

1 ALSO PRESENT EVOSTC STAFF:

2 Dr. Shiway Wang, Executive Director and Science Director

3 Lauri Adams, Program Manager

4 Austin Quinn-Davidson, Program Officer

5 Joy Maglaqui, Executive Assistant

6 ALSO PRESENT PARTICIPANTS:

7 Kristin Carpenter, Public Advisory Committee (PAC) Chair

8 John Durban, North Gulf Oceanic Society

9 Craig Matkin

10 Katrina Hoffman, Prince William Sound Science Center

11 Willow Hetrick, Chugach Regional Resources Commission

12 Ladonna Lindley, Accu-Type Depositions

13 Rob Suryan, Gulf Watch Alaska

14 Bob Shavelson

15 Rick Steiner, Oasis Earth

16 Dr. April Counciller, Alutiiq Museum and Archaeological Repository

17 Josie Hickel, Chugach Alaska Corporation

18 Shauna Hegna, Koniag

19 Shane Carson, ADOR Treasury Division

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P R O C E E D I N G S

(On record)

CHAIR O'CONNOR: So I just got told that I am being recorded.

So I want to make just a couple of comments because we've gotten a lot of concern expressed from folks in writing up to this point and I think some press coverage and so on, and the challenge that we're hearing is that we've been making decisions behind closed doors with regard to the utilization of Exxon monies, the path forward, and so on. That's not correct.

We have had discussions because what we did, and you're going to hear this report fairly soon in our agenda, is we had a discussion with our financial advisor, the fellow who was managing the money for us and we're advised that the future does not look as bright as it had when we made our decisions, a year or so ago, with regard to a 10-year planning horizon and approving projects that would carry us for the next 10 years. We don't have enough money to do that, unless the economy turns around, the market turns around and so on.

So what we did was got together as Trustees, one, to get the briefing on our financial reality, and the other was to have some discussions as to what our options might be, what course of action we might be able to take, given the challenges, and what you're going to hear later on in the meeting with the presentation by Sara Taylor from DOI is the range of options that we have come up with as an approach into the future, how to manage the money we have, what projects we ought to be evaluating at this stage and how we're able

1 to basically effectively manage our Trustee Council work over the
2 next few years, given the cash flow situation, and we're going to
3 have that presentation later on in the agenda and we're going to call
4 for folks to provide us with comments on that at this point, and then
5 we're going to open it up for a period of time for folks to sort of
6 ruminate on what those options are and what kind of thoughts and
7 guidance they might be able to give us and we'll be making final
8 decisions on that later on. By later on, I mean probably in the next
9 month, month-and-a-half. So those decisions are not going to be
10 final today.

11 Excuse me. The other issue that seems to have caused quite a
12 bit of consternation is the desire of the Trustee Council to evaluate
13 whether or not we can make a modification in the legislation that set
14 up the bifurcation of the monies between Research and Habitat, and
15 what we're looking at in that context is whether or not Congress
16 would be willing to allow us to break those two allocations and
17 actually function with a single pot of money, rather than having the
18 allocations and what I think folks have misunderstood, and I can see
19 why, at this point, we are not making a decision to do away with
20 Habitat. We're not making a decision to spend all of our money on
21 Research. What we're doing is trying to see whether or not Congress
22 will provide us with the opportunity to break those allocations and
23 spend money as we see fit, whether it be with regard to habitat
24 acquisition or research.

25 So we are not by -- assuming Congress would let us go forward

1 with what we're suggesting, that does not mean we're doing away with
2 Habitat as a restoration approach and we are wanting to be able to be
3 sure that we can use the money we have in the way that makes the most
4 sense. So we're not closing the door on Habitat in that process. We
5 are basically opening up the pot of money to be utilized as we see
6 fit based upon our thoughts and your contributions to those
7 decisions.

8 So I wanted to set that as a stage, because I wanted to be sure
9 that folks understood as we went through the course of today and in
10 the near future where we are and what the Trustees have been doing.

11 Now, with that, I'm going to begin the prepared text for the
12 Chairman to try to set the stage for our going forward here, and
13 pardon me for reading, but I could not memorize all of this
14 overnight.

15 So thank you all for joining the *Exxon Valdez* Oil Spill Trustee
16 Council meeting. I'd like to share some instructions and helpful
17 tips on participating in our online meeting, which has proven to be a
18 little bit challenging already. We're asking that all participants,
19 other than the Trustees, the PAC members, and the Council staff and
20 actual presenters or those giving public comment, to turn their
21 videos off to preserve bandwidth and allow all of us to focus our
22 attention on the speaker.

23 We also ask that you keep yourself muted, unless you're
24 speaking. We'll be taking public comment during the meeting as
25 indicated on the agenda and if you'd like to provide public comment,

1 please let us know in the chat and provide your full name so that we
2 can call on you.

3 If you have already reached out to Council staff in advance, and
4 I know several of you have, to indicate that you'd like to provide
5 public comment, we should have you on our existing public comment
6 list, and after moving through the list, and then those who have
7 listed themselves in the chat, we'll do a final call for public
8 comment to make sure we've heard from everyone who is interested in
9 providing testimony, and if you need technical assistance, which
10 included me, during the meeting, please contact Joy Maglaqui -- now I
11 did it better before I was told how to pronounce it.

12 With that, let's go ahead and get started. So Shiway, do we
13 have the agenda available to put up so folks can see where we are and
14 we can move through it?

15 DR. WANG: Yes, I would be happy to put up the agenda for you.

16 CHAIR O'CONNOR: Please.

17 DR. WANG: All right. Can everybody see the agenda?

18 CHAIR O'CONNOR: And at this point, what I would do is ask for
19 the Council members to approve the agenda as presented or make a
20 proposed modification to that agenda.

21 COMMISSIONER VINCENT-LANG: I move we approve the agenda as
22 presented on the screen. This is Doug.

23 CHAIR O'CONNOR: And do we have a second to that?

24 COMMISSIONER BRUNE: Second. Jason.

25 CHAIR O'CONNOR: All right, thank you. Is there any objection

1 to adopting this agenda for the meeting today from the Trustees?

2 (No audible response).

3 CHAIR O'CONNOR: Hearing no objection, we'll move forward with
4 this agenda, and the next is the meeting notes from our January 18
5 meeting, which was the last official meeting we had as the Trustee
6 Council with public participation.

7 COMMISSIONER BRUNE: Move approval. Jason.

8 COMMISSIONER VINCENT-LANG: Second. Doug.

9 CHAIR O'CONNOR: Okay, any objection to approving those meeting
10 notes?

11 (No audible response).

12 CHAIR O'CONNOR: Hearing none, let's move forward. At this
13 point, then we have -- Shiway, will you be presenting the PAC meeting
14 summary for us?

15 DR. WANG: I will not. We have Kristin Carpenter, the PAC
16 Chair, online who will be presenting the meeting summary.

17 CHAIR O'CONNOR: All right, perfect. Kristin, are you ready to
18 go?

19 MS. CARPENTER: Hi there. Sure, sure.

20 CHAIR O'CONNOR: Great, thank you.

21 MS. CARPENTER: Yeah, well, thank you, Trustees, and good to see
22 everybody.

23 COMMISSIONER VINCENT-LANG: And Kristin, before you start, thank
24 you for Chairing.

25 MS. CARPENTER: Yeah, you're welcome. Yes, it was a surprise.

1 I was thinking to myself, like they picked on the new kid, but it's -
2 - anyway, no, it's an honor. It's a process I've been aware of for a
3 long, long time, so I'm pleased to be able to participate and
4 contribute what I can and anyway, yeah, thank you, and so our Public
5 Advisory Committee met on the 7th of September.

6 We confirmed some appointments and reappointments of seven new
7 members on the 11th of May of this year, and then also, our terms have
8 been changed to four years. So the people who -- the new people who
9 just got appointed and appointments going forward, I think will have
10 four-year terms, and our PAC Charter was just renewed for a two-year
11 term. I guess that happens every two years. So we have that taken
12 care of for now, and we met, it did take us all day.

13 We went through all of the action items. We spent by far the
14 majority of our time talking about this question, this resolution of
15 should these two accounts be combined. I guess before that, we also
16 did -- let's see, yeah, approved the general operating budget that
17 was proposed. So there was an FY23 through '33 general operating
18 budget that was put together by staff and the FY23 through '31, Long-
19 term Research and Monitoring Program Management budget, we approved
20 both of those, and then, like I said, then we spent the majority of
21 our time talking about this question that you have raised about
22 combining the two accounts, and I think just from the PAC's
23 perspective, you know, from my experience, I just started this last -
24 - in 2021, and we spent a couple of days in 2021, in September of
25 2021, going through all of the projects and trying to figure out how

1 they would fit within the amounts that were available and made
2 recommendations accordingly and then the Trustees met in January and
3 made different decisions, and so we kind of thought, well, we --
4 anyway, and then people were also discussing the pros and the cons of
5 combining these two accounts, and what kind of public comment had we
6 received, and I went back and I looked for the comments from the
7 January 19, 2021, Trustee Council meeting, when there were four
8 resolutions on the agenda, and Resolution 20-C was about combining
9 these two accounts and there were 92 comments opposing combining them
10 and four comments in support of combining those two accounts.

11 Some of our -- our Public Advisory Committee effectively ended
12 up voting in favor of combining them because I think people felt
13 like, well, you know, some decisions have been made and what's the
14 most expedient thing to do and it seemed like that's one approach.

15 Another approach is, and I offered this in the letter to the
16 Trustees to say, and maybe it's relevant, given what you're saying
17 about the finances and the portfolio and what's going to be available
18 over the next 10 years, but I said that the Public Advisory Committee
19 is willing, I would say, to go back and reconsider the proposals and
20 the spending allocations based on what money we have available, but
21 we didn't feel like putting a lot of time and effort into that before
22 you all met to decide what you wanted to do.

23 So we are ready to be part of that process if it would be
24 useful, like I said, in reconsidering projects that were proposed,
25 but we certainly didn't want to do work that was not going to be

1 taken into account or -- yeah, not taken into account, if the
2 Trustees already have a different course of action in mind.

3 So that is a super short summary, but I guess I just want to --
4 I would close and say that, like I said, we did spend a lot of time
5 last year looking at all of the proposals and I think people were
6 frustrated with having made recommendations that then weren't
7 seemingly taken into account.

8 We do want to be part of the process. Everybody is committed
9 people. These are all people who are long-time members of the spill-
10 affected communities and have been following the research and the
11 restoration projects and the cultural facilities projects over time,
12 all of us. So I think people are still deeply engaged and deeply
13 committed and want to contribute and we stand ready to do that based
14 on what the Trustees -- how you would like to use our combined
15 expertise and advice. So thank you. That's a very short summary.

16 CHAIR O'CONNOR: Thank you very much, Kristin. Any of the
17 Trustees have any questions for Kristin?

18 COMMISSIONER BRUNE: Mr. Chair, I have a question.

19 CHAIR O'CONNOR: Please.

20 COMMISSIONER BRUNE: Kristin, thank you so much for your
21 participation in the PAC. I just want to understand for sure, you
22 said the PAC did vote to support the merging of the two subaccounts?

23 MS. CARPENTER: A majority decision, yes. There were -- there
24 was one abstention, four in favor, and two opposed.

25 COMMISSIONER BRUNE: Okay, thank you.

1 COMMISSIONER VINCENT-LANG: So Craig, this is Doug. I don't
2 know how to raise my hand in this app here, but I guess I was a
3 little troubled or just confused by some of the statements that you
4 made in your remarks. One was that the Trustees didn't take into
5 consideration the recommendations of the PAC when we made our
6 decisions. I can tell you that, for one, I read through the entire
7 PAC summaries and I took those recommendations into careful
8 consideration as part of my decision process and I think I expressed
9 at that meeting when we made our decisions, the appreciation I had
10 for you guys going through them.

11 Now, not all PAC recommendations may have been accepted, but
12 they were certainly considered as part of the decision processes that
13 I made in making decisions as to which projects to fund and which
14 projects to not fund. So I want to assure you and the other PAC
15 members that may be online that I think that was an unfair
16 representation of what my opinion was of the value of the PAC
17 comments when we were making our decisions last year, so thank you.

18 MS. CARPENTER: Thank you. I appreciate that.

19 COMMISSIONER BRUNE: Mr. Chair, one more time, just to reiterate
20 what Commissioner Vincent-Lang just said, as a -- I think a nine-year
21 or 12-year member of the PAC myself, prior to being in this position,
22 I share what Commissioner Vincent-Lang said.

23 I absolutely read every single comment, thoroughly considered
24 them and many of the recommendations of the PAC were incorporated,
25 not all of them, but we definitely -- I can say that I read them

1 multiple times and considered them. So I do appreciate the input of
2 the PAC and so I just wanted to echo what Doug said.

3 MS. CARPENTER: Well, I guess I'll just close and say I think
4 some of that sentiment or whatever the right term is, came -- the
5 couple -- several PAC members commented during our meeting in
6 September that they felt like the proposal that was issued, and I
7 honestly can't even remember now when that would have been issued, if
8 that was like in October of 2021, no, it would have been -- if it was
9 in late 2020 or early 2021, and then we considered those proposals in
10 September of 2021, but I think people felt like what was asked for in
11 the proposal wasn't necessarily -- was -- was -- felt very different
12 from what got acted on, in terms of funding decisions in late 2021,
13 and so maybe that was part of the frustration, so I'll leave it at
14 that. Thank you.

15 CHAIR O'CONNOR: Any other Council members?

16 (No audible response).

17 CHAIR O'CONNOR: All right, I see a hand up with you, Jason. I
18 don't know what that means. Did you put that -- okay, it went away.
19 All right.

20 COMMISSIONER BRUNE: Sorry, Mr. Chair.

21 CHAIR O'CONNOR: That's okay, you know, this is certainly beyond
22 techno-capabilities of the Chair at this point, trying to figure out
23 what the hell's going on technically here. All right, at this point,
24 if there's nothing further with regard to the PAC report, it's time
25 we move on to public comment.

1 Let me make just a reminder comment here: if you've already
2 reached out to Council staff to indicate that you'd like to provide a
3 public comment, we'll have you on our public comment list, and if
4 you've not yet reached out and would like to provide public comment,
5 please indicate so in the chat and include your full name.

6 Each speaker will have two minutes or three minutes per
7 organization and may speak on any topic and if you're participating
8 by phone, please unmute yourself by pressing the unmute button on
9 your phone and then also pressing six, star-six.

10 All right, at this point, Shiway, do we have a list of those
11 folks who would like to provide comments?

12 DR. WANG: We do have a list and, Joy, would you mind reading it
13 off for Craig, and Craig, would you like Austin to time the speakers?

14 CHAIR O'CONNOR: Yeah, please, so we can make sure that we get
15 everybody in, yeah.

16 DR. WANG: Okay, awesome.

17 MS. QUINN-DAVIDSON: Okay, got it.

18 DR. WANG: Thank you.

19 MS. MAGLAQUI: Our first speaker is Mr. Rick Steiner and the
20 second one will be Mr. John Durban.

21 MR. STEINER: Hi, folks. Should I go ahead?

22 MS. QUINN-DAVIDSON: Mr. Chair, could I just ask that you have
23 speakers identify whether they're representing themselves or a group,
24 because my understanding is individuals get two minutes and groups
25 get three.

