, that are
21 specific to our duties that we would need to look at,
22 and how contracts are done, that sort of thing.

23 Again, focus on these allowable uses of the
24 funds, and, you know, whether we can do more than we
25 are now, particularly in some of these areas,

1 endowments being one of them.

2 And then looking at allowable forum for
3 management of the Trust funds, and there I think
4 there's hybrids too, where you could privatize, sort
5 of what we're doing now, contracting out, is do that
6 to a greater degree, but ultimate Trustee
7 responsibility stay with the Trustees that may be
8 federally required, you know, unless we change the
9 statute, but there may be options in there, I think,
10 that the -- the lawyers could look at.

11 I think we also need to look at the need for a
12 legislation, particularly if we're getting into
13 changing criteria, or if we get into changing of the
14 management where the fiduciary responsibilities lie.
15 I think it's really hard to avoid changes in
16 legislation. I'll let the lawyers look at that.

17 Then I think the process that one would use
18 to, one, evaluate this, but also if you were actually
19 going to try to effect a transfer, who all would have
20 to sign off on it, and what process steps would they
21 like to see, you know, whether it's NEPA or whatever,
22 because there may be -- that may be -- there may be
23 federally law -- a federal law that applies to that
24 too besides the settlement agreement and the
25 memorandum agreement.

1 And then one of the things I'd be interested
2 in is litigation risks. Not everybody is going to be
3 happy at the end of the day, and we could get into
4 something that would really bog us down and get
5 expensive, we'd pick one option versus another and
6 ways of managing that.

7 I think on the side, besides those kind of --
8 those are all kind of the legal area things, I think
9 that there's, looking at what we started with Max
10 today, and we -- I know we gave him another 20,000 if
11 we need it -- to take a deeper dive into the admin and
12 management costs and -- and be very transparent there,
13 because I think that it's beneficial. Whatever way we
14 go, we want to be very transparent on this, and if
15 there's things that we can improve on, let's improve
16 them. Let's not shy away from that.

17 But you get that apples-to-apples comparison,
18 because the last thing I'd want to do is have a -- get
19 some kind of element of this privatized, and then they
20 say, "Oh, my God, I didn't know there were all of
21 these expenses and all this other work is out there,"
22 or "I've got all these other things I've got to do,"
23 you know, there could even be things that they have to
24 do that we don't have to do as government agencies in
25 terms of IRS and other things like that that could add

1 up.

2 The other thing that's big on my mind is -- I
3 mentioned this earlier -- that is the coordination
4 with the agencies, because we're going through a lot
5 of transitions here with EVOS, and one of them I think
6 is, is that we're getting away from active restoration
7 just as we're getting away from habitat acquisition,
8 because we've -- we've kind of gone as far as we can
9 go, you know, we're doing something with pigeon
10 guillemots by kind of depressing the mink populations
11 and things like that, but those are around the edges.
12 We're not -- there's no -- you know, we're not out
13 there digging through the gravel and getting the last
14 of lingering oil. I don't think that's going to be
15 what we do.

16 So it's more getting towards this long-term
17 ecosystem management -- management, and managing from
18 the long term and trying to understand these cycles
19 and manage around these cycles, like the warming
20 water. And so it's really important that the science
21 we do fit real well with the agency management that's
22 there in place, you know, those have to work together.

23 So if we privatize and they say, "Okay. Now
24 we're away from the -- those government people, and
25 let's go do what we want," they're away from the

1 people that are actually managing the resources, you
2 know, that are going to be able to do something on the
3 ground, and we don't want that. I think that would
4 have to be important to understand exactly how that's
5 going to be done.

6 And then I think the things that we've learned
7 from experience is, is -- is the sharing of the data,
8 the sharing of the research, making sure that's
9 logged, doing the synthesis, doing the seminars and
10 the workshops and all this so it gets shared. We
11 wouldn't want to lose that, I don't think. I mean,
12 it's important to success, too.

13 So I think there's a lot to discuss here, and
14 I think the discussion in regards to where it takes us
15 will be valuable, but that's my perspective on it.
16 What I'd suggest -- and I don't want to go real late
17 into the evening here. I appreciate everybody's time
18 -- but if Molly or anybody else wants to come up, or
19 if Rick's still on the phone, if they want to try to
20 clarify any of this for us, things we should be
21 thinking about is we've got to think of these next
22 steps.

23 And, Molly, you have a lot of experience with
24 EVOS, having been a former executive director, so your
25 opinion's very valuable.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MS. MCCAMMON: I'd be happy to.

Does anybody else from the Think Tank want to join me? No.

MR. ROGERS: Are you surprised by that?

MS. MCCAMMON: Am I surprised, no.

CHAIR HARTIG: Well, there will be other opportunities. This isn't your only one.

MS. MCCAMMON: No.

CHAIR HARTIG: Thank you.

MS. MCCAMMON: Thank you.

