

**RESOLUTION 03-03 OF THE
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL
REGARDING SMALL PARCELS KEN 295 AND KEN 310**

We, the undersigned, duly authorized members of the *Exxon Valdez* Oil Spill Trustee Council ("Council"), after extensive review and after consideration of the views of the public, find as follows:

1. By resolution adopted at its meeting on January 16, 2001, the Council implemented a small parcel acquisition program through identical grants to The Conservation Fund and The Nature Conservancy (the grant to The Conservation Fund is hereinafter referred to as the "Grant");

2. The Conservation Fund identified the Crowther small parcel, KEN 295 and the Swartz small parcel, KEN 310 as small parcels to be considered for acquisition under the Grant and consulted with the Council at its meeting on December 1, 2001 concerning the purchase of the Crowther and Swartz small parcels;

3. Appraisals of the parcels estimating the value of the Crowther parcel to be \$200,000 and the Swartz parcel to be \$6000 have been completed and are currently being reviewed;

4. As set forth in Attachment A, Restoration Benefits Report for KEN 295, and Attachment B, Restoration Benefits Report for KEN 310, if acquired, these small parcels have attributes which will restore, replace, enhance and rehabilitate injured natural resources and the services provided by those natural resources, including important habitat for several species of fish and wildlife for which significant injury resulting from the spill has been documented. Acquisition of the Crowther small parcel will assure protection of approximately 46 acres

including shoreline of the lower Anchor River. The shoreline to be acquired provides rearing habitat for salmon and dolly varden. The parcel is easily accessed by the public and will provide important access to the Anchor River for sport fishing. Acquisition of the Swartz small parcel will assure protection of approximately .185 acres bordering the Ninilchik River. The parcel is adjacent to several parcels owned by the state and managed by the Department of Fish and Game for sport fishing as well as small parcel KEN 309, which has been approved by the Trustee Council for acquisition and shortly will be acquired by the state.

5. Existing laws and regulations, including but not limited to the Alaska Forest Practices Act, the Alaska Anadromous Fish Protection Act, the Clean Water Act, the Alaska Coastal Management Act, the Bald Eagle Protection Act and the Marine Mammal Protection Act, are intended, under normal circumstances, to protect resources from serious adverse effects from activities on the lands. However, restoration, replacement and enhancement of resources injured by the EVOS present a unique situation. Without passing judgment on the adequacy or inadequacy of existing law and regulations to protect resources, scientists and other resource specialists agree that, in their best professional judgment, protection of habitat in the spill area to levels above and beyond that provided by existing laws and regulations will have a beneficial effect on recovery of injured resources and lost or diminished services provided by these resources;

6. There has been widespread public support for the acquisition of lands within Alaska as well as on a national basis;

7. The purchase of these parcels is an appropriate means to restore a portion of the injured resources and services in the oil spill area. Acquisition of these parcels is consistent with the Final Restoration Plan.

THEREFORE, we resolve to provide funds to the United States Department of Interior for the State of Alaska to acquire all the sellers' rights and interests in small parcel KEN 295 and small parcel KEN 310 pursuant to the following conditions:

(a) the amount of Grant funds (hereinafter referred to as the "Purchase Price") to be provided by the Council shall be two hundred thousand dollars (\$200,000) for the Crowther small parcel, KEN 295, and six thousand dollars (\$6000) for the Swartz small parcel, KEN 310;

(b) authorization for funding for the acquisitions described in the foregoing paragraph shall terminate if a purchase agreement is not executed or purchase of the parcel completed by December 30, 2003;

(c) filing by the United States Department of Justice and the Alaska Department of Law of a notice, as required by the Third Amended Order for Deposit and Transfer of Settlement Proceeds, of the proposed expenditure with the United States District Court for the District of Alaska and, if necessary, with the Investment Fund established by the Trustee Council within the Alaska Department of Revenue, Division of the Treasury ("Investment Fund") and transfer of the necessary monies from the appropriate account designated by the Executive Director of the Trustee Council ("Executive Director");