1 CHAIR O'CONNOR: That's fair. Would you -- would you identify
2 yourself and whether you're speaking on your behalf or on behalf of a
3 group so that we can keep track of that, please?

4 MR. STEINER: Mr. Chair, Rick Steiner here representing Oasis
5 Earth. For the record, after 30 years of effort and over a billion
6 dollars spent, the government has been unable to fully restore the
7 environment injured by the *Exxon Valdez* oil spill.

8 This is what the science says. Plus, I ask that today, that the
9 Trustee Council officially declare or proclaim that the environment
10 injured by the oil spill will never fully recover. That declaration
11 should be inscribed into the stone columns at the entrance to the
12 State capital in Juneau as a reminder to all, particularly policy
13 makers, of the very real environmental costs of Alaska oil
14 development.

15 There were many successes and failures in the EVOS restoration
16 program, but one of the biggest failures has been the rushed chaotic
17 manner in which you've tried to end the program here in the last few
18 years. In your panicked rush to end the program, you set off a
19 feeding frenzy in which organizations scrambled to get every last
20 dime they could without regard for the recovery of the injured
21 environment.

22 The Council obliged and doled out money as political favors,
23 similarly without regard for the recovery of the injured environment.
24 As a result, you've made some very bad spending decisions that have
25 little to do with actual restoration or replacement of injured

1 resources and services. Put simply, the Trustee Council has lost its
2 way and this is a cautionary tale for other -- for the Deep Water
3 Horizon Restoration process and other such efforts as to how not to
4 end a restoration program.

5 Regarding Resolution 22-0X, it should be declined. As Kristin
6 Carpenter mentioned, this was brought up in 2020. It was
7 overwhelmingly, 96% of the public comment was in opposition and the
8 Trustee Council rightly declined it at that time. Now you've
9 resurrected it from the dead and clearly, the habitat account should
10 remain intact and all of the remaining money, unencumbered funds in
11 that account, \$26-plus million right now, should be committed today
12 to a Bering River conservation deal. That's perhaps the last best
13 thing you can do with this money.

14 In closing, I have two questions to pose to the Council,
15 questions that I've been asking the Council for years with absolutely
16 no response and I would greatly appreciate a response from any of you
17 here today on the record. First, why do you continue to ignore
18 recommending additional protections on public lands and public waters
19 in the oil spill region, which is, of course, over 90% of the
20 impacted ecosystem?

21 Secondly, why do you continue to oppose an independent
22 scientific review of the EVOS damage assessment and restoration
23 program, start to finish, by the National Academy of Sciences? I
24 recently asked Senator Murkowski to sponsor this assessment. Her
25 staff asked you. You said no. The question is why? I'll reserve

1 any balance of my time to respond to any replies for the Council, but
2 I would appreciate an answer to these two questions.

3 CHAIR O'CONNOR: All right, thank you.

4 MR. STEINER: And there we go, no answer. Thank you.

5 CHAIR O'CONNOR: Well, if you give me a chance, okay. Do any of
6 the Council members have a desire to respond at this point to what
7 Rick has had to say?

8 MS. SARA TAYLOR: Mr. Chair.

9 CHAIR O'CONNOR: Please, Sara.

10 MS. SARA TAYLOR: Sara Taylor with DOI. I have not been
11 approached by anyone in Senator Murkowski's Office.

12 CHAIR O'CONNOR: Yeah, nor have I. Any other comments from
13 Trustee members?

14 COMMISSIONER BRUNE: Mr. Chair, I'd just like to point out that
15 Mr. Steiner indicated that the PAC opposed the joining, the merging
16 of the two accounts. That's actually not correct, which is why I
17 asked the question of the PAC Chairman and she indicated that they
18 did vote to support the merging of the two. So I just wanted to put
19 that on the record that was misrepresented by Mr. Steiner.

20 MR. STEINER: Mr. Chairman, could I respond to that? That is
21 exactly what I did not say, Jason. I said the public overwhelmingly
22 opposed the merger of the two accounts in the 2020 resolution, which
23 it did. 96% of the public comment was in opposition to the merger of
24 those two accounts, which was then declined at the January 2021
25 meeting. That's what I said. That's the fact.

1 COMMISSIONER BRUNE: My apologies, Rick. They did vote just
2 this last meeting to support the merger.

3 MR. STEINER: I was not talking about the PAC, Jason.

4 CHAIR O'CONNOR: Okay, any other Council members?

5 (No audible response).

6 CHAIR O'CONNOR: All right, thank you, Rick. Who do we have
7 next?

8 MS. MAGLAQUI: Mr. John Durban and the next one will be Mr.
9 Craig Matkin.

10 CHAIR O'CONNOR: Okay, John, you're ready to go?

11 MR. DURBAN: Yes, thank you. Can I -- I am ready. Can I check
12 that you guys can hear me okay.

13 CHAIR O'CONNOR: Just fine.

14 MR. DURBAN: Okay, thank you. I'm representing North Gulf
15 Oceanic Society's Killer Whale Monitoring Project, and I just wanted
16 to take a couple of moments to give a note of thanks for funding
17 received in FY22. As you're aware, this project was initiated in
18 1984, and has provided one of the few time series of pre-spill data.

19 In 2021, the Science Panel recommended that our valuable
20 datasets be used to facilitate a broader ecosystem understanding and
21 in response, we proposed new field and analytical methods to build
22 our existing time series. Specifically, we propose using non-
23 invasive drone photogrammetry of whales to track short-term changes
24 in their body condition and growth, and to use these health metrics
25 to understand the longer-term population changes that we're tracking,

1 and importantly, this allows us to better synthesize with the efforts
2 of the Gulf Watch Program, as our measurements of killer whale health
3 refer directly to the prey that they're eating in the larger
4 ecosystem.

5 As an update, these new approaches were very successfully
6 implemented in 2022, with aerial images and measurements collected
7 from over 150 different killer whales and measurement is ongoing, and
8 this creates a baseline for future monitoring.

9 These short-term responses compliment the long-term monitoring
10 for population and abundance, including the injured pods that were
11 exposed to the oil spill. This year, we continue to photo identify,
12 to track members of 14 different pods of southern Alaska resident
13 killer whales, including the injured AB pod. All seven remaining
14 individuals of the AT1 Transient population that were also injured
15 and have yet to recover were photographically identified this year.

16 In addition, as part of our larger ecosystem studies, we
17 collected 17 free-floating fecal samples from killer whales that have
18 been genetically analyzed to describe their diet. We continue to
19 place passive acoustic recording hydrophones at four sites and moored
20 in the Kenai Fjords and Prince William Sound and applied a new
21 hydrophone off Kodiak Island.

22 This monitoring across locations provides insight into the
23 movement patterns and habitat use of killer whales (indiscernible)
24 Prince William Sound. That's a brief summary of what I think is a
25 tremendous success in this last year and we're very grateful for the

1 support we've received from the Trustee Council in 2022, and previous
2 years, of course, which have allowed us to greatly extend the
3 duration and particularly, the utility of our 37-year time series, so
4 thank you.

5 CHAIR O'CONNOR: Thank you, John. Do we have any of the Council
6 members -- want to ask John a question or a comment? All right.

7 COMMISSIONER BRUNE: I have a question, Mr. Chair.

8 CHAIR O'CONNOR: Okay, Jason.

9 COMMISSIONER BRUNE: I just wanted to say thank you for the
10 research that you've done, the fascinating update on that. I
11 appreciate that. Is there any potential for recruitment into the
12 population that obviously is -- doesn't have a potential to bring a
13 new -- a baby in? Is there -- is that -- from a transient whale or
14 something of that sort?

15 MR. DURBAN: Yes, great question, thank you. Unfortunately, for
16 the AT1 Transients, one of the damaged groups, there is no potential
17 for recruitment. All the adult females are too old to reproduce. So
18 that population is on a trajectory to extinction. The AB Resident
19 pod has been reproducing well for much of the last 30 years, until
20 the marine heat wave in the Gulf of Alaska in 2014 to 2016, and we've
21 shown that it has declined its abundance to a level similar to the
22 decline shortly after the spill. So this -- hence, our interest now
23 is trying to understand the effect of environmental variability on
24 these pods so that we can assess recovery potential, but they still
25 have the potential to recover.

1 COMMISSIONER BRUNE: Thank you very much.

2 CHAIR O'CONNOR: Any other Council members?

3 (No audible response).

4 CHAIR O'CONNOR: All right, thank you, John. And it's Craig
5 Matkin, did you say was the next commenter?

6 MS. MAGLAQUI: Yes, and the next one after Craig will be Ms.
7 Willow Hetrick.

8 CHAIR O'CONNOR: All right, Craig.

9 MR. MATKIN: Thank you, I'm testifying as an individual in
10 support of John Durban and the work that he's really supervising and
11 organizing these days. On the advice of the Trustee Council at the
12 last year's meeting, the process of finding alternative long-term
13 support for the Killer Whale Monitoring Project began and there's
14 been success in the beginning of this transition.

15 The largest new supporters are the U.S. Marine Mammal Commission
16 that provided \$50,000 on a two-year contract and the \$30,000 for a
17 two-year donation from Major Marine, a Seward-based tour company, and
18 the tour companies have been quite supportive over the years.

19 At last year's meeting, Doug Vincent-Lang and other members of
20 the Council appreciated the fact that the ground-breaking work won't
21 keep going if all Trustee Council funding immediately ceased. So we
22 have an exit strategy, John has, that provides for necessary
23 transition time.

24 I understand the EVOS budget is extremely tight, but as echoed
25 by several senior scientists in their letters that I hope you have

1 read, this is a unique project with a unique opportunity. It would
2 be reasonable to deliver on the core monitoring projects proposed in
3 the first five years of the original 10-year project proposal, in my
4 opinion, especially in light of this year's very successful field
5 season.

6 So there's a detailed revised budget proposal, which has been
7 submitted that I hope you've been able to look at, but I'll summarize
8 it quickly. My understanding is that the proposal represents about
9 50% reduction in the funds originally requested in the first five-
10 year plan. It eliminates the second five-year request completely.

11 This allocation would be as follows: FY23, \$140,163 -- that's
12 60% of the original budget; FY24, \$145,439, that's 61% of the
13 original budget, and then FY25, \$99,757, that's 46% of the original
14 budget and then no funding in FY26. We'd use the first couple of
15 years for field.....

16 MS. QUINN-DAVIDSON: Time's up, Mr. Chair, excuse me.

17 MR. MATKIN: Okay, at any rate, that's the basic proposal in
18 front of you. Thank you so much for helping keep this project
19 afloat, and thank you for your consideration.

20 CHAIR O'CONNOR: Thank you, Craig. Any of the Council members
21 have a comment or question for Craig?

22 (No audible response).

23 CHAIR O'CONNOR: Okay, thanks, Craig, very much. And the next
24 public commenter?

25 MS. MAGLAQUI: Is Ms. Willow Hetrick and after Ms. Willow, it'll

1 be Mr. Rob Suryan.

2 CHAIR O'CONNOR: Okay, Willow.

3 MS. HETRICK: Good morning. Thank you for the opportunity. My
4 name is Willow Hetrick, Executive Director of Chugach Regional
5 Resources Commission, which we abbreviate as CRRC. I'm calling in
6 today from beautiful Kodiak, where we are kicking off an EVOS-funded
7 CORaL project. So thank you for that as well.

8 I wanted to testify today, just in general about CRRC's Alutiig
9 Pride Marine Institute (APMI), which was the first ever facility
10 created with EVOS settlement funds to counteract the harm to the
11 natural resources in the Chugach Region caused by the oil spill. The
12 facility was built to conduct research, produce high quality hatchery
13 technology and repopulate plant and animal resources in the region.

14 Today, our facility is one of only two Tribal hatcheries and the
15 only shellfish hatchery in the state of Alaska. We've been working
16 hand-in-hand in the spill area communities of the Chugach on a wide
17 range of projects; habitat restoration, species stock assessment,
18 ocean monitoring and mariculture, which all help to aid recovery of
19 Alaska Native communities.

20 If the Trustee Council continues to move forward with this plan
21 to spend down the fund, we would like the Trustee Council to devote
22 some of the funds to the infrastructure line item, and crucially to
23 include APMI in the infrastructure category.

24 With the passage of House Bill 41 in July, authorizing shellfish
25 enhancement in Alaska, the opportunity has finally come to see the

1 full recovery of shellfish population that was devastated by EVOS.
2 As the only shellfish hatchery in the state, and the only
3 organization providing support for natural resource management and
4 recovery to the villages directly in the Chugach region, our
5 facility, APMI, is uniquely positioned to lead the efforts to recover
6 the shellfish populations in Chugach and beyond.

7 Although research on shellfish recovery was one of the
8 foundational reasons that the mariculture technical center in Seward
9 was established with EVOS settlement funds, the change in laws this
10 summer makes this new opportunity for the Trustee Council to provide
11 meaningful funding to build and expand the shellfish enhancement
12 operations at our facility.

13 Our complex facility relies on numerous physical and biological
14 systems for the research and care of animals. We are directly
15 located to Resurrection Bay, which requires a high level of owner
16 care and management. Operating continually for more than 30 years,
17 our critical building systems and infrastructure require increasingly
18 costly maintenance.

19 Despite our position as one of the first legacy facilities
20 created from the *Exxon Valdez* Oil Spill settlements, we haven't
21 really benefitted from the infrastructure category of funding. I do
22 believe that the Council can, however, remedy this by allocating
23 funds in its spend-down of the restoration reserve to critical
24 maintenance projects at our facility, such as the new seawater intake
25 and proposed facility expansion.

1 We have a shovel-ready expansion project that will add
2 educational, cultural, training, office and laboratory spaces, all of
3 which will contribute to our existing programs and support of Alaska
4 Natives in the Chugach.

5 I heard a ding. So thank you very much for your time today. I
6 hope you have a wonderful meeting.

7 CHAIR O'CONNOR: Thank you, Willow. Any of the Council members
8 have questions?

9 (No audible response).

10 CHAIR O'CONNOR: No, all right.

11 MS. MAGLAQUI: Our next one is Mr. Rob Suryan and after him will
12 be Mr. Bob Shavelson.

13 CHAIR O'CONNOR: All right.

14 MR. SURYAN: Thank you for this opportunity. My name is Rob
15 Suryan and I am the Science Lead for Gulf Watch Alaska, and I have
16 been in this role since 2017. During the program's first 10 years,
17 Gulf Watch Alaska was designed and has matured as an efficient,
18 highly integrated, long-term ecosystem research program.

19 We developed our proposal for the next 10 years based on this
20 foundation. The greatest value of Gulf Watch Alaska is the
21 integration and the sustained environmental data collection. The
22 selective removal of individual components compromises all of this.
23 In contrast to having allowed Gulf Watch Alaska (indiscernible) to be
24 strategic in scaling back to a reduced funding cap.