I'm Molly McCammon, and I'm here as a member of the public. I'm not here as my current job, as AOS Executive Director, and I'm not here as a board member of the Great Land Trust, so I just want you to know that.

I was asked to be a member of this, oh, I don't know, over six months ago, eight months ago when it was first, kind of, kicking up because of a long experience with the EVOS Trustee Council, and at that time I said, you know, "It's worth having the discussion, but it's a long shot, and I'm skeptical that it will ever happen, because it's going to need the unanimous consent of all of you. It's going to need to go through Department of Law, Department of Justice, the court system, blah, blah, blah, the

1 public, and blah, blah, blah, blah, blah."

2 It's a long shot, but it's -- it's worth --
3 30 years later, it's worth having that conversation
4 again and seeing what is possible. And as we know, it
5 is -- it is a new day on the federal side. There is a
6 new Department of Justice. There may be some broad --
7 broader thinking about things. We've gone through the
8 whole experience with the Gulf of Mexico spill. That
9 was done under OPA-90, different rules, but they
10 certainly did restoration, and their program is much
11 different than the EVOS Trustee Council, so maybe
12 there's some broader thinking as a result of that.

13 First off, I want to apologize on behalf of
14 the Think Tank. I think the -- the way we framed the
15 cost issue was really unfair to the existing fair and
16 the existing program, and I want to personally
17 apologize for that. That was not our intent. I think
18 we could have done it much better at saying, simply,
19 "We think it can be done cheaper and more cost
20 effectively. We'd like to work with you to show you
21 how to do that," and have that debate. I -- I
22 certainly did not want -- and none of us wanted this
23 to come out that we thought it was being mismanaged or
24 inappropriately managed, so I just want to clarify
25 that.

1 And I think that the cost issue, though, is
2 one aspect of it, and I think we can have that
3 conversation and that debate and have that there. I
4 think the bigger conversation should really focus on
5 the purposes, and broadening the purposes and being a
6 bit more flexible as we approach the long term.

7 I think the big fear -- I mean, because the
8 funds were transferred to the State retirement
9 account, which took a federal statute that Senator
10 Frank Murkowski sponsored and Senator Stevens helped
11 with, and we were able to do that. It has -- it has
12 really been successful in terms of increasing the
13 value of the funds. Nobody thought the Trustee
14 Council would be in existence 30 years later. Nobody
15 thought there would be still oil on the beaches
16 30 years later.

17 So it -- it's -- but what -- what does that --
18 what does that mean for the next 30 years, and is the
19 Trustee Council going to be here 30 years from now?
20 Will there be any connection at all with the Trustees
21 to the original spill and what happened and what
22 brought them here? Will you be meeting still?

23 Not "you all."

24 UNIDENTIFIED SPEAKER: Yeah, I'll be there.

25 MS. MCCAMMON: You will be. I won't be.

1 Elise maybe. She's younger than a lot of us.

2 But, you know, what -- what kind of connection
3 will there be? And so I think there was a general
4 thinking. The idea was to spend it out. It's not
5 spending out very quickly, so are there other ways
6 that we can look at things?

7 I have always thought that endowments should
8 be legal under the terms of a settlement, and I've
9 always disagreed. I've had violent arguments with
10 Craig Tillery and others over it, and -- and the State
11 Department of Law has always been very careful about
12 not putting a lot of things in writing in case there
13 was, kind of, a new opening and a new ability to look
14 at things from a broader perspective, so I think this
15 is a good time to do that.

16 I really think it's important to focus on the
17 issues of potential endowments at looking at some
18 different ways of managing programs -- as long as
19 there are appropriate sideboards on them -- and
20 broadening the input into kind of that
21 decision-making.

22 So I really urge you to at least -- I guess
23 what I should also say is that, and I'm sure Elise
24 knows this too, that any -- there's a tendency, not
25 lethargy, but to keep with the status quo because it's

1 easier. It's just easier to keep going as you're
2 doing it. It's hard to make changes.

3 And I kind of agree with Steve, that being
4 proactive and say, "We are doing this until you can
5 tell us we can't," actually tends to get more action
6 than asking questions and waiting to see what happens.

7 So I would urge you to -- you know, in an
8 ideal world, we would -- you would say, "This has
9 merit. Let's pursue it and see what's possible and
10 make a decision fairly quickly," so...

11 I'd be happy to answer any questions about our
12 thinking --

13 CHAIR HARTIG: We heard --

14 MS. MCCAMMON: -- and -- and I should say two
15 things. I want to say two other things.

16 CHAIR HARTIG: Go ahead.

17 MS. MCCAMMON: The Research Program has been
18 fantastic, and long-term research has been an incredible
19 contribution to the region, and the agencies have really
20 augmented that with a lot of the work that they've done
21 in support of that, so that has been great.

