

**RESOLUTION 02-03 OF THE
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL
REGARDING
JACK BAY SMALL PARCEL PWS 1010**

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

1. On December 4, 2000, the Council resolved to provide funding for the United States to purchase fee simple title to all of the seller's rights and interests in the small parcel PWS 1010, consisting of 942 acres, and to provide funds necessary for closing costs recommended by the Executive Director of the Council (Executive Director) and approved by the Council, subject to certain conditions. One of the conditions was that a title search satisfactory to the State of Alaska and the United States must be completed and that the seller is willing and able to convey fee simple title by general warranty deed to the property. The seller is the University of Alaska (University).

2. The Forest Service, on behalf of the United States, has conducted a title search of the property and determined that the University is unable to convey fee simple title by general warranty deed because the State of Alaska (State) reserved the mineral estate when it conveyed the parcel to the University as part of the University's land entitlement.

3. An appraisal approved by the state and federal review appraisers estimated the fee simple fair market value of PWS 1010 is \$1,130,000. The appraisal must be up-dated to consider the fair market value of the property without the mineral estate and the current market. The up-dated market value, however, is not expected to exceed \$1,130,000.

4. For all of the reasons detailed in the Council's resolution of December 4, 2000, the Council continues to find that the purchase of PWS 1010, even without the mineral estate, is an appropriate means to restore a portion of the injured resources and services in the spill area.

THEREFORE, we resolve to provide funds for the United States to purchase all of the University's rights and interests in the small parcel PWS 1010 and to provide funds necessary for closing costs recommended by the Executive Director and approved by the Council, pursuant to the following conditions:

(A) the amount of funds to be provided by the Trustee Council to the United States shall be the approved appraised fair market value but in no instance shall it exceed \$1,130,000 for small parcel PWS 1010;

(B) authorization for funding for any acquisition described in the foregoing paragraph shall terminate if a purchase agreement is not executed by September 30, 2002;

(C) completion of a title search satisfactory to the State of Alaska and the United States and the University is willing and able to convey fee simple title to its estate by general warranty deed acceptable to the United States;

(D) no timber harvest, road development or alteration of the land will be initiated by the seller prior to the purchase without the express agreement of the State and the United States;

(E) completion of a hazardous materials survey satisfactory to the State and the United States;

(F) compliance with the National Environmental Policy Act;

(G) the United States shall manage the parcel as open to public access;

(H) a conservation easement on parcel PWS 1010, satisfactory in form and substance to the United States and the State of Alaska Department of Law, shall be conveyed by the University

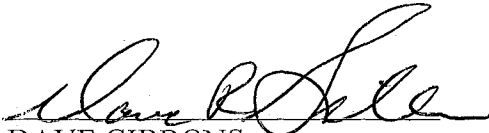
to the State. It is the intent of the Council that any facilities or other development on the foregoing small parcel shall be of limited impact and in keeping with the goals of restoration and that there shall be no commercial timber harvest nor any other commercial use of the small parcel except such limited commercial use as may be consistent with applicable state or federal law and the goals of restoration to pre-spill 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 resources 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 Restoration Plan approved by the Council;


(I) completion of a mineral assessment or survey satisfactory to the State of Alaska and the United States that indicates a low likelihood of commercially viable quantities of minerals on the parcel.

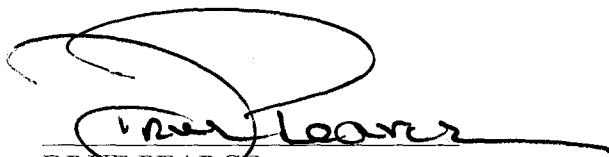
By unanimous consent, following execution of the purchase agreement between the seller and the United States and written notice from the Executive Director that the terms and conditions set forth herein and the purchase agreement have been satisfied, we request the Alaska Department of Law and the Assistant 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 parcel from the appropriate account designated by the Executive Director.

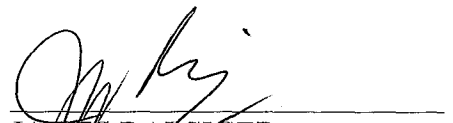
Such amount represents the only amount due under this resolution to the sellers by the United States to be funded from the joint trust funds, and no additional amounts or interest are herein authorized to be paid to the sellers from such joint funds.

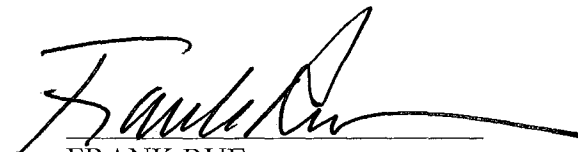
Approved by the Council at its meeting of December 11, 2001 held in Anchorage, Alaska, as affirmed by our signatures affixed below:



DAVE GIBBONS
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
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Environmental Conservation