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UNITED STATES DISTRICT COURT
DISTRICT OF ALASKA

STATE OF ALASKA,)	
)	
Plaintiff,)	No. 3:91-CV-0083 (HRH)
)	
v.)	THIRTY-FIFTH
)	JOINT NOTICE OF
EXXON CORPORATION, and EXXON)	EXPENDITURES FROM
SHIPPING COMPANY,)	THE INVESTMENT FUND
)	AND FROM MONIES
Defendants.)	PREVIOUSLY DISBURSED
)	

The United States and the State of Alaska ("the Governments") jointly provide this notice of their expenditure of \$573,034.00 from the Koniag Investment Sub-Account of the Exxon Valdez Oil Spill Investment Fund ("Investment Fund"). The Governments' natural resource trustee agencies will use these funds for purposes consistent with the Memorandum of Agreement and Consent Decree entered by this Court in *United States v. State of Alaska*, No. A91-081 CIV (D. Alaska) on August 28, 1991 ("MOA").

On September 25, 1991, the United States and the State of Alaska settled their claims against the Exxon Corporation, Exxon Shipping Company, Exxon Pipeline Company, and the T/V *Exxon Valdez* arising from the Exxon Valdez Oil Spill ("EVOS"). All funds resulting from these

settlements were subsequently ordered by this Court to be placed in an interest-bearing account in the Court Registry Investment System ("CRIS") administered through the United States District Court for the Southern District of Texas.

On June 7, 2000, this Court entered its Third Amended Order for Deposit and Transfer of Settlement Proceeds ("Third Amended Order"). The Third Amended Order allows the Governments the option of investing the money in an account outside the United States Treasury. On September 29, 2000, upon application by the Governments, the Court entered an Order Re: Transfer of Funds from the Exxon Valdez Liquidity Account and the Reserve Fund to an Investment Fund Within the Alaska Department of Revenue, Division of Treasury, authorizing transfer of settlement proceeds to an account within the State. On October 5, 2000, all funds and securities were transferred from the CRIS to the Investment Fund. The Third Amended Order further allows the Governments to establish separate sub-accounts within the primary account "as the Trustee Council determines appropriate." On October 1, 2002, three sub-accounts were created in the Investment Fund: the Research Investment Sub-Account, the Habitat Investment Sub-Account, and the Koniag Investment Sub-Account. These sub-accounts were established to carry out the Trustee Council's decision in its Resolution of March 1, 1999 to manage separately the remaining assets of the Joint Trust Funds for the specific purposes of funding a long term research and monitoring program, the acquisition of lands along the Karluk River, and the establishment of a fund to purchase small parcels of land that may become available in the future.

Paragraph 27 of the Third Amended Order provides that "funds in an Investment Fund shall remain on deposit in that Fund until such time as the EVOS Trustees unanimously resolve to expend all or part of the funds." The funds may then be expended, for purposes consistent with the MOA, upon the joint notification of the Governments to the Investment Fund and the Court. The notification is to inform the Court of the proposed uses of the funds in the same manner and to the same extent as was the Governments' practice when the funds were in the registry of the Court.^{1/}

^{1/}A copy of the notice provided to the Investment Fund pursuant to paragraph 27 of the Third Amended Order for Deposit and Transfer of Settlement Proceeds is appended to this Notice as Attachment A, pp. 1-2.

The Governments provide notice of this expenditure from the Investment Fund for the seventh of multiple payments to Koniag, Inc., for a non-development easement on lands it owns, including lands along the Karluk River. Of the \$573,034.00 that is the subject of this Notice, the entirety will be provided to the United States.^{2/}

The Trustee Council has met once since the Governments' filing on June 5, 2009 of their Thirty-Fourth Joint Notice of Expenditure from the Investment Fund. The Governments will submit the meeting notes for the August 31, 2009 meeting once they have been approved by the Trustee Council. The meeting notes for the Trustee Council's May 29, 2009 meeting are appended to this Notice at Attachment B.

RESPECTFULLY SUBMITTED, September 9, 2009, at Anchorage, Alaska.