22 We do think that there are other possibilities
23 that could be done with foundations and with other
24 support and fundraising for that and making that more
25 of a long-term kind of trust, like an ocean research

1 trust. There's a lot of opportunity with using things
2 that potential fines or things that now go to National
3 Fish and Wildlife Foundation could go into a similar
4 trust in Alaska and could be used to augment things,
5 so we think that's --

6 The Habitat Program has also, I think, been a
7 fantastic program and has done a lot of good,
8 incredible acquisitions and conservation protection,
9 but you can tell just over the recent years that there
10 is more of a focus on the smaller parcels on
11 conservation easements, on some of these not so much
12 fee -- large fee acquisitions, but there is a new, I
13 think a more mature land management in the State, and
14 -- so we thought that this would be a good time to
15 look at some other options there in terms of the
16 Habitat Program, but definitely keeping the Habitat
17 Program too.

18 CHAIR HARTIG: One of the things I've been
19 wondering about, and this proposal had me thinking about
20 it deeper, is thinking that we are transitioning from
21 active remediation to more long-term ecosystem-based,
22 kind of, management, and whether at some point the
23 Trustees will say, "We've done everything we can" in
24 terms of restoration, in terms of -- you know, we could
25 go out in the ground and do, at this point it's long

1 term, and it seems to me that we can say, "Oh, we're
2 going to keep doing what the agencies do, but now we're
3 going to -- we'll do some kind of grant or something and
4 create this endowment, and this group over here do --
5 you know, address that on the private side, you know, to
6 be able to, you know, go out and get other funding and
7 augment whatever we provide as the seed money there."

8 So I -- I think there's way different
9 structures to this, and I agree that it's -- it's
10 timely to bring it up.

11 Any other questions for Molly?

12 MS. HSIEH: We have -- we have done something
13 like that, where -- where the Trustees, still within
14 their legal requirement, are supervising the funds, but
15 then other entities have come and -- and have
16 fundraised, and then it kind of comes together and jells
17 like that.

18 CHAIR HARTIG: But I'm talking about just
19 cutting off a piece of what we've been --

20 MS. HSIEH: Right.

21 CHAIR HARTIG: -- doing, not necessarily
22 terminating EVOS, because I think we may be around for
23 some things, but to see it do anything, I don't know
24 that --

25 MS. HSIEH: Monitoring -- (indiscernible) --

1 when no one wants it.

2 CHAIR HARTIG: Yeah, there's a few things that
3 we might still do, but it would be, again, stripped
4 down, and there would be pieces that would, with the
5 court's blessing, just, "Okay, we've gone" --

6 MS. HSIEH: Well, that's --

7 CHAIR HARTIG: -- "as far as we can."

8 MS. HSIEH: Yeah. That's what you have to ask,
9 because we -- we looked at that with interest.

10 CHAIR HARTIG: Yeah.

11 MS. HSIEH: "Interest" as in curiosity --

12 MS. MCCAMMON: Yeah.

13 MS. HSIEH: -- and enthusiasm a while ago.

14 CHAIR HARTIG: But these are a lot different now
15 than --

16 MS. MCCAMMON: I think things --

17 CHAIR HARTIG: -- they were a few years ago.

18 MS. MCCAMMON: -- are a little different. I
19 think there's benefit in continuing to look, again,
20 yeah, because some -- a lot of the times, it's just
21 timing when you --

22 CHAIR HARTIG: That's true. That's --

23 MS. MCCAMMON: -- make the ask.

24 CHAIR HARTIG: -- the way I see it.

25 Any other Trustee comments or questions for

1 Molly?

2 MR. ROGERS: None here.

3 CHAIR HARTIG: So I wanted to give Rasmuson
4 Foundation an option too, if you want to come up and
5 just kind of explain what your role is here so people
6 are clear on that --

7 MR. BAIRD: Yeah.

8 MS. HSIEH: You'll do that, Jeff? Great.

9 CHAIR HARTIG: -- if you want to. Yeah. I want
10 everybody to understand what everybody is doing.

11 MR. BAIRD: Yeah. So -- so my name is Jeff
12 Baird, and I'm a Program Officer at Rasmuson Foundation,
13 and I'm not part of the Think Tank. I did provide some
14 support to our Think Tank members, so I -- I herd cats,
15 was my official role, but the -- the question has come
16 up about what is Rasmuson Foundation's role with this
17 particular proposal, and obviously Rasmuson Foundation
18 is known as a grant-maker.

19 We make grants all throughout the State, but
20 another crucial part of our role is a convener, so when
21 there is an issue that comes up that is good for Alaska
22 and is good for Alaskans, we try to bring people
23 together to the table to think about if there's merit to
24 a proposal, or if there's an existing structure, if
25 there's a way that we can do things better.