25 This is water under the bridge, but it is also the reason why

1 you now have a request before you to continue funding for a reduced
2 killer whale project. We know that EVOS funding will not last
3 forever. When I joined Gulf Watch Alaska five years ago, I
4 questioned how are we going to continue funding, keep projects beyond
5 the anticipated 20-year timeframe?

6 We are making progress on this front. There are now more non-
7 EVOS funds contributing to Gulf Watch Alaska than EVOS funds. We
8 will continue this effort, but the transition cannot happen overnight
9 or within a single year. Modern weather forecasts and storm tracking
10 have greatly improved because of enhanced and sustained data
11 collection efforts and forecast model development.

12 It is the same for changing marine ecosystems and the lives
13 affected by them. I understand the need to reduce expenditures and
14 fund other priorities, but I urge you to maintain the integrity that
15 was designed into Gulf Watch Alaska by funding program management and
16 a scaled back killer whale project.

17 This design allows Gulf Watch Alaska to continue its legacy
18 products while being nimble enough to provide new products for
19 valuable EVOS Trustee Council's mariculture and education outreach
20 for the site. Thank you for this opportunity to speak.

21 CHAIR O'CONNOR: Thank you, Rob. Council members?

22 (No audible response).

23 CHAIR O'CONNOR: Okay, that's quite a picture. All right, who's
24 next, Joy.

25 MS. MAGLAQUI: Our last one is Mr. Bob Shavelson.

1 CHAIR O'CONNOR: All right, Bob.

2 MR. SHAVELSON: Thanks. How's my audio?

3 CHAIR O'CONNOR: Audio is good.

4 MR. SHAVELSON: Great, thank you. My name's Bob Shavelson. I'm
5 a resident of Homer in the spill-affected area, had a front row seat
6 for conservation issues for the past 28 years here, and you know, my
7 first thought when coming here today is that this is just like
8 Groundhog Day, right? It was such a strong public opposition to
9 Resolution 20-C in 2020/21 and yet, here we are again, and the
10 question that came up for me is, you know, what changed?

11 Well, what changed is that we saw the Trustee Council overspend
12 the research account, and you know, maybe this is just happenstance,
13 maybe these are unrelated things, but from my perspective, this is
14 just a deliberate underhanded way for the Dunleavy Administration and
15 the State Trustees to spend-down the habitat account and eventually,
16 wind down the whole restoration program.

17 So now you've created all of these mouths to feed. You've
18 created these vested interests that have a strong desire to see the
19 money that's been earmarked to them and it's especially disappointing
20 to see the Federal Trustees acquiescing in this idea. I will say
21 that the comments I heard at the beginning that this is not an effort
22 to close down the habitat account and Congress has to do something,
23 this is a conditioned precedent. This is the road to getting this
24 done. So I don't think anyone should be fooled that that's not
25 what's going on here, and you know, it's certainly not surprising

1 from my perspective that the Dunleavy Administration is opposed to
2 habitat protections.

3 I've watched this Administration. I've watched these agencies
4 involved on this Council. I've seen nothing meaningful or proactive
5 to protect the environment, and you know, it's so sad, because Alaska
6 does have world class resources and we used to have the world class
7 management regime, but now that's all gone away and all we see is
8 erosions and roll-backs and things that harm habitat, and you know,
9 where I'm at right now in Kachemak Bay, Cook Inlet, you know, we used
10 to have prolific shrimp and crab and herring and clams. All that's
11 gone.

12 We're fighting over the last fish here, and so you know, this
13 whole idea that everything's fine, I think needs to be discarded and
14 one thing that we can do is preserve the habitat protection of the
15 *Exxon Valdez* Oil Spill Trustee Council. So I'll just wrap up and
16 say, you know, the whole process is so disheartening because our
17 country's divided. Our state's divided. This just adds to the
18 public distrust of government when we see something so underhanded
19 and going about it in a way that subverts the public sentiment.
20 Thank you.

21 CHAIR O'CONNOR: All right, thank you, Bob. Council members?

22 MS. SARA TAYLOR: Mr. Chair.

23 CHAIR O'CONNOR: Go ahead, Sara.

24 MS. SARA TAYLOR: Sara Taylor with DOI. I just -- I just want
25 to point out very briefly that the consolidation of the accounts was

1 an option that was considered at our previous meeting and because it
2 is still an option, it's under consideration again. It's not
3 necessarily that we're picking up old ideas and trying to pass them
4 off as new ones.

5 The goal, I think, at least for me today, is to ensure that
6 everyone has every possible opportunity to move forward before them,
7 and combining the accounts is one of those options, that is a fact.
8 It's not about how any of us feels about it, per se, as much as it is
9 just that it's on the table, if that helps.

10 CHAIR O'CONNOR: Thank you, Sara. Any other Council member?

11 (No audible response).

12 CHAIR O'CONNOR: All right, Joy, do we have any other folks?

13 MS. MAGLAQUI: Yes, Ms. Katrina Hoffman.

14 CHAIR O'CONNOR: All right, Katrina, you're good to go.

15 MS. HOFFMAN: Hi, can you hear me?

16 CHAIR O'CONNOR: Yes.

17 MS. HOFFMAN: Okay, great. Thanks for the opportunity to speak.

18 Katrina Hoffman, I'm the CEO of the Prince William Sound Science
19 Center, and the administrative lead for Gulf Watch Alaska. When you
20 released the invitation for proposals for long-term monitoring,
21 development of mariculture, and education and outreach in November of
22 2020, you signaled an intent to fund highly qualifying projects for a
23 10-year period of time in those areas.

24 Entities like the Prince William Sound Science Center plan in
25 multi-year increments, as you do. We invest time and money to help

1 carry out the restoration goals of the Trustee Council. There is a
2 significant financial component to that planning on behalf of all
3 parties.

4 The Council's work is of critical importance to Cordova. It's
5 economically the hardest hit community in the spill, where you can
6 still find herring permit holders today. The long-term monitoring
7 program evolved out of a lengthy public process in 2010 and '11,
8 where through many public meetings, the public advised that the
9 Trustee Council's priority should be to continue monitoring of the
10 spill-affected resources to better understand the impact on them and
11 the status of their recovery.

12 Now, due to the strain on the Trustee Council budget, you're at
13 risk of under-funding that one area of investment, long-term
14 monitoring, that's undergone the most robust public process in the
15 last 20 years and was designated as an exceptionally high priority
16 for the Trustee Council.

17 Discontinuing those studies prematurely would have significant
18 negative consequences for Prince William Sound, the community of
19 Cordova, the Prince William Sound Science Center, and the epicenter
20 of the spill-affected region. The multi-year mariculture research
21 and restoration consortium takes advantage of Prince William Sound's
22 sampling in Gulf Watch Alaska. To save money on monitoring, they're
23 piggy-backing some of the necessary data collection on oceanographic
24 cruises that are already occurring via long-term monitoring, and the
25 CORaL network is going to translate the outcome of those two high-

1 impact transformative programs that you have created and funded.

2 The organizations deeply engaged in this work need more than a
3 three-year runway to pivot toward other funding sources, as other
4 scientists have mentioned today, and the Trustee Council members
5 recognize the fact that you're considering things like the long-term
6 killer whale proposal.

7 I encourage you to approach problem solving as holistically and
8 equitably as possible, with the intent of making as little impact as
9 possible on the commitments you've made and the biggest impact on
10 understanding the spill-affected area and the status of recovery.
11 Thank you.

12 CHAIR O'CONNOR: Thank you, Katrina. Council members?

13 (No audible response).

14 CHAIR O'CONNOR: All right, Joy.

15 MS. MAGLAQUI: That's all we have for today.

16 CHAIR O'CONNOR: All right. All right, thank you, folks. Let
17 me reflect on our agenda at this point. How are we doing on a need
18 for a break? Anybody.....

19 COMMISSIONER VINCENT-LANG: Well, it'd be my choice for you to
20 go through the program and project updates before taking a break and
21 then.....

22 CHAIR O'CONNOR: Okay, let's do that then. That's great.
23 Shiway, I think that means you're on.

24 DR. WANG: I am, and I am going to share my PowerPoint. Okay,
25 let's see, thanks for your patience. I have multiple, multiple

1 screens going. All right, well, good morning again, everybody. The
2 associated meeting material posted online is Item 5. EVOSTC FY22
3 Program and Project Summary and Updates.

4 Last year, the Trustees approved 39 multi-year projects that
5 were submitted in response to the five-year and 10-year invitations
6 for proposals. Two habitat projects were reauthorized and two marine
7 facilities projects were also awarded additional funding. A total of
8 43 multi-year projects are in operation for FY22, which is a little
9 over 50% more than the number of projects that have been funded
10 annually over the last five years.

11 The release of the FY22 project funding was delayed, and as a
12 result, many of these projects were not able to begin until mid-
13 summer or very recently. I'm going to give you a summary of the new
14 FY22 multi-year projects and a very brief update on a few of those
15 projects and all of the continuing projects.

16 These summaries and updates are described in more detail in the
17 meeting materials that I mentioned. Funding amounts approved for
18 each project can be found in the FY22 work plan posted online. Field
19 proposals are also available to download from the restoration project
20 search page and if you guys have any issues, please contact staff and
21 we are more than happy to help you find what you are looking for.

22 The FY22-26 invitation included three focus areas: general
23 restoration, habitat enhancement, and habitat protection. The
24 Trustees approved three new general restoration projects, two new
25 brick-and-mortar general restoration projects, and five new habitat

1 enhancement projects for FY22-FY26.

2 Funds for these new projects were awarded to the Copper River
3 Watershed Project, the Kenai River Sport Fishing Association, Kenai
4 Watershed Forum, Chugach Heritage Foundation, Alutiiq Museum and
5 Archaeological Repository, DEC, Fish and Game, Fish and Wildlife
6 Service, and the Port Graham Corporation.

7 Oversight of these projects was added to the list of ongoing
8 projects currently managed by Council staff, which also includes two
9 habitat protection projects that are ongoing. These new projects
10 began this year. I have some brief updates for some of these new
11 projects and most are still getting started and don't have
12 substantial updates to report yet.

13 The first is the Alutiiq Museum renovation and expansion
14 project, and they are hoping to break ground in the spring of 2023.
15 additional grants were awarded from the Rasmuson Foundation and
16 Koniag. There is a really cool six-minute fly-through conceptual
17 video of the facility that I don't have time to show now, but I'll
18 post these slides on the website after the meeting, if you guys want
19 to check it out.

20 The Port Graham Corporation Habitat Enhancement Project is a new
21 project that also started this year. These photos are from foot
22 surveys that were conducted for road and site assessments. Debris
23 and vegetation clearing is being planned for this year, and PIs are
24 developing site priorities for 2023.

25 The Kenai Peninsula Stream Watch Project was previously funded

1 by the Council for FY18 and was awarded funding again last year for
2 FY22 through FY26. The Stream Watch program is run by the Kenai
3 Watershed forum, which provides resources to expand community-driven
4 fish habitat conservation and education on the Kenai Peninsula. The
5 pictures here show volunteers installing three miles of habitat
6 fencing to protect delicate stream bank habitat, removing bags of
7 debris in the area and also a recycling receptacle for fishing line.

8 The Eyak Lake Weir restoration project is another new project.
9 Heavy precipitation last month has resulted in a few high-water
10 events, which has been putting a lot of pressure on the aging weir.
11 Field work is anticipated to begin in a couple of weeks.

12 So now I'm going to give some brief updates on continuing
13 habitat enhancement projects which were funded before FY22. The
14 first is the Kodiak Island Buskin River Watershed enhancement
15 project, which was recently completed by Fish and Wildlife and
16 several of their partners.

17 The first picture is of an old culvert. This photo shows the
18 replacement culvert to one that was a barrier to juvenile salmon.
19 The stream was reconstructed in this area to remove failing grade
20 controls that were also a barrier to juvenile salmon and this photo
21 shows pink salmon spawning inside the culvert.

22 There are several enhancement projects that are expected to be
23 completed soon.

24 The Funny River and Morgan's Landing Riverbank Restoration is an
25 ADNR State Parks Division-led project and is expected to be completed

1 in 2024. The Kenai Peninsula Aquatic Ecosystem Restoration Project
2 involves culvert replacements and fish passage work on the Kenai
3 River and is led by Fish and Game. There were five sub-projects.
4 Three have been completed. A no-cost extension was requested and
5 approved due to construction delays for the remaining two projects,
6 which are expected to begin in 2023.

7 The Kenai River Streambank Restoration Project consists of six
8 streambank and restoration projects on the Kenai River, all of which
9 are led by ADNR State Parks Division, and four of the projects have
10 been completed. The remaining two are expected to be done in 2024.
11 These photos are of Crooked Creek, which is one of the sites.

12 ADNR State Parks and Rec is also finishing up its outreach
13 project. Several projects were already completed, which included the
14 30th anniversary outreach projects, such as a traveling panels and a
15 short film. Interpretative displays highlighting habitat enhancement
16 and restoration projects were also installed on Council-funded
17 habitat enhancement sites. The remaining funds will be used in 2023.

18 The Copper River Watershed Aquatic Ecosystem Enhancement Project
19 involved the replacement of underperforming culverts in the Copper
20 River Watershed, and is expected to be completed in 2023. These are
21 before and after restoration photos of a 2021 culvert replacement
22 project on a cutthroat and coho salmon stream, known as 18-mile on
23 the Copper River Delta.

24 Two ongoing enhancement projects are the Meals Hill Project and
25 the Eagle Rock Facilities Improvement. Phase I on the Meals Hill

1 Project was the purchase of the property, located in Valdez, by the
2 Council. This phase is complete. Phase II is now in progress, which
3 involves the installation of recreational improvements. This
4 property is currently owned and managed by the City of Valdez and is
5 a 184-acre property with great potential for recreational
6 opportunity.

7 The Eagle Rock Facilities Improvement Project is a planned
8 recreational enhancement project and it would begin on the Bookey
9 Parcel once the purchase is complete.

10 The Council did not fund any of the proposed habitat protection
11 projects last year, but there are two continuing habitat protection
12 projects that were previously awarded funding. The Killey River
13 Project involves the acquisition of privately owned lands near the
14 Killey and Kenai Rivers confluence. Once acquired, these lands will
15 be incorporated into the Kenai Peninsula Wildlife Refuge.

16 The other protection project is the Bookey Parcel Purchase
17 Project, say that five times fast. Once the purchase is completed,
18 State Parks can begin the planned recreational enhancements on the
19 property that I mentioned earlier.

20 This photo shows the Bookey property at the bottom and you can
21 see that it will provide great access to the Kenai River.

22 COMMISSIONER BRUNE: Mr. Chair, Shiway, could I ask a question
23 on that last slide, please?

24 DR. WANG: Yeah, of course.

25 COMMISSIONER BRUNE: Could you just tell us what the status is

1 on both -- like what's holding up the acquisition on both of those
2 and what's the timeline for both of those to proceed because I think
3 one of them is a Native allotment.....

4 DR. WANG: Yeah.

5 COMMISSIONER BRUNE: And obviously, I think I've said on the
6 record before, I think it's absurd that the federal government has to
7 bless -- actually, I think it's quite racist, frankly, that the
8 federal government has to bless when a Native allotment -- a Native
9 allottee wants to sell their land, but what's the status of that, and
10 then also, what's the timeline for the Killey River acquisition?