FOR THE STATE OF ALASKA

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^{2/}The resolution evidencing the Trustee Council's unanimous approval for the purchase of this easement, including the payment of \$573,034.00 that is the subject of this notice, appeared as part of the Sixth Joint Notice of Expenditures From Settlement Account Monies Previously Disbursed at Attachment A, pp. 32-42 (Docket #232). A description of the non-development easement may be found in the Third Joint Notice of Expenditures From Investment Fund (Docket #211).

FOR THE UNITED STATES

s/MICHAEL ZEVENBERGEN (consent)
Trial Attorney
Environmental Enforcement Section
Environment & Natural Resources Division
United States Department of Justice
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Email: Michael.Zevenbergen@usdoj.gov

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 9th day of September, 2009, a copy of the foregoing THIRTY-FIFTH JOINT NOTICE OF EXPENDITURES FROM THE INVESTMENT FUND AND FROM MONIES PREVIOUSLY DISBURSED, together with attachments A and B thereto were served by U.S. mail, first class, postage prepaid, on the following:

James F. Neal Neal & Harwell 2000 One Nashville Place 150 Fourth Avenue North Nashville TN 37219	Douglas J. Serdahely Patton Boggs LLP 601 W. 5 th Avenue, Suite 700 Anchorage, AK 99501	Patrick Lynch O'Melveny & Meyers 400 South Hope Street Los Angeles, CA 90071
Matt vanSteenwyk AK Dept. of Fish and Game PO Box 115526 Juneau, AK 99811-5526	John F. Clough III Clough & Associates PO Box 211187 Auke Bay, AK 99821-1187	Cherri Womac Alaska Department of Fish & Game Exxon Valdez Oil Spill Trustee Council Office 441 W. 5 th Ave., Suite 500 Anchorage, AK 99501

s/Leilani J. Tufaga

SEAN PARNELL, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

Environmental
1031 WEST 4th AVENUE,
SUITE 200
ANCHORAGE, ALASKA

September 4, 2009

Mr. Gary Bader
Chief Investment Officer
Treasury Division, Dept. of Revenue
P.O. Box 110405
Juneau, AK 99811-0405

Re: *Exxon Valdez* Oil Spill Investment Fund

Dear Mr. Bader:

The Exxon Valdez Trustee Council has unanimously determined to expend \$573,034 in joint trust funds for restoration purposes consistent with the terms of the Memorandum of Agreement and Consent Decree entered by the federal district court in *United States v. State of Alaska*, No. A91-081 CIV (D. Alaska) on January 16, 2009. The entire \$573,034 is to be expended from the Koniag Investment sub-account. Under the terms of the Reimbursable Services Agreement between the Alaska Department of Fish and Game and the Alaska Department of Revenue, please transfer the following amounts from cash held in the Exxon Valdez Oil Spill Investment Fund to the accounts described below:

United States

Amount: \$573,034 from the Koniag Sub-Account

Beneficiary

account: 14X5198

name: Natural Resource Damage Assessment and Restoration Fund
(NRDAR)

Beneficiary

account: 14010001

name: Department of the Interior
Financial Management Services National Business Center

Mr. Gary Bader
Treasury Division, Department of Revenue

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Beneficiary Bank

account: 021030004
name: Treasury, NYC

OBI Text

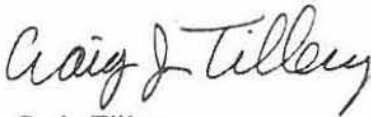
Natural Resource Damage Assessment Restoration Fund 14X5198
EVOS Exxon Valdez, Civil Settlement, FY09 Joint Funds

Beneficiary Reference

A91-082Civil

The transfer should take place when most financially advantageous, preferably on or before September 11, 2009, or as soon thereafter as possible. If you have any questions, please call Elise Hsieh at (907)265-9330.