1 So some examples would be, how do you develop
2 philanthropy in the State of Alaska? Well, we brought
3 some table -- partners to the table. What came out of
4 that was Pick.Click.Give. Right now we are part of
5 discussions on homelessness in -- in Anchorage. It's
6 a discussion that's obviously very complicated, well
7 beyond Rasmuson Foundation. You bring people to the
8 table, and you have conversations to see if things can
9 be done better, and that's exactly what our role is in
10 this.

11 We don't have an agenda. We have no, kind of,
12 game in this horse. We -- but we did want to have a
13 vigorous discussion about it in case it could be done
14 better, and the proposal that came out we thought had
15 merit, and we wanted to go through, obviously, a
16 public process, and -- and I understand there are
17 specific legal questions that need to be answered, but
18 that was our role in it. We help facilitate some of
19 the people who have been involved with this process,
20 and represent a diverse group of people and
21 experiences, and we brought them to talk about the
22 issue.

23 CHAIR HARTIG: Okay. Thanks, Jeff.

24 Any other questions for Jeff? Okay. Anybody
25 else that the Trustees would like to hear from today

1 that are in the audience, or anybody that really,
2 really wants to get up here and add something to the
3 discussion? Okay.

4 So then the next steps here, what I would
5 suggest is maybe try to work with Elise, and I think
6 Lauri's been taking notes, and -- and let's, you know,
7 use the discussion that we'd had here, and then come
8 up with what our assignment would be to them, to Max,
9 to Steve, to -- to the other agencies, legal counsel
10 -- I won't say Department of Justice -- and -- that
11 run that by the Trustees, and then if you want, what
12 we could do is look at scheduling another special
13 meeting where this would be the only topic. You know,
14 we would get an additional read-back. It won't be,
15 you know, a definitive product by then, but we can
16 see, kind of -- start seeing the path forward and
17 having a discussion about it and give them further
18 direction, and then start talking about the public
19 process and that.

20 MS. HSIEH: I don't know -- to be totally honest
21 with you, I don't know how much time Lauri and I have
22 the next --

23 UNIDENTIFIED SPEAKER: I couldn't hear.

24 MS. HSIEH: Oh, I'm not sure how much time Lauri
25 and I -- I don't know what time you're thinking about,

1 or maybe if it's delegated to Max and the lawyers.

2 MS. ADAMS: Yeah. I mean, we'll just --

3 CHAIR HARTIG: I don't think it will be so much
4 you guys, other than providing information to them.
5 We'll -- we'll work on that --

6 MS. HSIEH: Yeah.

7 CHAIR HARTIG: -- the timing. I don't know when
8 the next -- I can't promise when the next meeting would
9 be on this. It kind of depends. It depends on whether
10 we want to try to get it before December 3rd or whatever
11 it is, or if we --

12 MS. HSIEH: Well, let's start hashing out the
13 work that has to be done first.

14 MS. ADAMS: It may become obvious.

15 MS. HSIEH: Yeah, it might become obvious to us,
16 like, what we can --

17 CHAIR HARTIG: Yeah, well, I'll work with you on
18 that, and then -- but we'll get back to you with what
19 the assignment would be to our outside experts, and
20 start evaluating these questions, what questions we want
21 them to look at, and kind of the direction we're going,
22 you know, we want -- this is something we're very
23 interested in, versus somebody just give us a white
24 paper, and -- and then we'll talk about scheduling a
25 special meeting and the timing around that.

1 MR. BAIRD: That works for me.

2 CHAIR HARTIG: Does that work for you, Steve?

3 MR. ROGERS: I think that's a good path forward.

4 MR. WACKOWSKI: Yeah. I would -- I mean, are we
5 at a point where we could send -- do a motion and send
6 instructions -- Liz, chime in again if I'm way off
7 kilter here -- but send instructions to our legal
8 counsel, various legal counsels, that we'd like to know
9 if this is even an option for us, and, yeah, I mean,
10 essentially how -- how Molly phrased it right, "We would
11 like to consider this. Tell us what needs to happen to
12 make this go forth."

13 UNIDENTIFIED SPEAKER: I think that's --

14 CHAIR HARTIG: Well, I think it's what this
15 is --

16 UNIDENTIFIED SPEAKER: -- what you're talking
17 about doing, right --

18 CHAIR HARTIG: Yeah, yeah.

19 UNIDENTIFIED SPEAKER: -- that you and Elise
20 will get together --

21 CHAIR HARTIG: I think what we want to do is --

22 UNIDENTIFIED SPEAKER: -- and put together
23 questions?

24 CHAIR HARTIG: -- get it in writing so everybody
25 sees it, because when you say, "Is this something we can

1 improve on?" This is a really big deal, is what's this?
2 I could just see it would get bogged down. I -- I would
3 expect it --

4 MS. HSIEH: Could you be more specific?

5 CHAIR HARTIG: Yeah.

6 MR. WACKOWSKI: Well, I mean that's --

7 UNIDENTIFIED SPEAKER: Can you be more general?

8 MS. HSIEH: You don't have to make a motion.
9 He's actually directing that we will actually do that.

10 MR. WACKOWSKI: I would like to -- us to have
11 input on how that's worded.

12 CHAIR HARTIG: Well, that's what you're going to
13 get. You're going to get a draft.

14 (Indiscernible crosstalk.)