11 DR. WANG: Sure, Jason, I'm going to ask Austin to chime in on
12 this since she's been working directly with these projects.

13 COMMISSIONER BRUNE: Perfect, thank you.

14 MS. QUINN-DAVIDSON: Hi, Jason or Mr. Brune, sorry. Maybe I'll
15 speak to Bookey quickly, and then let Lauri speak to Killey River, if
16 she's able to do that.

17 Thanks for the concern about BIA. We've actually been working
18 really collaboratively with them and I can completely understand your
19 frustration about the allottee process, but they are now onboard with
20 getting this property sold and we're working with their lawyer and
21 the other agency's lawyers to get -- they have a typical process they
22 use to transfer land. So we're working with all the lawyers to find
23 a process that works for everyone, since it's a little outside of how
24 we normally do these, but we're all good and we're working
25 collaboratively and the project is moving forward.

1 COMMISSIONER BRUNE: Austin, real quickly, what is the timeline
2 for that?

3 MS. QUINN-DAVIDSON: I'm hoping that it closes in early 2023.
4 We do have draft documents out and everyone's reviewing them and
5 we're getting edits back, and you know, of the deed and the
6 conservation easements. So things are looking really good. It
7 always takes time with a number of, you know, sort of bureaucratic
8 parties that just take time to review things, but it's feeling pretty
9 good at this point.

10 COMMISSIONER BRUNE: Thank you.

11 MS. ADAMS: Would you like me to speak to Killey River now?

12 COMMISSIONER BRUNE: Yes, please.

13 MS. ADAMS: Okay, if you can hear me, this is Lauri Adams, and
14 Killey River is also moving forward well. I think it will likely
15 close -- I would say maybe the first half of 2023. The appraiser is
16 working on an appraisal right now. He's been out on the ground. So
17 it'll still be a few months, you know, they take a while to put their
18 reports together, but once that is done, the seller will need to
19 approve, that's CIRI, of course, will need to approve the price, and
20 assuming the price is approved, we should be able to move forward to
21 finish up the rest of the due diligence and close, I would say the
22 first half of next year.

23 COMMISSIONER BRUNE: Lauri, as a follow-up question, because of
24 the delay in that, is that not something that the Trustee Council
25 will have to reauthorize for that, because it has taken so long?

1 MS. ADAMS: No, it does not need to be reauthorized because
2 there is a purchase agreement in place on that one. So it just needs
3 to get closed or not, obviously, if the seller doesn't agree to the
4 price. So it's ready to roll.

5 COMMISSIONER BRUNE: I'm just asking the question because this
6 just has been over -- I think it's over five years now, and I mean,
7 is there just no time or statute of limitations on closing?

8 MS. ADAMS: Well, I think the purchase agreement was put in
9 place -- I think it was in 2020, and it's a complicated purchase. I
10 think I've mentioned that before, because of the exchange and
11 identifying lands. So it has taken a little longer, but a lot of
12 these projects take at least a couple of years from when the purchase
13 agreement is put in place. So this one's well in that. It would be,
14 you know, two-and-a-half years.

15 COMMISSIONER BRUNE: Got it.

16 MS. ADAMS: So I don't think there's been an unconscionable
17 delay. It has been a little slower. Some of them have moved faster,
18 but it's a complex purchase.

19 COMMISSIONER BRUNE: Yeah, I just -- the reason I asked is I
20 thought it was an EVOS motion in 2017, and so that's -- I mean, I
21 guess you said it was 2020 when the final purchase agreement actually
22 occurred. So I'm just intrigued that it's taken the better part of
23 five years for this process. Thanks, Lauri.

24 MS. ADAMS: Okay, thank you.

25 MS. QUINN-DAVIDSON: May I just add something?

1 CHAIR O'CONNOR: Please.

2 MS. QUINN-DAVIDSON: Thank you, Mr. Chair. So the resolution
3 required that we enter into a purchase agreement within 18 months.
4 So I don't have it on me, but I believe, Mr. Brune, that it would
5 have been at some point in 2018, maybe late 2018 that the Council,
6 that would make sense, in the fall meeting probably approved it. So
7 we are going on a little bit, but the purchase agreement doesn't have
8 a time limit on it, and as Lauri said, we're hoping to close
9 relatively soon. So we feel good about the progress, even though
10 these real estate projects are slow.

11 COMMISSIONER BRUNE: Thank you.

12 CHAIR O'CONNOR: Okay, Shiway.

13 DR. WANG: Thanks, guys. I didn't mean to hit the clapping
14 hands reactions. I don't know what that was. I meant to hit my --
15 raising my hand. I just wanted to add also, I believe when we
16 reauthorized the funding for these projects, the resolution also
17 included a deadline of a certain fiscal year for it to happen, so --
18 and it's before FY26, I believe.

19 MS. QUINN-DAVIDSON: Shiway, can I add something?

20 DR. WANG: Yeah.

21 MS. QUINN-DAVIDSON: That was for Bookey specifically.

22 DR. WANG: Okay, thank you.

23 MS. QUINN-DAVIDSON: The Trustee Council reauthorized last fall,
24 so the sale, and then of course, the enhancements will come, which
25 are improvements, access improvements to the Kenai River, will come

1 after the sale. So that's the one that was reauthorized by the
2 Council, and I believe Mr. Vincent-Lang put in -- or suggested the
3 dates, maybe I'm misremembering, but I think it was 2025 for the
4 sale, which we definitely feel confident we'll meet that quite a bit
5 early and then maybe 2027 for the improvements, if I recall.

6 DR. WANG: Awesome, thank you, Austin. Okay, we will move on
7 now to the FY22-FY31 invitation projects, the 10-year invitation
8 projects. There are three focus areas: long-term research and
9 monitoring program, the LTRM, research to support the development of
10 mariculture and education and outreach projects.

11 The Trustees approved three new LTRM projects, three new
12 mariculture projects, and three new education and outreach projects.
13 There are a wide variety of entities leading and collaborating on
14 these projects, including state and federal agencies, private and
15 nonprofits, universities, Native villages, and corporations.

16 These new projects began this year, and again, don't have any
17 significant updates yet. Oversight of these projects is added to the
18 list of ongoing projects currently managed by Council staff, which
19 also includes 18 continuing LTRM projects that were also approved for
20 funding, as well as the data management program.

21 There are three individual science projects that were renewed
22 for FY22. The first is the Ocean Acidification Sampling. This
23 continuing project is progressing as planned. Final data quality
24 assurance and control are underway for analyzed samples. FY22 is the
25 last year of the project.

1 Status and Trends of EVOS-injured Seabirds, the FY21 field
2 season was interrupted because of COVID-19 mitigation efforts, but
3 the project continues to make progress in this current year.

4 The Pigeon Guillemot Restoration Project FY21 was the third year
5 of monitoring for mink presence or absence, and no mink were
6 detected. Numbers of guillemots recorded along shoreline surveys has
7 more than tripled since mink removal efforts began in 2014,
8 increasing from 20 -- increasing from 69 in 2014 to 252 birds in
9 2021.

10 The Gulf Watch Alaska Program was started in 2012 and is managed
11 in five-year increments. The past year has been busy closing out the
12 last five years, which include preparing long-term datasets for
13 publication online through the AOS data portal and DataONE. PIs and
14 program leads are drafting 15 final reports for the Trustee Council
15 and finalized contributions for a special issue peer-review journal
16 titled "Understanding Ecosystem Processes in the Gulf of Alaska."

17 The focus of the Herring Program has been completing analysis
18 and producing final reports for this past five-year cycle. All
19 projects successfully collected their plan samples in FY21. This
20 figure shows the model estimate of the pre-fishery biomass in metric
21 tons for each year, and one of the exciting findings is that the
22 current herring population estimates are close to those in 2010,
23 having rebounded from historic low levels.

24 The recruitment of the 2016-year class to the spawning stock
25 that began in 2019 has built the population up from the record low

1 level observed in 2018. Mile-days-of-spawn and acoustic biomass
2 estimates are two of the primary inputs to the herring population
3 model. These data show that the decrease to the low level observed
4 in 2018 may have been more rapid than the model can account for.
5 This would likely be due to not having appropriate factors in the
6 model to account for rapid mortality events.

7 The Data Management Program is a continuing project that
8 provides cost effective data management services for all the
9 continuing Gulf Watch Alaska and Herring Research and Monitoring
10 projects, the three continuing science projects, the three new long-
11 term research and monitoring projects, and the three new mariculture
12 projects, and the three new general restoration projects.

13 Disruptions to the 2020/21 field seasons due to the pandemic
14 resulted in data collection and submission delays throughout 2021 and
15 '22. Most projects received a no-cost extension to compensate for
16 data collection and processing delays through January 23, which is
17 the end of this coming up fiscal year.

18 Data Management staff and Council staff hosted a data management
19 introduction and briefing for all new PIs whose projects are required
20 to archive and make publicly available data generated by their
21 projects, according to the requirements in the Council's data policy.

22 Axiom software engineers are enhancing existing web-based tools
23 to improve the discoverability of Gulf Watch Alaska and Herring
24 project-level data.

25 Additional funding for two continuing marine facilities

1 replacement and improvement projects were approved by the Trustees in
2 2021. I'm going to play this short minute-and-a-half video, a
3 compilation of the new Prince William Sound Science Center campus.
4 One second.

5 (Audio of video playing)

6 DR. WANG: All right, the new five-acre waterfront campus held
7 its ribbon-cutting event on June 4th this summer. The SeaLife Center
8 Facilities Improvement Project will help repair, replace, and improve
9 the SeaLife Center's building infrastructure, life support, and
10 research support systems, and contracts are being initiated this
11 year.

12 So that concludes my presentation for this agenda item. Thank
13 you to all the PIs that provided photos of their work and to staff
14 for helping me put this together.

15 CHAIR O'CONNOR: All right, thank you, Shiway. Any of the
16 Council members have any questions or comments?

17 COMMISSIONER VINCENT-LANG: Yeah, just real quick, I want to
18 note the amount of habitat work that we've been doing as part of that
19 presentation. There's quite a bit of work that we've been doing
20 across the spill area from Kodiak all the way into Prince William
21 Sound and into the Cook Inlet that is really focused on habitat work.
22 So I think we kind of addressed a lot of habitat restoration work as
23 part of this project. So thank you. Good update, I appreciate it.

24 CHAIR O'CONNOR: Anyone else?

25 (No audible response).

1 CHAIR O'CONNOR: Thank you, Shiway.

2 DR. WANG: You're welcome.

3 CHAIR O'CONNOR: All right, at this point, I'm going to ask
4 again, do we need to take a break? The next discussion is going to
5 be a financial update. Do we want a break now before that or wait
6 until that discussion is over?

7 COMMISSIONER VINCENT-LANG: How long do you expect that
8 discussion to go?

9 CHAIR O'CONNOR: Shiway, do you know?

10 DR. WANG: I was just going to, read the subaccount values, and
11 then we have Shane Carson on the line to discuss the asset
12 allocation, so I'm guessing like five to 10 minutes maybe.

13 COMMISSIONER VINCENT-LANG: Okay, might as well get through
14 that, because then there's motions after that, so.....

15 DR. WANG: Okay.

16 CHAIR O'CONNOR: Good.

17 DR. WANG: All right, sounds good. Okay, so since I have the
18 agenda up, I'm just going to go ahead and read the subaccount
19 balances. As of the end of August, for the Research subaccount, it
20 is \$56,489,442.10. For the Habitat subaccount, the balance is
21 \$82,401,916.38. The encumbered funds will be released in increments
22 annually over the remaining years of Council operations.

23 To date, funds for FY22 have all been released, except for two
24 habitat projects: the Bookey Parcel project and the associated Eagle
25 Rock Facilities Improvements. The Bookey Parcel cost is \$2.3 million

1 and Eagle Rock is \$6,419,010, and I can move onto the asset
2 allocation, if Trustees are ready for me to do that.

3 CHAIR O'CONNOR: Any questions so far, Trustees?

4 (No audible response).

5 CHAIR O'CONNOR: All right, carry on.

6 DR. WANG: Okay, so after the January 2022 meeting, the spending
7 scenarios for FY23 through FY33 were revised according to guidance
8 from attorneys on what projects could be funded from the Research and
9 the Habitat subaccounts.

10 Trustees and I met with the Alaska Department of Revenue (ADOR)
11 Financial Officers to discuss the revised spending scenarios, and
12 ADOR provided updated asset allocation recommendations based on the
13 shortened time horizon of the subaccounts and the increase in
14 sensitivity to losses.

15 The asset allocations were approved unanimously electronically,
16 according to the Council's investment policy and general operating
17 procedures in late July, and these were executed on August 15th.

18 So we have Shane Carson with the State of Alaska Treasury
19 Division to talk about these asset allocations.

20 MR. CARSON: Thanks, Shiway, and through the Chair, I'll address
21 the Trustees, and stop me at any time if you have any questions. I
22 know you said five minutes. I can talk for hours or I can talk for
23 30 seconds. I'll kind of just work with your schedule.

24 So as Shiway mentioned, in July, the Department of Revenue
25 received updated spending projections from the Council, and they

1 deviated fairly significantly from what we've been -- what we were
2 thinking was going to happen in the accounts before and so, we kind
3 of took them back, did some modeling and came to the conclusion that
4 these accounts, Habitat and Research, would benefit from a much lower
5 risk tolerance or a much lower risk profile from investments, and so
6 we recommended basically pulling equity risk out of the accounts and
7 investing in 65% short duration, kind of one to three-year government
8 bonds. It does have a little bit of credit exposure, and then 35%
9 cash equivalents, and what this does is -- and this is for both
10 accounts, and what this does is this takes the expected losses on the
11 tail of the performance, and so this is kind of like this 5% event
12 type of a -- 5% probability event type with respect to losses, and it
13 reduces that down significantly so that it's easier for the Trustees
14 and the Council to project how much money they're going to have in
15 the future.

16 Given what markets have done, you can imagine seeing all the
17 volatility this year, especially in the equity markets, any exposure
18 to that, you could think you've got a significant amount of money and
19 have it drop down following the markets and have much less to spend
20 than you originally thought. So this will protect a lot of that
21 downside. That's the main recommendation there.

22 I will mention one thing is the Department of Revenue also -- we
23 highly recommend that you review these allocations on an annual
24 basis. So if you have a long-term approval of the asset allocation,
25 as you guys approach the termination of these accounts or however you

1 decide to manage the accounts, you may want to migrate further toward
2 cash or reduce risk as you kind of approach that -- as the
3 sensitivity to losses actually becomes less tolerable.

4 And then lastly, I would mention that it was kind of fortuitous
5 that when we did this particular -- so Department of Revenue does not
6 time the market. We do not time the market in any way when we do
7 this, but there was a significant benefit in these accounts when we
8 pulled risk off the table.

9 In Q3 of this year, the equity markets actually had an increase
10 in value, a short bounce in value, up until August 15th, which is the
11 exact day we pulled equity out of the portfolio and so there is
12 almost an anomalous benefit that came to the accounts because you
13 guys pulled risk off at the exact right time in Q3.