(d) conservation easements on parcel KEN 295 and KEN 310, which must be satisfactory in form and substance to the United States and the State of Alaska Department of Law, shall be conveyed to the United States;

(e) no timber harvesting, road development or any alteration of the land will be initiated on the land without the express agreement of the State of Alaska and the United States prior to purchase; and

(f) completion of the following to the satisfaction of the State of Alaska and the

United States for each parcel:

- (i) title search;
- (ii) a determination that the seller is willing and able to convey title in a form satisfactory to the State of Alaska and Bureau of Land Management of the Department of the Interior of the United States
- (iii) an executed purchase or option agreement and conveyance documents that are ready for execution;
- (iv) hazardous materials survey;
- (v) statement of compliance with the National Environmental Policy Act; and
- (vi) approval of the appraisals by the review appraiser(s).

It is the intent of the Trustee Council that the above referenced conservation easements will provide that any facilities or other development on the foregoing small parcels shall be of limited impact and in keeping with the goals of restoration, that there shall be no commercial use except as may be consistent with applicable state or federal law and the goals of restoration to prefill conditions of any natural resource injured, lost, or destroyed as a result of the EVOS, and the services provided by that resource or replacement or substitution for the injured, lost or destroyed resources and affected services, as described in the Memorandum of Agreement and Consent Decree between the United States and the State of Alaska entered August 28, 1991 and the Final Restoration Plan as approved by the Council.

By unanimous consent, following written notice from the Executive Director that the terms and conditions set forth herein have been satisfied, we request the Alaska Department of Law and the Assistant Attorney General of the Environment and Natural Resources Division of the United States Department of Justice to take such steps as may be necessary for withdrawal of

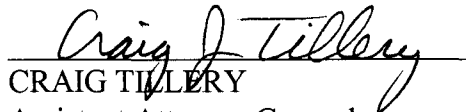
the Purchase Price for the above-referenced parcels from the appropriate account designated by the Executive Director.

Such amounts represents the only amounts due under this resolution to the sellers by the State of Alaska to be funded from the joint settlement funds, and no additional amounts or interest are herein authorized to be paid to the sellers from such joint funds.

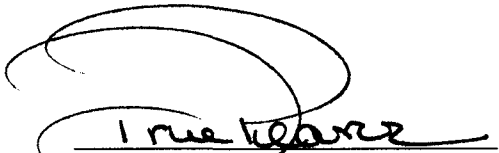
Approved by the Council at its meeting of November 25, 2002 held in Anchorage, Alaska, as affirmed by our signatures affixed below:



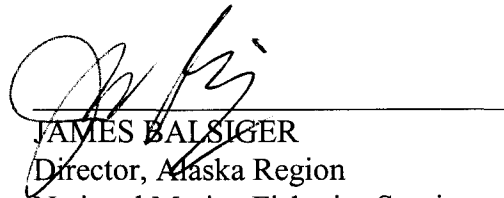
DAVE GIBBONS
Forest Supervisor
Alaska Region
USDA Forest Service



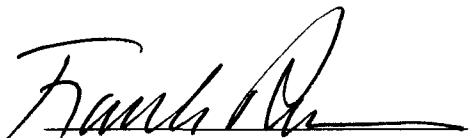
CRAIG TILLERY
Assistant Attorney General
State of Alaska



DRUE PEARCE
Senior Advisor
to the Secretary for Alaskan Affairs
U.S. Department of the Interior



JAMES BALSIGER
Director, Alaska Region
National Marine Fisheries Service



FRANK RUE
Commissioner
Alaska Department of
Fish and Game



for MICHELE BROWN
Commissioner
Alaska Department of
Environmental Conservation

Attachment A - Restoration Benefits Report, KEN 295
Attachment B - Restoration Benefits Report, KEN 310