15 MR. ROGERS: I think the plan is to put together
16 a draft and then --

17 CHAIR HARTIG: Right.

18 MR. ROGERS: -- we'll all get --

19 CHAIR HARTIG: We'll put together a draft --

20 (Indiscernible crosstalk.)

21 CHAIR HARTIG: We'll put together a draft based
22 on the discussion here today, trying to be true to
23 everybody's desires, and then you can look at it, and
24 then tweak it, and then if -- or tear it apart, tell us
25 to start over, but then that would be what goes to

1 Molly, goes to Max, goes to --

2 MR. WACKOWSKI: I mean --

3 CHAIR HARTIG: -- Elise.

4 MR. WACKOWSKI: -- what this is, is this is
5 shutting down the Trustee Council and moving it to a
6 third party; right?

7 CHAIR HARTIG: Not necessarily. I don't --
8 there's options in between there. I mean, I could see
9 where you could get into -- and Steve can help me with
10 this or one of the lawyers -- is that you could -- you
11 could take an act to Congress for the Trustees'
12 fiduciary duties to go to somebody else, because that's
13 not the way natural resource damage statutes are set up
14 under federal law.

15 Now, EVOS predates a lot of those, but those
16 are generally used or looked at, you know, for
17 guidance on how we interpret what we do have, like our
18 settlement agreement. And so if -- if we're passing
19 -- it's one thing to pass those fiduciary duties over
20 to somebody. It's another thing to say, "There's this
21 segment of work that we want you to go do, and then
22 we'll check on you once a year or something to make
23 sure that you're doing what we said you were going to
24 do with the public's money." Those are -- you know,
25 there's -- there's hybrids in there. I'm not

1 suggesting that's what we do. I'm just saying I
2 wouldn't want to confine the words. I'd ask them to
3 give us a range of things, including totally
4 privatizing the Trust.

5 Steve, do you want to add your thinking?

6 MR. WACKOWSKI: My thinking is it's up to us to
7 decide what to do with the public's money. I mean
8 that's our whole job, and so should --

9 CHAIR HARTIG: But it has to be legal.

10 MR. WACKOWSKI: -- we decide to --

11 CHAIR HARTIG: It has to be legal.

12 MR. WACKOWSKI: I -- I concur, agree; I just --
13 I would like to take a proactive approach with our
14 counsel, so I just -- my experience is you come to know
15 a lot -- it's a lot easier to say no, and I don't want
16 to make it easy to say no.

17 I didn't mean to offend any lawyers in the
18 room. Sorry.

19 MR. MULDER: We're all offended.

20 MS. HSIEH: It's our default position.

21 CHAIR HARTIG: We've got five of them sitting
22 here that I know.

23 MR. ROGERS: Well, this sounds to me like if --
24 if we keep it rolling and we define the questions, et
25 cetera, that we can kind of meet your -- your need, just

1 not today.

2 CHAIR HARTIG: Sheri.

3 MS. BURETTA: I'm just wondering if you had all
4 received the resolution support for the new vision for
5 EVOS Trustee roadmap to reshape the Exxon Valdez Oil
6 Spill Trust. There was some legal review that was done.
7 There are white papers and memos on the fact that the --
8 the Think Tank proposes that the Trustee Council approve
9 its proposal and distribute funds on several large
10 multi-year projects and long-term endowments using
11 controls consistent with the current practices of the
12 EVOS Trust, which includes request and review and input
13 from the EVOS Public Advisory Committee. And so we
14 think that within the parameters of the current decree
15 and the MOA, that this can be done, and so I think it --
16 it's all new to you, but we've been looking at it for
17 the last --

18 CHAIR HARTIG: No, no, no, no. We've looked at
19 that. That was kind of what I've been saying, is Steve
20 said you could just terminate EVOS and turn it all over,
21 and I said, "I don't know that you want to terminate."

22 MS. HSIEH: Right.

23 CHAIR HARTIG: It might be a lot of utility to
24 keep it going for certain -- certain parts of the
25 oversight that are required by statute.

1 Thank you.

2 MR. WACKOWSKI: I mean, just to the -- to the
3 point of -- and trust me, I come from a science
4 background, so I am very proud of our science legacy,
5 but especially when it comes to the -- the -- and I
6 think the habitat restoration work is incredible.
7 Obviously I champion that, and -- and I -- and I'm very
8 supportive of us capping the conservation legacy in some
9 of these watersheds that have been affected, but, you
10 know, we're running out of land to buy. We're making
11 good money on our investments. Is this what the -- the
12 -- the federal government and the State decided when
13 they got the settlement funds, and then the courts -- I
14 mean, as Molly said, no one envisioned we'd be going
15 this long, and so I just think, knowing that we're, you
16 know, four of us are political appointees, so we're
17 subject to the ones of -- (indiscernible) --
18 presidential election --

19 And are you guys delegated? No one?

20 MR. ROGERS: I am not a political appointee.

21 MS. MARCERON: I'm not a political appointee.

22 MR. WACKOWSKI: But you're -- you're named in as
23 the Trustee, you're not -- the Secretaries haven't
24 delegated this to you?