14 Over the long-term, this is going to -- you know, this will kind
15 of get mixed in with the wash and you won't even recognize it, but it
16 was a really good, well-timed event, and at least for this particular
17 fiscal year, and so the accounts should benefit from that. That's my
18 only prepared talking points. I'd be happy to talk about anything
19 else -- anything else the Trustees would like to discuss.

20 CHAIR O'CONNOR: Thank you, Shane.

21 COMMISSIONER BRUNE: Mr. Chair.

22 CHAIR O'CONNOR: Go ahead.

23 COMMISSIONER BRUNE: I just wanted to say thank you, Shane, and
24 thanks for the recommendation, and I was going to point that out, as
25 well. It was very fortuitous that the Alaska -- State of Alaska

1 Department of Revenue made this recommendation to us and we moved
2 forward. The market was at \$34,038 on August 15th. It fell all the
3 way down to \$29,000. It's currently at \$30,000. So I mean, that's
4 more than a 15% drop that we saved by doing this action, which
5 obviously preserved the capital that we have for the projects that we
6 funded and again, I want to give huge kudos and -- and thanks to the
7 Alaska -- State of Alaska Department of Revenue and to the Trustees
8 for unanimously voting to make this change because we preserved the
9 capital to be able to fund the projects that we funded last year, and
10 so again, Shane, thank you for that recommendation.

11 CHAIR O'CONNOR: Thank you, Jason. Any other Trustees have a
12 comment or questions for Shane?

13 (No audible response).

14 CHAIR O'CONNOR: I should have followed Shane's advice myself.

15 MR. CARSON: I should have myself.

16 COMMISSIONER VINCENT-LANG: Craig, do we need a motion on this?

17 CHAIR O'CONNOR: We could probably have a motion to accept the
18 report.

19 COMMISSIONER VINCENT-LANG: Well, I think we need a motion to
20 approve the asset allocations recommended, do we not, Shiway?

21 DR. WANG: Yes, that is correct.

22 COMMISSIONER VINCENT-LANG: Okay, I move we approve the asset
23 allocation recommended by the Alaska Department of Revenue on page
24 five of the Alaska Department of Revenue July 2021 presentation
25 titled "Mid-Fiscal Year Updated Asset Allocation for the Five-Year

1 Period from February 1, 2023 through January 31, 2027." The
2 Department of Revenue will be requested to review these asset
3 allocations at least annually and make recommendations for changes
4 that may be needed to assist in meeting investment objectives.
5 Recommendations by the Department of Revenue may be implemented by
6 the Executive Director with the approval by the Trustee Council.
7 Adjustments to the asset allocation will be reviewed and approved by
8 the Trustee Council during the five-year period as provided in the
9 EVOS Trustee Council investment policy and general operating
10 procedures.

11 CHAIR O'CONNOR: Is there a second?

12 MR. SCHMID: Dave will second the motion.

13 CHAIR O'CONNOR: Is there any objection to the motion?

14 (No audible response).

15 CHAIR O'CONNOR: Hearing none, the motion's been approved.

16 Thank you, Doug.

17 COMMISSIONER BRUNE: Mr. Chair, I'm sorry I was late to the gun,
18 in Doug's motion, it says July '21 presentation. The presentation we
19 have in our packet is July '22. I just -- I don't know if that was
20 incorrectly stated in the motion, if it was, I would move that we
21 change that to '22 or if it's friendly, I know we've already voted,
22 but I want.....

23 CHAIR O'CONNOR: Yeah.

24 COMMISSIONER BRUNE:make sure that that's appropriately
25 stated, because I believe it was not. Shiway, can you confirm one

1 way or the other?

2 DR. WANG: Yeah, it's 2022, I'm sorry.

3 COMMISSIONER VINCENT-LANG: Yeah, my apologies. As a friendly
4 motion, so I'll accept that as a -- as an error just in my reading of
5 it, so -- and I meant 2022.

6 CHAIR O'CONNOR: All right.

7 COMMISSIONER BRUNE: Dave, are you good with that?

8 MR. SCHMID: I'm absolutely good with 2022.

9 CHAIR O'CONNOR: All right, Sara, you good?

10 MS. SARA TAYLOR: (No audible response).

11 CHAIR O'CONNOR: All right, hearing no objection, we're all
12 friends, everything, it's done, good. All right, next, let me find
13 my agenda.

14 COMMISSIONER VINCENT-LANG: I see Dave moving around in his
15 seat. So maybe now is a good time for a break.

16 MR. SCHMID: Mr. Chair, if we could have a very short break, I
17 would appreciate it.

18 CHAIR O'CONNOR: All right, does 15 minutes sound adequate,
19 folks? That's a cup of coffee and processing the earlier cup,
20 so.....

21 COMMISSIONER VINCENT-LANG: What time do you want to get back?

22 CHAIR O'CONNOR: I don't know. What time is it, 11:30 your
23 time, 12:30 or 10:30 (indiscernible).....

24 MS. SARA TAYLOR: It'd be 10:50, Mr. Chair.

25 CHAIR O'CONNOR: Okay, all right, that sounds good.

1 COMMISSIONER VINCENT-LANG: What time? I'm sorry, I missed it.
2 MS. SARA TAYLOR: Ten-five-zero.
3 COMMISSIONER BRUNE: 10:50.
4 COMMISSIONER VINCENT-LANG: Ten-five-zero, okay.
5 DR. WANG: 10:50, and we're going to leave the Zoom on, so
6 nobody has to try to come back in.
7 CHAIR O'CONNOR: Start this over, okay, good, thank you.
8 DR. WANG: Yeah, okay.
9 CHAIR O'CONNOR: All right.
10 MS. MAGLAQUI: Shiway.
11 DR. WANG: Yes.
12 MS. MAGLAQUI: What about the recording, do we leave it on?
13 DR. WANG: No, we can pause it.
14 MS. MAGLAQUI: Okay, thank you.
15 DR. WANG: Thank you.
16 10:36:55
17 (Off record)
18 (On record)
19 10:54:58
20 CHAIR O'CONNOR: Okay, thank you. Where are we, Shiway?
21 DR. WANG: Okay, standby, I'm going to bring up the agenda. I
22 believe we're on Agenda Item 7., which is the FY23 Work Plan.
23 CHAIR O'CONNOR: Right, good, okay.
24 DR. WANG: All right, are you ready for me to get started?
25 CHAIR O'CONNOR: I think so. Everybody good to go?

1 COMMISSIONER VINCENT-LANG: Yeah.

2 MR. SCHMID: Yeah.

3 CHAIR O'CONNOR: All right.

4 DR. WANG: Okay, let me switch to PowerPoint. Okay, all right,
5 Agenda Item 7., the FY23 Work Plan. There are two administrative
6 proposals up for review. The first is the Council's 11-year General
7 Operating Budget (GOB) and the nine-year Long-Term Research and
8 Monitoring Programs Integrated Program Management Budget.

9 The LTRM Program is made up of two parts, the fiscal and
10 outreach administration and the science administration component. So
11 I'm going to go over the GOB first. The associated meeting material
12 for the GOB is Item 7A., EVOSTC FY23-33 General Operating Budget
13 revised August 22, 2022.

14 The components include the program management and operations,
15 which includes funds for staff to oversee all management and
16 operations for the Council. The IT and website support component
17 includes funds for minor equipment maintenance and repairs, and
18 contracted IT support for the website and internal archiving
19 platform.

20 The Science Program includes funds for the Science Panel for
21 biennial reviews of programs and projects and are reduced during non-
22 review years. The PAC component includes funds for the designated
23 federal officer assigned to the PAC, as required by the Federal
24 Advisory Committee Act, and travel funds for PAC members during
25 biennial review years for any in-person meetings we may have in the

1 future.

2 The Habitat Program component is proposed to conclude by the end
3 of FY26. This component includes funds for agency personnel to
4 assist with habitat protection activities. These funds have been
5 reduced from prior years and will not be funded after FY25. Funds
6 include a contract for the Program Officer to oversee general
7 restoration and habitat enhancement projects and oversee and
8 facilitate the remaining protection projects.

9 The Trust Agency Project Management component provides funds for
10 the Trustee Council, agency staff support, and each component is
11 broken down into five cost types: personnel, travel, contractual,
12 commodities, and equipment.

13 The Council staff has gone through some changes over the last
14 year, as most of you know. The reductions include six staff
15 positions being merged into three positions, starting in FY22. The
16 Science Director and Executive Director were merged into one
17 position. The Associate Coordinator and Administrative Manager
18 duties were combined into a single Executive Assistant position and
19 the Habitat Director responsibilities are being absorbed by the
20 Program Officer.

21 The Program Manager position is a small contract that assists
22 staff with program and administrative tasks, as needed, and in
23 anticipation of the completion of the remaining habitat projects over
24 this current five-year cycle, the habitat component -- sorry, the
25 habitat program component will not be funded after FY26, which will

1 reduce the staff by one more position, with three total staff
2 proposed to remain starting in FY27: Executive/Science Director, the
3 Executive Assistant, and the Program Officer.

4 This year's annual budget was significantly less than the prior
5 FY21 budget, which itself was a reduction from the FY19 and FY20
6 budgets, and the annual cost of the FY23 through FY33 budget is
7 proposed to continue this downward trend. In alignment with the
8 final five-year and 10-year invitations, the budget is further
9 reduced in FY27 in anticipation of the conclusion of the habitat
10 program component, and there is a two-year close out period, FY32 and
11 FY33, which is included for staff to conduct closing activities and
12 cease operations by the end of FY33.

13 Closing activities will include review of final reports,
14 financial review, and budget reconciliation, archiving and shutting
15 down the physical office. Each fiscal year is adjusted by an
16 increase of 2.5% from the year before to include anticipated changes
17 such as inflation, merit-step increases, payroll benefit increases,
18 and cost of living adjustments.

19 This budget plan also accounts for biennial review conducted by
20 the Science Panel and Public Advisory Committee Council staff and
21 agency staff, as applicable. The biennial reviews will occur during
22 FY24, FY26, FY29, and FY31 to review program and project progress.

23 The next Council meeting in full review cycle is anticipated to
24 occur in the fall of '26, and possibly, the last Council meeting is
25 anticipated to occur in FY31. So I'm going to stop here, before

1 moving on to the next project.

2 CHAIR O'CONNOR: Does the Council have any questions?

3 COMMISSIONER VINCENT-LANG: Well, I'll just say, I appreciate
4 your efforts to streamline the administrative oversight of these
5 programs. I know I voiced concern over the size of the program and
6 the administrative oversight earlier in the projects, so I do
7 appreciate the efforts to streamline this and moving toward a more
8 cost efficient way of administrating the program, so thank you,
9 Shiway.

10 CHAIR O'CONNOR: Any other comments?

11 (No audible response).

12 CHAIR O'CONNOR: And just harkening back to the day when this
13 whole thing began, we had 26 people on staff, including science
14 directors, staff. It was amazing. I think we've streamlined
15 substantially since then. So any other thoughts?

16 (No audible response).

17 CHAIR O'CONNOR: Do we have a motion on the general operating
18 budget?

19 MS. SARA TAYLOR: Mr. Chair.

20 CHAIR O'CONNOR: A motion.....

21 COMMISSIONER VINCENT-LANG: Well, I guess the question, Shiway,
22 do you need to have a motion on this or what's the second topic you
23 have?

24 MS. SARA TAYLOR: Mr. Chair, I would like to make a motion to
25 fund the general operating budget through FY26 due to lack of funds,

1 if I might.

2 CHAIR O'CONNOR: All right, is there a second for that motion?

3 COMMISSIONER VINCENT-LANG: Well, I think she

4 (indiscernible).....

5 MS. SARA TAYLOR: I can read the motion. I move we approve
6 \$6,193,844, which includes GA for funding the FY23 through '33 EVOSTC
7 General Operating Budget Project 23220100, document dated August 22,
8 2022, for the four-year FY23-FY26 funding cycle. The Executive
9 Director is authorized to make changes of up to 10% in the annual
10 General Operating Budget with written justification provided to the
11 Council.

12 CHAIR O'CONNOR: Is there a second for that motion?

13 MR. SCHMID: I second. This is Dave.

14 CHAIR O'CONNOR: Okay, thanks, Dave. Anyone have any comments?

15 COMMISSIONER VINCENT-LANG: I'll just say that I will support
16 this motion. I appreciate -- I know that the PAC and everybody else
17 wanted to have this run through FY33, but I think taking this
18 approach, given our fiscal uncertainty, for the next four years is
19 the way to go and I appreciate the fact that we're providing some
20 stability to the program, but not long-term funding until we have a
21 better idea as to whether it's needed past FY26, so thank you.

22 CHAIR O'CONNOR: All right, any other comments?

23 (No audible response).

24 CHAIR O'CONNOR: Are there any objections to the motion as
25 presented?

1 (No audible response).

2 CHAIR O'CONNOR: Hearing no objections, the motion's approved.
3 Thank you, Sara. And the next one is going to come from me. So I'm
4 going to cede the Chair for just a moment, since we're talking about
5 a NOAA employee, and move that we appoint Shiway as the Executive
6 Director, subject to, of course, the oversight of both our agency and
7 the Trustee Council and making sure that we're all going in the same
8 direction. So I will pass the gavel. Sara, you're in charge now.
9 Could you please entertain my motion.

10 CHAIR SARA TAYLOR: Yes, Mr. Chair. And I recognize the Trustee
11 from NOAA.

12 MR. O'CONNOR: And I move that we reappoint Shiway as the
13 Executive Director for the years FY23 to '26 funding cycle.

14 CHAIR SARA TAYLOR: So moved. Is there a second?

15 MR. SCHMID: I'll second, Madam Chair. This is Dave.

16 CHAIR SARA TAYLOR: Is there any objection to the motion?

17 COMMISSIONER BRUNE: So Sara, just for discussion, no, there's
18 no objection, but just to put this on the record, obviously, I think
19 Shiway's doing a good job for the organization. I think that we, as
20 Trustees, owe her an evaluation, and I think it's important that any
21 organization give their Executive Directors feedback and so we had
22 talked about this amongst ourselves, and I believe you, Madam Chair,
23 will be taking the lead on that and all of us Trustees will be
24 helping provide input for Shiway to continue to lead this
25 organization, and I'm excited to -- because I think it's really

1 important to provide that kind of input to any leader of an
2 organization, so I will be supporting this reappointment.

3 COMMISSIONER VINCENT-LANG: And I'll just go on the record here
4 saying that we -- I don't view this as a contract necessarily,
5 because we're in a unique situation now, where we don't have -- we
6 have an Executive Director that's actually a NOAA employee and
7 there's a whole kind -- all different kinds of things that could
8 happen as a result of becoming a NOAA employee. NOAA could decide to
9 transfer her position or whatever else, so I just want to go on the
10 record that I think Shiway's doing a great job, too. I want to put
11 that on the record, but things may change over that period of time
12 from FY23 through FY26 that are beyond any of our controls. So this
13 is not, per se, a contract. It's just we support moving forward in
14 this general direction, recognizing this is a NOAA employee over that
15 four-year period of time.