Sincerely,



Craig Tillery
Deputy Attorney General
State of Alaska



Michael Zevenbergen
Environmental Enforcement Section
Environment & Natural Resources Division
U.S. Department of Justice
United States of America

cc: Regina Belt, U.S. Department of Justice
Matt vanSteenwyk, Alaska Department of Fish and Game *via email and U.S. Mail*
Christine O'Sullivan, Alaska Department of Fish and Game *via email and U.S. Mail*
Sue Bump, Alaska Department of Revenue *via email and U.S. Mail*
Bob Mitchell, Alaska Department of Revenue *via email and U.S. Mail*
James McKnight, Alaska Department of Revenue *via email and U.S. Mail*
Cherri Womac, Exxon Valdez Oil Spill Trustee Council Restoration Office

Exxon Valdez Oil Spill Trustee Council

441 W. 5th Ave., Suite 500 • Anchorage, AK 99501-2340 • 907 278 8012 • fax 907 276 7178



TRUSTEE COUNCIL MEETING NOTES

Anchorage, Alaska

May 29, 2009

Chaired by: Steve Zemke
Trustee Council Member

Trustee Council Members Present:

•Steve Zemke, USFS *
Kim Elton, US DOI
Craig O'Connor, NOAA **

Craig Tillery, ADOL ***
Tom Brookover, ADF&G****
Larry Hartig, ADEC

- Chair
- * Steve Zemke alternate for Joe Meade
- ** Craig O'Connor alternate for James Balsiger
- *** Craig Tillery alternate for Richard Svobodny
- **** Tom Brookover alternate for Denby Lloyd

The meeting convened at 9:00 a.m., May 29, 2009 in Anchorage at the EVOS Conference Room.

1. Approval of the Agenda

APPROVED MOTION: Motion to approve the May 29, 2009 agenda with the addition of Small Parcel KAP 3001 Chokwak II as item 8A

Motion by Hartig, no second

2. Approval of May 13, 2009 meeting notes

APPROVED MOTION: Motion to approve the May 13, 2009 meeting notes as presented

Motion by Hartig, second by O'Connor

Public Advisory Committee (PAC) comments: Stacy Studebaker, PAC Chair, reported on the May 28, 2009 field trip to Eleanor and Knight Islands.

Public comment opened at 9:10 a.m.

No public comments were offered.

3. Investment Asset Allocation

APPROVED MOTION: Motion to approve remaining at the current target allocation for the investment of the Council's Joint Trust Funds in Equities Broad Market of 47 percent (+/- 7 percent), Equities International of 20 percent (+/- 5 percent), and Fixed Income-Domestic of 33 percent (+/- 7 percent), as reflected in the previous Asset Allocation Resolution 09-01 dated January 16, 2009

Motion by O'Connor, second by Brookover

Off the record 10:10 a.m.

On the record 10:22 a.m.

4. Small Parcel KEN 3005 – Best

APPROVED MOTION: Motion to authorize \$45,000 for the purchase of the Best Parcel, strategically located within Safety Cove State Marine Park. This purchase will help restore lost recreational services and provide benefits to a variety of injured resources such as Pacific herring, otters, and other recovering but not recovered species as identified in the benefits report presented today

Motion by O'Connor, second by Tillery

5. English Bay Reauthorization of Funds

APPROVED MOTION: Motion approve the transfer of \$341,746 from the Research Investment subaccount of the *Exxon Valdez* Oil Spill Investment Fund administered by the Alaska Department of Revenue to the Department of the Interior for the purpose of restoring the habitat funds originally set aside for the purchase of those lands identified in the Trustee Council's February 14, 1997 resolution and in the purchase agreement between the United States Department of the Interior and the English Bay Corporation dated May 20, 1997

Motion by O'Connor, second by Elton

6. Small Parcel KAP 3001 – Chokwak II

APPROVED MOTION: Motion to re-authorize until December 31, 2010 the amount of \$160,000 as set forth in Resolution 07-04 for the purchase of small parcel KAP 3001 – Chokwak II

Motion by Tillery, second by O'Connor

7. Project 090841 – Lingerin Oil

APPROVED MOTION: Motion to approve funding Miles Project 090841, CYP1A1 Gene Expression Verification Study – Re-Evaluation of Sea Otter Samples from the *Exxon Valdez* Oil Spill in the amount of \$205,735 with sufficient G & A, spending on different phases – phase amounts being dependent upon approval by the executive director

Motion by O'Connor, second by Elton

8. Adjourn

Motion to adjourn

Motion by O'Connor, second by Hartig

Off the record 12:09 p.m.