25 MS. MARCERON: The chief of the Forest Service

1 delegated it to me in front of the Secretary.

2 MR. WACKOWSKI: So I -- I just -- you know, to
3 -- to set down a path where it's not on the whims of
4 every year you get a couple new commissioners, so we can
5 take a more long-term strategic view, and I think that
6 -- that's something I would be supportive of. That gets
7 us to a path where we're confident at a point in time
8 that -- that this Think Tank proposal, whatever proposal
9 that is, puts in force a structure where a long-term
10 view is taken; otherwise, it's whatever catches our
11 attention at the time. Now --

12 MS. HSIEH: Actually, you guys, earlier the
13 Trustee Council spent almost three years coming up with
14 a long-term spending plan, and you guys are right on the
15 market. In fact, you're overspending and sooner than it
16 was predicted.

17 CHAIR HARTIG: Yeah, what we did is -- I'll be
18 quick -- is in 2009, 2011, we had similar discussions
19 where we were looking at, again, declining a number of
20 active remediation projects, Habitat Acquisition
21 projects, but the problem that we had, we were facing
22 also the coming deadline for the re-opener.

23 MS. HSIEH: And a recession.

24 CHAIR HARTIG: Yeah, and a recession, so there
25 were those two things at play, but what we did is we set

1 up a structure where we refocused EVOS on the -- kind of
2 the four or so primary areas that we wanted to -- to
3 pursue, you know, and that's what you -- you heard,
4 reports on the Long-Term Monitoring, the Herring
5 Restoration.

6 MS. HSIEH: And two years of open meetings in
7 the spill area communities --

8 MR. WACKOWSKI: Sure, but to my point --
9 (Indiscernible crosstalk.)

10 CHAIR HARTIG: But we -- let me finish -- we did
11 all of that, and then we decided that we -- we
12 downsized, Elise mentioned, and we ended up in this
13 space, and we did a lot of other things during that time
14 period, again, with lots of public input, PAC meetings
15 and all of that, went into a deeper process.

16 MS. HSIEH: And changes in Trustees as well.

17 CHAIR HARTIG: Yeah. And -- and so that was to
18 set up the long-term plan for people, for whoever came
19 along later could follow, and it was on a 20-year glide
20 path, and there was a lot of discussion with financial
21 advisors about, you know, how much we could spend each
22 year, and before we started spending down the principal
23 and -- and to get to that end of that 20 years, how,
24 where they have to give us a long-term data set that
25 would be sufficient. All of these things were discussed

1 in detail, and that was -- that's the plan you see
2 beyond the Restoration Plan, and -- and what's guiding
3 us, and so that's what we're revisiting, is what I see,
4 is we're saying we don't necessarily want a 20-year
5 glide path. We want something that would be in
6 perpetuity, that would be an endowment that can go
7 beyond 20 years, perhaps, and we don't want -- we want
8 to expand upon these four focus areas. Maybe we'd want
9 some of these areas to have them more funded by private
10 sources and privatize some of it, if not all of it.

11 But there's a lot of background on this, you
12 know, we're -- but it isn't like we don't have a plan.
13 We have a plan right now. It's just that we've got
14 more money.

15 MR. WACKOWSKI: But -- but to -- to my point, is
16 all of those times, all that resources spent on
17 something that I'm not even bound to adhere to. I can
18 -- you know, can I push where I want, so, I mean, you
19 kind of have made my point for me, is that that --
20 that's the old Council. Were any of you on the
21 Council --

22 CHAIR HARTIG: Yeah.

23 MR. WACKOWSKI: -- when that happened?

24 CHAIR HARTIG: I was involved. Steve was
25 involved.

1 MR. WACKOWSKI: So --

2 CHAIR HARTIG: Jim was involved.

3 MR. WACKOWSKI: -- you know, we're going to
4 have --

5 MS. HSIEH: You can't bind future Councils, and
6 that's part of the issue.

7 CHAIR HARTIG: No, but you can -- you have to --
8 these are -- we were at a point where we had to change
9 our strategic approach, and we're at another point where
10 we're losing our strategic approach, which is fine. I
11 have no problem with doing that at all. I don't hear
12 anybody else having any problem with doing that. It's
13 more, I'm talking about, the process to do that. That's
14 what I'm getting at. Is that we went through a -- a
15 very open process with a lot of input from the public,
16 the tribes, everybody, and that's what we need to do
17 here again. So to rush to get somewhere is fine, but if
18 you don't have people with you, you start stumbling
19 pretty quick.