16 CHAIR SARA TAYLOR: Thank you (indiscernible) -- thank you
17 (indiscernible).

18 MR. SCHMID: Madam -- Madam Chair.

19 CHAIR SARA TAYLOR: Yes, Trustee Schmid.

20 MR. SCHMID: I just want to go on record as well, Shiway and
21 staff have been doing an amazing job here under very difficult and
22 uncertain times, and I just really appreciate the effort and the
23 dedication here to trying to keep us on the right path or on a path,
24 but just amazing work and wanted to express that publicly. Thank
25 you.

1 CHAIR SARA TAYLOR: Any other comments on the motion?

2 (No audible response).

3 CHAIR SARA TAYLOR: With no objections, the motion passes. And
4 I relinquish my duties as Chair.

5 CHAIR O'CONNOR: Thank you, Sara.

6 COMMISSIONER BRUNE: Mr. Chair, I would like to commend the
7 gentlewoman from DOI for an amazing time spent as Chair. It was
8 probably the best leadership of the organization I've ever seen.

9 MS. SARA TAYLOR: Thank you. I owe it all to you and the
10 inspiration of my colleagues. So thank you for this opportunity.

11 CHAIR O'CONNOR: All right, obviously, we need to impose a
12 bullshit screening process in our meetings, but nonetheless, thank
13 you, Sara, thank you. All right, where are we, Shiway, long-term
14 research management program budget?

15 DR. WANG: Yes, that is correct. I just wanted to say -- I
16 wanted to thank the Council for this opportunity and your confidence
17 and faith in my abilities. It's -- the learning curve has been
18 really steep, as you guys know. So yeah, I appreciate your patience
19 and your guidance, and yeah, just growing in ways I'd never imagined,
20 so all right.

21 CHAIR O'CONNOR: All right, well, thank you, Shiway, and thanks
22 to the folks you work with, very good job.

23 DR. WANG: Yeah.

24 CHAIR O'CONNOR: Very proud of you as a NOAA employee, thank
25 you.

1 DR. WANG: Yeah, and I have amazing staff and people to work
2 with, including all the PIs, so it's helpful. All right, so let's
3 see, we are back on the LTRM, so scrolling, scrolling, scrolling,
4 let's see, okay, so the meeting materials for this agenda item are --
5 there's two of them, 7B. 23-22 LTRM Integrated Program Management
6 (IPM) Proposal Summary dated August 19, 2022, and the associated
7 public comment pdf.

8 I'm going to call it the IPM for short, so I don't have to
9 repeat the name again. The IPM was developed as a cost saving
10 measure in response at the time to the Trustee Council's intent to
11 downsize the Council office and staff, and transfer the LTRM project
12 fiscal management burden to a third-party management model.

13 The IPM has been operating since the beginning of the long-term
14 programs, which were started in 2012. Funding for FY22, as you all
15 know, was approved at the Council's January 2022 meeting, and funding
16 for the remaining nine years is up for review now.

17 So the IPM is composed of two administrative components. The
18 fiscal and outreach administration, which is led by the Prince
19 William Sound Science Center and the science administration
20 component, which is led by NOAA. The primary purpose of the fiscal
21 administration is to provide administrative leadership and
22 coordination for the LTRM Program and the Mariculture Recon Program.

23 Prince William Sound Science Center acts as a fiscal agent for
24 24 non-federal and State agency funded projects, which amounts to
25 about \$4.5 million a year. The Prince William Sound Science Center

1 is also responsible for all the LTRM Program coordination and
2 outreach and community involvement activities that are required by
3 the invitation and also includes program website and maintenance.

4 The purpose of the science administration component is to
5 provide program leadership for the LTRM Program, coordination and
6 oversight of science synthesis data collected across the program and
7 leveraging of funds through partnerships and collaborations.

8 Also, the key points are that these services are not provided
9 elsewhere. Council staff don't provide these services and the
10 Council, at the time in 2009, decided to contract these services to
11 third parties as cost savings measures to downsize Council office and
12 staff.

13 The Prince William Sound Science Center administration houses
14 three positions -- an administrative lead and program and outreach
15 coordinators -- and the Council only funds a portion of these
16 positions. The total cost for the remaining nine years is a little
17 under \$5.5 million, and here's the breakdown for the next four years,
18 and five years after that.

19 The NOAA administration houses five positions: a program and
20 science lead, a science coordinator, and two post-docs. The program
21 and science leads are provided in-kind through NOAA. The total cost
22 for the nine years of science administration is about \$2.5 million,
23 and here's the breakdown for the next four years and for the five
24 years after that.

25 So the total for both components is about \$8 million for nine

1 years, which breaks down to \$890,000 per year for all these services,
2 and then I just want to point out that the science administration
3 includes the cost for two post-docs at three years each, during the
4 second five-year cycle. These positions don't provide science
5 administrative -- science administrative services. They're included
6 here for program level flexibilities and use of cost effective NOAA
7 student programs.

8 So what happens if the fiscal and outreach administration
9 component is not funded -- well, these projects are funded through a
10 five-year NOAA grant and this includes the Gulf Watch Alaska, the
11 herring projects, the data program, and also the mariculture recon
12 program, and so this grant will be cancelled and a significant amount
13 of time by the Alaska NOAA regional office and the Alaska Fishery
14 Science Center resources have already been invested in this grant.

15 It takes a full year of planning to go through the grants
16 process with the assistance of a NOAA grants officer. The Prince
17 William Sound Science Center has already established 24 contracts
18 with PIs and their affiliations. The Prince William Sound Science
19 Center would no longer serve as the fiscal agent for all these
20 projects, which means that Fish and Game will have to process and
21 manage 24 additional contracts, which means more work for Fish and
22 Game, and also for our office.

23 Additional Council staff time will also be needed to perform the
24 program coordinator duties, which include required report editorial
25 services to meet State library archiving requirements and tracking

1 deliverables for all projects. The LTRM websites will go offline and
2 the Council-required outreach and education, community involvement
3 will not be able to be supported.

4 So what are the consequences of not funding the science
5 administration component? Well, there'll be a substantial decrease
6 in the quality of the work and products relative to what has been
7 produced by the science program over the past 10 years, loss of
8 synthesis products and integration, as requested by the Invitation to
9 inform resource managers and decision-makers, stakeholders and the
10 public.

11 There won't be an impact on a global level. So for example, the
12 United Nations Intergovernmental Panel on climate change cited three
13 LTRM synthesis papers in their 2022 work. There won't be any
14 ecosystem indicator contributions to the North Pacific Fisheries
15 Management Council special issue journals or synthesis post-docs, and
16 the program will also have a reduced ability to leverage funds
17 through partnerships and collaborations.

18 The program management team has leveraged about \$20 million over
19 the past 10 years, coordinating over 50 partnerships and
20 collaborations. The largest contributors have been the National
21 Science Foundation's Northern Gulf of Alaska Long-Term Ecological
22 Research Program, which requires match funding and also various
23 federal agencies.

24 So that is all I have for the LTRM program management. The
25 Program Lead is online and we are happy to answer any questions that

1 Trustees may have.

2 CHAIR O'CONNOR: Do any of the Trustees have any questions?

3 (No audible response).

4 CHAIR O'CONNOR: Thanks, Shiway. Hearing no questions, do we
5 have a motion with regard to the funding of the LTRM program
6 management?

7 MS. SARA TAYLOR: Mr. Chair, I would like to make a motion to
8 provide funding through FY26, only due to lack of funds. I move we
9 approve \$2,994,804, which includes GA, for funding the FY23 to '31
10 LTRM Integrated Program Management Project 2322LTRM, document dated
11 August 22, 2022, for the four-year FY23-FY26 funding cycle. In my
12 review of this program, I'm still blown away every time I think about
13 the synergy that was created and the opportunity that this program
14 offers, in terms of the deliverables that we have and our obligations
15 to the public that we've taken on over the years, and we have really
16 truly benefited from this program. I still can't believe this is all
17 they're charging for it and I am proud to support funding through
18 FY26.

19 CHAIR O'CONNOR: Thank you, Sara. Is there a second for Sara's
20 motion?

21 MR. SCHMID: Yes, Mr. Chair, this is Dave. I second the motion
22 from DOI.

23 CHAIR O'CONNOR: Are there any comments?

24 COMMISSIONER VINCENT-LANG: So yeah, this is Doug, so I just
25 have a question for Shiway. So over this period of time, we're going

1 to be providing, the best I could tell, for fiscal and management
2 oversight, \$2.8 million for the Science Center to administer these
3 contracts with a little bit of that money being used for outreach.
4 Can you tell me just how much money that -- how many grants -- what's
5 the total of grants that they're administrating for \$2.8 million?

6 DR. WANG: (No audible response).

7 COMMISSIONER VINCENT-LANG: Are we paying -- are we paying them
8 \$2.8 million to administer \$10 million worth of grants or just a
9 general concept so I can understand what their overhead rate is for
10 these -- administrating these grants.

11 DR. WANG: Sure. The -- so that number, that \$2.9 is for both
12 the NOAA and Prince William Sound Science Center. So it's \$2.2
13 million just for the Prince William Sound Science Center, and I
14 believe the amount of the award, and Katrina can probably correct me
15 if I'm wrong, and also Mandy, I think it's about \$4.5 million
16 annually, and so -- let's see, and they do not charge overhead on the
17 projects that they are leading within the program. So they normally
18 have a 30% overhead within each project and that is not included.

19 COMMISSIONER VINCENT-LANG: I somehow dropped off there. Could
20 you repeat that real quick?

21 DR. WANG: Yeah, no problem. So Prince William Sound Science
22 Center normally charges a 30% overhead on their projects and so.....

23 COMMISSIONER VINCENT-LANG: So.....

24 DR. WANG:that overhead wasn't included in their projects
25 that they're leading for the Gulf Watch Alaska and Herring Projects,

1 and the overhead is included in this fiscal administration.

2 COMMISSIONER VINCENT-LANG: But we're paying somewhere
3 (indiscernible) Prince William Sound Science Center 30% overhead to
4 administer those grants?

5 DR. WANG: Actually, no. Yeah. No, they're not -- they're not
6 including that 30%.

7 COMMISSIONER VINCENT-LANG: Okay.

8 DR. WANG: Yeah.

9 COMMISSIONER VINCENT-LANG: So.....

10 COMMISSIONER BRUNE: But just as a clarification to Doug's
11 question, it's roughly \$750,000 a year and you said it was -- that
12 we're paying for that and it's roughly for \$4.5 million worth of
13 grants that they're overseeing, at least that's what I thought I
14 heard you say, Shiway. I'm just trying to.....

15 DR. WANG: Annually, annually, annually.

16 COMMISSIONER BRUNE: Yeah, yeah, yeah, yeah, no, exactly, so --
17 and it's roughly \$700,000 to \$750,000 annually that they're getting.
18 So if you're doing that math, it's less than 20% is what you're
19 saying? It's not the 30% that they're not charging for the grants
20 they administer, but it's 20% for these, is that a fair.....

21 DR. WANG: Yeah, yeah, so if you divide.....

22 COMMISSIONER BRUNE: I'm trying to get to Doug's answer for the
23 question that he asked.

24 DR. WANG: Yeah, yeah. So if you divide the \$2.2 million
25 divided by four years, that's what you're charging - that's what

1 Prince William Sound Science Center is charging, which includes, you
2 know, a small amount for outreach.

3 So it's like \$565 hundred - thousand (sic) a year for \$4.5 --
4 about 4.5 million annually in projects that they're administering.

5 COMMISSIONER VINCENT-LANG: I understand all that. I always, as
6 a Trustee, been bothered -- or it troubles me that we are deciding to
7 use one of our science centers that we've built and funded to do --
8 administer grants where we're not using the other one and benefiting
9 them in such a way to provide them that overhead.

10 I'm not going to vote against this motion, but I am glad this
11 motion is not going for the entire 10-year period of time, because at
12 some point in time in the future, I think we have to deal with the
13 equity of funding once science center over the other, giving the
14 administrative benefits for operating versus the other one
15 (indiscernible).

16 DR. WANG: I appreciate your comment, Doug.

17 COMMISSIONER VINCENT-LANG: So I'm going to put that on the
18 record.

19 DR. WANG: Thank you, and so it's 12.5%.

20 COMMISSIONER VINCENT-LANG: Okay, and the second comment I'd
21 like to make on this is I'm glad that we're only funding this for the
22 -- through FY26 because I do still have some remaining concerns about
23 the role of one of the science center's taking on the closing
24 assessments of these projects and overseeing the post-docs and
25 everything else. So I think we need to think through that program a

1 little bit more as to how we would like to see that have a more
2 comprehensive look, rather than just a one science center look moving
3 forward, so.....

4 DR. WANG: Can I add just one more follow-up to that, please?

5 CHAIR O'CONNOR: Sure.

6 DR. WANG: Okay, thanks. So the five-year -- that NOAA grant is
7 a competitive process and so my understanding is that the SeaLife
8 Center wasn't interested in applying for that grant to be the fiscal
9 administrator of the long-term programs.

10 So they could have put in an application, but my understanding
11 is that they didn't want to.

12 CHAIR O'CONNOR: That.....

13 COMMISSIONER VINCENT-LANG: Well, I have heard through the
14 grapevine that they assumed that we had already made our decision as
15 to where we wanted to go, which may have been part of the reason, so
16 -- but that's okay.

17 DR. WANG: Okay, thank you.

18 COMMISSIONER VINCENT-LANG: Thank you for your time.

19 DR. WANG: Yeah.

20 MS. SARA TAYLOR: Mr. Chair, if I may, just to Doug's point too,
21 this also just opened that opportunity up again. Thank you, Chair.

22 CHAIR O'CONNOR: Yeah.

23 COMMISSIONER VINCENT-LANG: That's why I appreciate that your
24 motion is only up through FY26, so.....

25 CHAIR O'CONNOR: All right, is there any objection or do we have

1 a second to the motion?

2 COMMISSIONER BRUNE: Yeah, Dave already seconded it.

3 CHAIR O'CONNOR: David, yeah, sorry, David.

4 MR. SCHMID: I did.

5 CHAIR O'CONNOR: Any objection -- any objection to the motion?

6 (No audible response).

7 CHAIR O'CONNOR: Hearing none, the motion passes. All right,
8 trying to keep up, the next is killer whales. Is that correct?
9 Long-term -- all right. Sara, can I cede the Chair to you again,
10 since I put this on the agenda?

11 CHAIR SARA TAYLOR: Yes, Mr. Chair.

12 MR. O'CONNOR: Thank you.

13 CHAIR SARA TAYLOR: Recognizing the Trustee from NOAA.

14 MR. O'CONNOR: We have heard testimony today and I have in
15 working with folks at NOAA, both present and past, that have worked
16 on killer whales and my own experience with it in the years over
17 which I've been functioning with the Trustee Council.

18 I think the killer whale studies are one of the most critical
19 components of the work that we're doing. I know that -- you know,
20 we've heard that the AT Transients will not be able to recover
21 because they don't have basically an adequate female cohort to
22 address reproduction.