20 MR. WACKOWSKI: But -- and I don't want to
21 belabor this, but, again, now we're talking about
22 revising the glide path, when that was supposed to be
23 good for 20 years, you know, are we going to re-visit
24 this every three years --

25 MS. HSIEH: Ten.

1 MR. WACKOWSKI: -- if the market goes up?

2 Ten. Sorry. Ten.

3 MS. HSIEH: Probably.

4 MR. WACKOWSKI: If the market goes up, it goes
5 down, if we get a new batch of Trustees, if Rasmuson
6 decides to gin up some excitement or, you know, if
7 Americans for Prosperity or some other group decides to
8 -- I mean, I -- I just --

9 CHAIR HARTIG: Well, the glide path is a -- is a
10 key thing because if it's 20 years, then, you know,
11 you'll -- you'll have a certain investment. That's what
12 we were talking about today, you know, do we need to
13 change the asset allocation? No, for a variety of
14 reasons, but you're looking at that as you come closer
15 to making sure you have the dollars you need that last
16 year, you know. If you want to make it to that last
17 year, you start getting more conservative, just like you
18 would in retirement.

19 But the other thing is if you're looking at
20 going beyond the 20 years, so you don't necessarily
21 want to get into your principal, and so to me that
22 means that we would be doing less on that 20-year --
23 if we had the 20-year glide path, we'd be spending
24 more money per year than if we were looking at a
25 longer-term horizon, and so it is important that we

1 decide that.

2 MS. HSIEH: And that was looked at as well --

3 CHAIR HARTIG: Right. And so if we're --

4 MS. HSIEH: -- during the time period.

5 CHAIR HARTIG: -- looking at a permanent
6 endowment, then it is going to be less --

7 MS. HSIEH: It changes in nature.

8 CHAIR HARTIG: -- funding each year, probably --

9 MS. HSIEH: That's correct.

10 CHAIR HARTIG: -- than what we would under a
11 20-year spend-down, because we wouldn't be getting into
12 the principal as much, if at all.

13 These are questions that we need to discuss
14 with the public and the PAC, and it's fine, you know,
15 I like these discussions. I don't mean to sound like
16 a barrier here, but we've been down this path before.

17 MS. HSIEH: Yeah.

18 CHAIR HARTIG: We know what needs to be looked
19 at.

20 MS. HSIEH: And I think also, you know, there's
21 several thresholds you'd have to go through, and then
22 you would have to figure out, you know, if you do end up
23 going to a third-party entity, there would have to be
24 some scrutiny with regard to that as well, not just
25 throw out representations about the relationships among

1 funded and each other.

2 MR. MULDER: So do we have any concept of what
3 the resources it took, where that three-year effort, six
4 public --

5 MS. HSIEH: Yeah, like, ten years --

6 MR. MULDER: -- meetings --

7 MS. HSIEH: -- off --

8 MR. MULDER: -- NEPA review.

9 MS. HSIEH: It was 16 meetings in two years.

10 CHAIR HARTIG: I can remember a lot of Trustee
11 meetings, a lot of Trustee time that was involved.

12 MS. HSIEH: It was intensive. It took the
13 Trustees -- I think they met almost once a month. It
14 was I remember one year was eight Trustee Council
15 meetings, plus internal briefings, plus spill area
16 meetings. It was very intensive.

17 CHAIR HARTIG: Do you remember -- I think you
18 guys led the -- the EVOS.

19 MR. PEGAU: Yeah, we did a -- NOAA did a NEPA
20 process on it as well, programmatic E- -- supplemental
21 EIS was conducted, along with -- along with the public
22 hearings. The -- the re-opener decision -- discussions
23 were going on at the same time, so it's a mixed bag of
24 things as well, but, yeah...

25 MR. WACKOWSKI: Just curious why you did an EIS.

1 MR. PEGAU: It's a federal --

2 MR. WACKOWSKI: We're not a federal --

3 MR. PEGAU: -- decision. The Trustees are
4 sending us federal representatives. It's federal
5 decisions, so...

6 MR. WACKOWSKI: So it's viewed as a major
7 federal action --

8 MR. PEGAU: Yeah.

9 MR. WACKOWSKI: -- to create a strategy.

10 MR. PEGAU: Every Trustee decision is almost a
11 federal action.

12 MR. WACKOWSKI: So why don't I have to consult
13 NEPA every time I make a vote here?

14 MS. HSIEH: You do.

15 MR. PEGAU: You're under a programmatic EIS
16 right now.

17 MS. HSIEH: And, also, we end up doing NEPA on
18 individual projects, actually, but it's boring so we
19 don't talk about it.