23 The AB Pod, which we know was adversely affected almost
24 immediately from the spill, and that we have been paying attention to
25 from the very beginning, is perhaps on the rebound, but the

1 information that we need to understand these long-lived critters and
2 how they've been affected by the spill, what their -- the prognosis
3 may be for addressing -- or for being impacted by a spill in the
4 future, any exposure to the hydrocarbons that were part of this
5 spill, and the ability of those critters to be able to successfully
6 reproduce and survive.

7 I know one of the challenges, certainly that they
8 (indiscernible) the AB Pod, particularly was the diminution in the
9 herring stocks as a result of this spill, as well, and we have been
10 trying to hopefully rebuild the herring stocks, and in large measure,
11 supporting indirectly through that food source, the killer whales,
12 and one of the things that has been brought to my attention in
13 talking to folks with regard to the continuation of this project in
14 an uninterrupted way, is the import of the continuing series of data
15 that is being collected.

16 So what we have before us, at least that we've heard from the
17 testifying folks today, and the conversations that I've had with NOAA
18 employees that are focused on this project, is that it's critically
19 important that we maintain the information flow and collection and
20 that we are looking at, as we have already, basically a contributing
21 share and not carrying the full burden of these activities
22 financially, and I would suggest that we, at this stage, evaluate
23 whether or not we could continue to provide at least a match to the
24 monies that are being raised independently by the folks that are
25 performing this work, and throw that out for consideration by the

1 Council, and a motion to that effect, which I have not crafted in
2 detail. So that's what I have to say on killer whales at this point.

3 COMMISSIONER VINCENT-LANG: Madam Chair.

4 CHAIR SARA TAYLOR: Yes.

5 COMMISSIONER VINCENT-LANG: Before we get into motion-making, I,
6 too, share the thought that we should probably provide some limited
7 amount of support for this program. However, I also listened very
8 carefully to the testimony that we heard today, as well as what was
9 provided to us in written testimony, about the commitments that we
10 had made and not jeopardizing those commitments with expending
11 significant amounts of additional resources and not being able to
12 fulfill those commitments moving forward.

13 So I am not supportive of the PAC recommendation to fund this
14 for a three-year cycle. I would be open to fund this for a single
15 year, that matches the amount of money that they've raised, and then
16 consider it on a year-by-year basis, but I am not in favor of, at
17 this point in time, making a three-year funding commitment for this
18 project moving forward.

19 CHAIR SARA TAYLOR: Trustee O'Connor, are you looking to amend
20 your motion?

21 COMMISSIONER VINCENT-LANG: Well, he hasn't made a motion yet.

22 CHAIR SARA TAYLOR: Or.....

23 MR. O'CONNOR: No, I haven't made it yet.

24 CHAIR SARA TAYLOR: Okay.

25 MR. O'CONNOR: I will make a motion at this point basically to

1 further the conversation and the focus, and I move that we approve
2 \$385,359, which includes GA, for funding the FY23 to '25 Long-Term
3 Killer Whale Monitoring Project 23120114-N, and the document dated
4 September 13 of 2022, for the three-year FY23 to '25 funding cycle.
5 That's my motion.

6 CHAIR SARA TAYLOR: Is there a second or any opposition to that
7 motion or friendly amendments to offer?

8 COMMISSIONER VINCENT-LANG: So I will oppose that motion, but
9 I've got to wait for a second to oppose it, so -- so you may call for
10 a second first to keep things running.

11 MR. SCHMID: I'll second.

12 COMMISSIONER VINCENT-LANG: Okay, so then given that we have a
13 first and second, I will formally oppose that motion and make a
14 motion of my own to move this discussion forward, if that's the wish
15 of (indiscernible).....

16 CHAIR SARA TAYLOR: Okay, the first motion fails. Recognizing
17 Trustee Vincent-Lang.

18 COMMISSIONER VINCENT-LANG: Okay, I move we approve \$126,000,
19 which includes GA, for funding the FY23-FY25 Long-Term Killer Whale
20 Monitoring Project 23120114-N, document dated September 13, 2022, for
21 the one-year, FY23 funding cycle.

22 CHAIR SARA TAYLOR: So moved. Is there a second?

23 COMMISSIONER BRUNE: I'll second that.

24 CHAIR SARA TAYLOR: Any discussion?

25 MS. LINDLEY: Who seconded, please?

1 COMMISSIONER BRUNE: Jason Brune.

2 MS. LINDLEY: Thank you.

3 COMMISSIONER VINCENT-LANG: So that gives this project one year
4 of funding to continue it on. It matches the amount of money that
5 they've raised, which I appreciate that they have raised, and then we
6 can consider again whether -- depending on our fiscal outlook in the
7 future next year, as whether we want to potentially fund this into
8 the future or not. So this gives a one-year continuation of the
9 program, so.....

10 COMMISSIONER BRUNE: Madam Chair, I have a comment.

11 CHAIR SARA TAYLOR: Trustee Brune.

12 COMMISSIONER BRUNE: So given that Trustee Vincent-Lang and
13 Trustee O'Connor are supportive of this, I will support it as well,
14 but I am concerned that we're spending money we don't have. I don't
15 know where that money's going to come from. Which project are we
16 going to take it away from?

17 We did excellent work last year in funding projects, long-term
18 projects, and I'm not saying that this one is not -- this one is
19 absolutely worthy. I thought the public testimony that was given was
20 compelling, but again, we've now spent these dollars twice, and there
21 will be a project that is impacted. I'm anticipating a long-term,
22 10-year project that will not get funding because we're deciding to
23 fund this or something else will happen.

24 So that makes me nervous, but I just wanted to put that on the
25 record. With that said, I will be supporting the motion because of

1 the two marine science-based organizations on our Trustee Council
2 that made the motion, I will -- or that support the motion I will be
3 supporting it because of them.

4 MR. O'CONNOR: Thank you, Jason.

5 CHAIR SARA TAYLOR: Any other discussion or opposition to the
6 motion?

7 (No audible response).

8 CHAIR SARA TAYLOR: Hearing none, the motion passes, and I
9 relinquish my duties as Chair.

10 CHAIR O'CONNOR: Well, you're doing a good job, thank you. All
11 right, where are we? I think it's your turn to talk to us about your
12 Delta Plan alternatives.

13 DR. WANG: I think we have spending scenarios first.

14 CHAIR O'CONNOR: I'm sorry. I'm looking at the wrong piece of
15 paper. Okay, thank you.

16 DR. WANG: Are you ready for me to proceed to spending
17 scenarios?

18 CHAIR O'CONNOR: Please.

19 DR. WANG: Okay, scrolling through -- sorry, I had some nice
20 killer whale slides, okay. FY23 through '33 spending scenarios, I'm
21 just going to go over some background information on spending
22 decisions made by Trustees last year.

23 The meeting material for this agenda item is number 8. FY23-33
24 Spending Scenarios dated September 14, 2022. So the fund balance of
25 the habitat and research subaccounts combined as of last December was

1 almost \$200 million. The council approved almost \$192 million in
2 programs and projects, which included only one year of the Council's
3 General Operating Budget and the LTRM Integrated Program Management.

4 This left just under \$8 million available to spend, and the
5 amount needed to fund the remaining 11 years of the General Operating
6 Budget and the LTRM Program Management Projects is \$24.2 million. So
7 we need a \$16 million -- about \$16 million to fund the remaining
8 years of these two management projects.

9 In the past, the subaccounts have been able to make a
10 significant amount in investment income. So this graph shows income
11 earned for the research subaccount for each State fiscal year from
12 2007 through 2021, and you can see that there's been some high
13 earning years, such as 2011, '14, and even more recently in 2021,
14 where the research subaccount earned just a little over \$20 million,
15 but there are also years where earnings were low -- 2012, 2016, 2015
16 -- and even years where the subaccount suffered losses, so for
17 example, 2008 and 2009, where the account suffered a \$16.5 million
18 loss that year.

19 So it's important to note that the time horizon of spending for
20 these subaccounts was considered long-term with an associated higher
21 risk, and with less funds remaining in the accounts, due to increased
22 annual spending during this year and the next two to three years, the
23 subaccounts are unlikely to experience the type of growth we've seen
24 in the past.

25 And most of you are aware, as Shane talked about, that the

1 market took a deep dive this year, and between January and June, both
2 subaccounts incurred a \$9.1 million loss, and another complication is
3 that when funding decisions were made last year, they were made under
4 the assumption that funds from the habitat subaccount could be used
5 to support mariculture and other multi-year projects, such as the
6 Alaska SeaLife Center facilities projects, general restoration
7 projects, and the archaeological repository and museum projects, but
8 upon further legal review, the agency attorneys determined that these
9 approved projects could not be funded, or could only partially be
10 funded by the habitat subaccount, due to restrictions set forth in
11 the Council's March 1999 resolution and the corresponding Paragraph 5
12 of Section 350 in Public Law 106-113.

13 So where does this leave us? This is the current spending
14 scenario for the research subaccount. The fund balance as of the end
15 of August is what's available for the future and the expected
16 spending for the next 11 years is almost twice as much as what's
17 available in the research subaccount. This number includes full
18 funding for the General Operating Budget and the Integrated Program
19 Management Projects.

20 The research funds will be insufficient to support all projects
21 reliant on this subaccount after FY25. This is assuming no
22 investment gains or losses, and the affected projects are all the
23 LTRM projects, including the three newly funded projects, the data
24 management program, mariculture, education and outreach, and the
25 Chugach region archaeological repository and museum, and two general

1 restoration projects that are led by ADEC and the Port Graham
2 Corporation.

3 In contrast, the expected spending for the habitat subaccount is
4 much less than what's available to spend. The habitat funds are
5 predicted to be in excess of \$26 million after FY31. Again, this
6 assumes no income gain or losses and these funds currently support
7 data management for mariculture projects, five of the mariculture
8 recon program components through FY31, and of course, the habitat
9 enhancement and protection projects.

10 So one scenario is that if the subaccounts can be combined and
11 the Trustees decide to use the habitat funds to support projects that
12 are currently funded by the research subaccount, the approved
13 spending still exceeds what's available for spending right now, but
14 the projects currently supported by the research funds, instead of
15 ending in FY25, would end in FY28 or '29, depending on any investment
16 income.

17 So the black bars represent the value of the subaccount,
18 assuming no gains or losses, and then the gray bars assume an annual
19 3% growth rate. So this ends my presentation for Agenda Item 8.

20 CHAIR O'CONNOR: All right, do we have any questions or comments
21 by the Council?

22 (No audible response).

23 CHAIR O'CONNOR: That's just an update, right? This where we
24 are.

25 DR. WANG: That's correct.

1 CHAIR O'CONNOR: All Right. Sara, do you have a solution for
2 us?

3 MS. SARA TAYLOR: I hope so, Mr. Chair, but I definitely need
4 some guidance. I think we all do. So looking at the scenario that
5 Shiway just explained, I should self-report that the two motions I
6 made earlier to fund the Long-Term Research and Monitoring Integrated
7 Management Program and the General Operating Budget, we actually do
8 not have projected funds to support either of those motions, because
9 there is an expected shortfall of anywhere from five to seven million
10 in FY26, and that expected shortfall is fairly dramatic because it
11 impacts the majority of our programs.

12 So in order to follow through on all of our five-year projects,
13 in order to guarantee that funding can be provided to all of our
14 five-year projects and to make sure that funding can be provided to
15 run the Council and for all of the expectations folks have through
16 FY26, I came up with three alternatives.

17 Myself and our legal team worked through these, and I've
18 received a lot of guidance from staff and from folks at the Interior
19 Department and the -- and my fellow Trustees. So we came up with
20 three alternatives for moving forward in a way that ensures we can
21 close that five-to-seven-million-dollar gap in FY26 that gives
22 everybody assurances that when we meet again in FY26 to decide what
23 to do in the future moving on from then, we will actually be able to
24 have that meeting because we will have money to have that meeting.

25 So in order to do that, we do need to figure out some way to

1 close that five-to-seven-million-dollar projected loss. So there is,
2 obviously, the opportunity that our investment account provides to
3 close that gap, but it is a reduced opportunity. Thankfully, we were
4 able to move the money out into lower risk investments. So we will
5 not necessarily -- we will have a lot more predictable income per
6 year, but we won't be able to close a gap like that under the
7 projected scenarios.

8 So there are essentially three other alternatives that I worked
9 out, and I colored them so they are Alternative Orange, being the
10 first that I will talk about today, Alternative Orange, and just to
11 be clear, I apologize for not having any very fancy slides,
12 especially after Shiway's impressive presentations today, but I will
13 be providing a document, a discussion draft that we came up with, to
14 -- on the website, if not today, tomorrow, or in the coming days, at
15 some point this week, we'll provide a discussion draft so that
16 everybody can read these alternatives in more detail. I plan to just
17 summarize them for you today.

18 So Alternative Orange, the way that we close that gap in FY26 in
19 Alternative Orange is we find a way to use all of the money at our
20 disposal, and there are three ways we can do that. One of them is as
21 -- as we've discussed, as the PAC discussed, we could combine the
22 accounts. That is an option. We could also ask Congress -- because
23 we would have to ask Congress to combine the accounts, we could also
24 instead ask Congress to release some of the money in the habitat
25 subaccount. So there's nuanced ways we could address that also, but

1 primarily, we would need to talk to Congress about that one.

2 The other two alternatives or the other two options, I should
3 say, for what we could do with Alternative Orange to free the money
4 up, the other two options are ones that we considered previously,
5 which is to move the money back into the -- or back into the court
6 registry or to move the money into the natural resource fund that DOI
7 maintains. Both of those options would not generate anywhere near as
8 much income, but it would be consistent with the legislation.

9 When Congress passed the legislation that has put these
10 limitations on the ability to spend money out of each fund, when they
11 passed that legislation, they did that because the money would be
12 moved out of those more stable funds. So we had more due diligent
13 expectations in that (indiscernible).

14 So that is Alternative Orange. We find a way to combine the
15 accounts or to free up the restrictions that are on the spending in
16 each of those subaccounts.

17 So Alternative Purple, the second alternative way to close that
18 gap in FY26 would be to engage in a public process on what money to
19 cut from the research subaccount and during that process, we could
20 also entertain how to spend the unencumbered balance in the habitat
21 subaccount. So that would involve reconsidering the decisions that
22 we made for both subaccounts, which would mean some projects would
23 not be funded as much as they were promised and we may -- we would
24 inevitably have to reconsider projects that we did not fund because
25 they are eligible for the habitat subaccount.

1 And the final alternative, Alternative Green, is a combination
2 of the two. We would both free up the funds, in terms of the
3 restrictions that are on them, and to be very clear, this does not
4 mean in freeing up the restrictions on the funds that we would not
5 make decisions that are consistent with the funds. It would just
6 allow for that greater flexibility. So we could still fund new
7 habitat projects and we could still make choices with regard to the
8 research subaccount, but it wouldn't be with the kinds of
9 restrictions that are here now, under federal law.

10 So once we -- we would both free up those restrictions and
11 engage with the public on how to close that shortfall, and in this
12 alternative, we would engage with the public on how to close the
13 entire shortfall, meaning we would take the opportunity over the next
14 couple of years to get started on the conversation about how to
15 address the fact that we won't have any money any longer in the
16 research subaccount in FY25.