20 CHAIR HARTIG: But that would be one thing the
21 legal people would look at, because I don't remember it
22 so much, policy call or a legal mandate at the time. I
23 remember they thought it was advisable.

24 MR. PEGAU: It was advisable, yeah, I think.

25 CHAIR HARTIG: Yeah. I don't remember it being

1 a legal mandate, but it could be. I don't know. I
2 think it might be under CIRCLA or some other -- you
3 know, but I don't know if it applies to EVOS.

4 MR. PEGAU: Yeah, well, the '94 programmatic EIS
5 still is in place, and the --

6 UNIDENTIFIED SPEAKER: Restoration Plan, right?

7 MR. PEGAU: The Restoration Plan, essentially,
8 so that's -- we're still operating. That was basically
9 a supplemental --

10 CHAIR HARTIG: Yeah, that's what -- that's
11 what --

12 MR. PEGAU: -- to try to --

13 CHAIR HARTIG: -- Chenega was about, the --
14 (Indiscernible crosstalk.)

15 MS. HSIEH: There are some revisions that could
16 have been made that are slight, but largely, actually,
17 the -- the last ten years adhere quite a bit to the
18 original 1994 with regard to consistent base for
19 monitoring.

20 CHAIR HARTIG: Okay.

21 MR. ROGERS: So where do we go from here?

22 MS. HSIEH: Larry is going to do a bunch of
23 work.

24 UNIDENTIFIED SPEAKER: I think he's going to
25 give us a bunch of work.

1 CHAIR HARTIG: Yeah, I'll work with you. I'll
2 work with -- and we'll get out to the Trustees, kind of,
3 again, the questions that we think come out of this
4 discussion that we want looked at, again with the idea
5 that we want to make progress in a short time frame, and
6 we want to approach it from the standpoint that we're
7 very interested in the change here, and then bring that
8 back to the Trustees. We'll finalize that. We'll set
9 up a meeting to start discussing it. On the timing of
10 the meeting, there's -- there are things that play here
11 that we'll have to decide, but I think we want to make
12 as much progress as we can when we've got the State
13 Trustees here, and before Terri retires.

14 MS. HSIEH: That would be great. So that's very
15 soon.

16 MS. MARCERON: So just so folks know, I am
17 retiring on December 31st, so USDA will have a new
18 representative, which goes through our own agency
19 process. In the interim, it will be the regional
20 forester, so I just have had a great opportunity to
21 serve, and I appreciate my fellow members, and some of
22 the long conversations with Elise on a variety of things
23 trying to work forward with the purposes of this, so
24 it's been my --

25 MS. HSIEH: Thank you, Terri.

1 MS. MARCERON: -- my privilege to serve.

2 MR. ROGERS: We'll miss you, of course that's
3 presumptuous, since I may be gone too.

4 MR. BALSIGER: But we might have a meeting while
5 you're still both here --

6 MS. MARCERON: Well, that's true.

7 MR. BALSIGER: -- and we could do a --

8 MS. MARCERON: Before December 31st.

9 (Indiscernible crosstalk.)

10 CHAIR HARTIG: We'll have to decide. I mean,
11 not trying to squeeze something before --

12 MR. BALSIGER: I'm not meeting the week of
13 Christmas.

14 MR. WACKOWSKI: In all seriousness, that makes
15 how many years in the federal service for you?

16 MS. MARCERON: Thirty-two.

17 MR. WACKOWSKI: So I do think you deserve a
18 round of applause.

19 CHAIR HARTIG: (Indiscernible) -- all the things
20 that you've done in the National Forest going south of
21 Anchorage, train stops and trails. I -- I just see a
22 really big change in the Forest Service and
23 accessibility and use of the lands by the public has
24 been really welcome, I know around Anchorage area.

25 Anything else for the meeting?

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. MULDER: Adjourned.

MR. ROGERS: I move adjourn, Mr. Chair.

MS. HSIEH: Adjourn.

MR. BALSIGER: Second.

MS. HSIEH: Thank you.

CHAIR HARTIG: Any objections? I see none. I
guess we're adjourned.

(Off record.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

UNITED STATES OF AMERICA)
STATE OF ALASKA)

I, Kasidy Pighini, CSR No. 14046, Notary Public in and for the State of Alaska and reporter for Accu-Type Depositions, do hereby certify:

THAT the foregoing pages numbered 1 through 337 contain a full, true and correct transcript of the Exxon Valdez Oil Spill Trustee Council's Meeting recorded electronically by Accu-Type Depositions Court Reporter on the 14th of October, 2018, and thereafter transcribed under and reduced to print:

THAT the Transcript has been prepared at the request of:

EXXON VALDEZ TRUSTEE COUNCIL
Anchorage, Alaska

DATED at Anchorage, Alaska this 3rd day of December, 2018.

SIGNED AND CERTIFIED BY:

Kasidy Pighini
Notary Public, State of Alaska

Commissioner Expires: 08/25/2020