17 So those are the three alternatives, and like I said, I will
18 provide those alternatives in a discussion draft for review, and I'm
19 happy to take questions.

20 CHAIR O'CONNOR: And that opening, that invitation for questions
21 is extended as well to the public (indiscernible) to the
22 (indiscernible).....

23 COMMISSIONER BRUNE: Mr. Chair.

24 CHAIR O'CONNOR: Yes, go right ahead.

25 COMMISSIONER BRUNE: So I know we have on the agenda that we are

1 going to take public comment from folks on this issue, as well. I
2 want to take this opportunity to thank Sara for all of her amazing
3 amount of work that she's put in to putting these scenarios there --
4 out there for us to consider and for the public to consider.

5 What I wanted to do, and ask Sara for, if she could elaborate a
6 little, there are obviously a number of PIs that are out there, a
7 number of project proponents that were funded last year that are
8 wondering what's their status, multi-year, five-year, 10-year
9 proposals, large infrastructure proposals, Sara, can you tell them
10 what this proposal means, especially like for the infrastructure?

11 I know I've gotten a lot of questions from the infrastructure
12 folks, what this does and what this does not mean, at least from your
13 perspective, and then what -- what the next step you think should be.

14 MS. SARA TAYLOR: I really appreciate that opportunity to
15 clarify that. So the goal of this plan, the goal of having these
16 alternatives and choosing between them is to ensure that every five-
17 year project knows that all its bills will get paid. We will have
18 the means and the resources to cover every obligation through FY26,
19 which will ensure that every five-year project, we will follow
20 through on those commitments.

21 That is the goal of these alternatives is to offer that
22 guarantee, because after FY26, assuming we can close the budget
23 shortfall in FY26, we do not have money in the research subaccount at
24 all. There isn't any money, meaning we won't have any money to spend
25 on operations or any of the other commitments, and that is just a

1 reality that we did not fully understand when we approved these
2 projects.

3 That has since become a reality to us, in addition to money that
4 we lost and the fact that we did not make money we expected to make
5 in interest. So a lot of factors kind of converged into the
6 understanding we have now, which is as Shiway explained in the
7 spending scenarios.

8 COMMISSIONER BRUNE: Thank you, and so from a research
9 perspective, I just -- could you, from your perspective, because
10 again, a number of the infrastructure folks, like the archaeological
11 repositories, the Prince William Sound Science Center, the SeaLife
12 Center, can you talk a little bit about what your perspective is for
13 them, to bring them either certainty or -- so that they know how to
14 engage in this process?

15 MS. SARA TAYLOR: Well, thank you for that, Trustee Brune. So I
16 think all of the general restoration projects should be covered.
17 They should not have to worry because we will pick one of these
18 alternatives, and one of these alternatives will deliver on the
19 museums, the archaeological repositories, the -- all the other
20 general restoration projects that we had, it will make sure that we
21 have staff to support them, Long-Term Integrated Program to support
22 them. We can make all of those commitments for five years.

23 We can do everything we promised for five years, and when it
24 comes to the roughly 15 long-term research and monitoring programs
25 that continue into 10 years, there's I believe two education and

1 public outreach programs that continue into 10 years, if I'm missing
2 -- there's, I think one or two other projects that continue into 10
3 years, and to them, the reality of our situation is regardless of
4 which alternative we pick, we're going to not be able to provide
5 support after five years, and I know that when we have our next
6 meeting in FY26, assuming we pick an alternative and we are
7 successful in our goal, still have money, then when we next meet in
8 FY26, the hard conversation will be that we don't have any other
9 money to pay for these projects.

10 The only thing we have is money to pay for projects that we did
11 not approve, a lot of habitat projects that we did not approve. So
12 we will -- we will have all of that money with nothing to spend it on
13 and no staff to help us spend it. So that's a grim reality that
14 Alternative Green embraces early.

15 So where Alternative Purple has a public engagement process in
16 order to figure out which research accounts -- which research
17 projects to cut and which -- and how to spend the habitat subaccount
18 funds that are available because of that, the Alternative Green gets
19 us started to answering that question long-term. So if Alternative
20 Green is selected, we will both close the gap in FY26 and when we
21 meet in FY26, the public process will have delivered us
22 recommendations for how to proceed at that point.

23 COMMISSIONER BRUNE: Thank you, Sara, and I -- I wanted to make
24 sure that the public -- there was transparency in what we are trying
25 to do here, and again, I just want to reiterate my sincere gratitude

1 for all the efforts you put into this and I'll -- I'm done talking.

2 COMMISSIONER VINCENT-LANG: So this is Doug, I don't know if,
3 Craig, if you can see my hand up, but I guess I'm a little confused.
4 I heard something earlier in this conversation that we were going to
5 take public testimony at today's meeting on this issue. I don't -- I
6 wasn't aware that was on the agenda.

7 I think what we're talking about is whether we want to send this
8 out for public comment. Is that -- can somebody enlighten me as to
9 what we're doing at this meeting?

10 COMMISSIONER BRUNE: Doug, on the agenda that I have, it does
11 say that there's public comment. I think we were contemplating going
12 out for additional time, but on the agenda I have, it has public
13 comment, two minutes per person, three minutes total per
14 organization, as part of this agenda item, as well.

15 CHAIR O'CONNOR: Yeah.

16 COMMISSIONER BRUNE: I'm just reading that, and so.....

17 CHAIR O'CONNOR: That's what we have, yeah, and it was our
18 intent, at least my understanding as to what we wanted to accomplish
19 was to give folks an initial glimpse of what the thoughts are, what
20 the alternatives are, if there are any immediate reactions, and then
21 we're going to go put together a construct where we put this out to
22 the public for a period of time for their -- to review and comment in
23 a more detailed fashion, and then gather again for us to ruminate on
24 what course of action we would take, what the thoughts are from the
25 public with regard.....

1 COMMISSIONER VINCENT-LANG: So Craig, maybe you could help,
2 then, I guess I was under a different impression, because we sent
3 this out last night. So we've given people now, what, less than 24
4 hours to take a look at it, and I guess -- I thought we were deciding
5 to send the document that we had prepared out for 30 days of public
6 comment.

7 So are we -- based on what we hear today, are we going to task
8 ourselves yet with making adjustments to this document based on what
9 we hear today before we send it out for public comment? I'm just
10 really confused as to what we're doing today on this agenda item.

11 CHAIR O'CONNOR: Sara, do you have a preferred approach that we
12 had -- that you think we ought to engage?

13 MS. SARA TAYLOR: Sure. I mean, I'd be happy to articulate just
14 an approach, sure. So I think ideally because we're really just
15 sharing the details of these different proposed paths forward, which
16 there's essentially four paths forward really, and we're presenting
17 all of those today.

18 We haven't shared anything with the public before now. At the
19 PAC meeting, it's funny because the PAC meeting is really where a lot
20 of this was inspired, listening to the conversations and listening to
21 the input, and also grappling with the reality of our situation, and
22 I think an opportunity to really get public feedback today is not as
23 meaningful for our decision as it would be to take public feedback
24 for the next 30 days and have a little time to process that and to
25 reconvene as a Council at the discretion of the Chair, obviously, to

1 reconvene as a Council to take action at that time, meaning that
2 we're not going to be -- if we -- meaning we would have public
3 testimony today, which would offer folks here today an opportunity to
4 offer their insights at this moment, and/or to follow-up during a
5 public comment period, if that's a course of action that we chose to
6 take, and that way, we could get comprehensive feedback more so than
7 we would get today in order to make a decision after we processed
8 that feedback.

9 COMMISSIONER VINCENT-LANG: Okay, I just thought -- I'll go on
10 the record saying I'm a little bit concerned -- I don't care what you
11 guys do, I'm a little bit concerned that we give a document out to
12 the public with less than 24 hours' notice and give them an
13 opportunity and then take comments on that today and it just -- it --
14 there's many people that didn't even -- aren't even aware that that's
15 out there. We haven't even noticed that it's out there, and now
16 we're going to take public comment on a document that's not
17 available.

18 To me, it makes much more sense to let people read this
19 document, send it out for public review for 30 days, and then for us
20 to consider what we hear back and moving forward, but I am not going
21 to stand in the way of this, but I just think we're doing the public
22 a disservice by having this general discussion on this topic without
23 them reading the more details that are in the document that were
24 posted last night that many people probably haven't even seen, and
25 expecting them to comment on it today.

1 MS. SARA TAYLOR: Thank you for that. I appreciate that, and I
2 hope that folks in providing comments today know that they can
3 comment on whatever about this they like and that I know I'm
4 certainly not expecting anyone to have well-articulated thoughts on
5 these alternatives today and that's why it's important to me, I
6 think, and I appreciate Trustee Vincent-Lang, you seeing the sense of
7 an additional comment period. That is why -- that is my endorsement
8 as well.

9 CHAIR O'CONNOR: All right, we're sort of at an impasse as to
10 what we're going to do at this point.

11 COMMISSIONER VINCENT-LANG: Again, I'm not going to stand in the
12 way. Do what you want. I'll just listen to the public testimony. I
13 think we will get criticized for it, so.....

14 MS. SARA TAYLOR: Is it.....

15 COMMISSIONER VINCENT-LANG: For what we just did, so.....

16 MS. SARA TAYLOR: Should I move then, perhaps, Mr. Chair?

17 CHAIR O'CONNOR: Yes, if you have a motion that would be great
18 (indiscernible).

19 MS. SARA TAYLOR: Certainly, hold on, please. I move that we
20 initiate a 30-day comment period on these alternatives for covering
21 the shortfall in the research subaccount in FY26. Following the
22 public comment period, the Council will review all of the comments
23 received and meet again to decide whether to proceed with the
24 implementation of the changes in order to allow sufficient time to
25 both comment on this with a 30-day public comment opportunity and to

1 process that information. Also, we are going to endeavor to look
2 into whether we can put together a meeting of the PAC in that time in
3 order to allow the maximum amount of time to see if all of those
4 things are possible, no guarantee. I propose we would have this
5 public comment period and meet again as a Council on November 30th.

6 CHAIR O'CONNOR: Is there a second for that motion?

7 COMMISSIONER BRUNE: This is Jason. I'll second.

8 COMMISSIONER VINCENT-LANG: So are we open to discussion? I'm
9 confused over what the -- what we're asking the PAC to do.

10 MS. SARA TAYLOR: I should probably have mentioned that outside
11 of the context of the motion that I was making. That was really more
12 of an aside, trying to -- we are still trying to process whether or
13 not we could host a PAC meeting in that amount of time, and there are
14 no guarantees because there is quite a bit of process that goes into
15 it, but.....

16 COMMISSIONER VINCENT-LANG: But what are you.....

17 MS. SARA TAYLOR:that is -- but that is why I made the
18 time that long.

19 COMMISSIONER VINCENT-LANG: So what are you asking the PAC to
20 do, comment on the Delta Plan?

21 MS. SARA TAYLOR: I have not asked the PAC to do anything yet.
22 I have not asked the PAC to do anything yet. I probably shouldn't
23 even have mentioned that.

24 COMMISSIONER VINCENT-LANG: Okay.

25 MS. SARA TAYLOR: It is a very aspirational thing at this

1 moment.

2 COMMISSIONER VINCENT-LANG: Okay.

3 COMMISSIONER BRUNE: So as the seconder of the motion, I will
4 happily consent to removing that from the motion, if that.....

5 MS. SARA TAYLOR: Thank you, (indiscernible).

6 COMMISSIONER BRUNE: If you agree with that, Sara?

7 MS. SARA TAYLOR: I do, thank you. I approve the friendly
8 amendment.

9 CHAIR O'CONNOR: All right, still lingering is the question of
10 whether or not we solicit thoughts from the attending folks today
11 and/or do we basically give them an opportunity to review the
12 documents and provide their comments during that 30-day period in
13 addition to or in lieu of some spontaneous comments at this point?
14 I'm open to either.

15 COMMISSIONER VINCENT-LANG: I call for the question.

16 CHAIR O'CONNOR: Question's been called for. Any objection?

17 (No audible response).

18 CHAIR O'CONNOR: Hearing none, then I assume that the motion as
19 presented by Trustee Taylor has been approved. Does that -- that's a
20 fair reading of that, I guess. At this point, that -- my reaction is
21 that we don't have comments today from the public, the way that
22 motion was cast. Sara, do you have anything you want to add to that
23 or Doug, I see your (indiscernible).....

24 COMMISSIONER VINCENT-LANG: My hand's on.

25 CHAIR O'CONNOR: Okay.

1 MS. SARA TAYLOR: Thank you, Mr. Chair. I would just like to
2 summarize so that it's clear what just happened, that we will post
3 the alternatives and provide notice to the public through our
4 channels that there is a public comment opportunity. I anticipate
5 that public comment opportunity will begin in the next couple of days
6 and run for 30 days under the motion that was just passed, and that
7 the public will have the opportunity to submit comments through the
8 usual means that the Council takes comments during that 30 days, and
9 at the end of that 30 days, we will have, as a Council, potentially
10 up to three weeks to consider the comments that were received during
11 that 30-day public comment period.

12 It is my hope that we may be able to host a PAC meeting during
13 that time as well, basically between the end of the public comment
14 period and the beginning of the meeting to get their feedback as
15 well, with their indulgence, and on the assumption we will actually
16 procedurally be able to accomplish something like that this quickly.
17 That is a stretch goal that I will be shooting for with the help --
18 with a lot of help from a lot of people.

19 CHAIR O'CONNOR: All right, any thoughts from anyone else?

20 (No audible response).

21 CHAIR O'CONNOR: So we're going to have, as soon as we can
22 initiate it and put out notice to this effect. Shiway, are you
23 raising your hand?

24 DR. WANG: I am. I just wanted to point out that Kristin
25 Carpenter, the PAC Chair, has her hand up.

1 CHAIR O'CONNOR: Okay, Kristin, I'm sorry. I don't see hands up
2 on my screen. So I apologize, Kristin.

3 MS. CARPENTER: Thank you. Yeah, I just wanted to say thank you
4 to Trustee Taylor for putting forward those scenarios and I think the
5 PAC would welcome the opportunity to have a chance to weigh in and
6 have some -- have a chance to bring all the group minds to the table
7 and hash through this. I think that would be really great, and I
8 guess I just, in response to Commissioner Vincent-Lang's question
9 about if there's a public comment today, I don't see the harm in
10 letting people comment today, but certainly, I think they -- whatever
11 comments get made today should be treated as preliminary, given that
12 there will be a 30-day public comment period, which I think is really
13 important, so thank you.

14 MS. SARA TAYLOR: Mr. Chair.

15 CHAIR O'CONNOR: Yes.

16 MS. SARA TAYLOR: I thank the Chairwoman from the PAC. I really
17 appreciate that feedback. I was worried you might not want to help
18 us, especially with very little time to consider everything and all
19 of the work that goes into those considerations, I'm really grateful
20 to you and the PAC, also for inspiring this approach, and I want to
21 also mention that I think I -- I agree, I don't see the harm in
22 taking public comment today and we did approve the agenda, which we
23 posted earlier to include a public comment period at this time, and
24 there may have been people that prepared comments for today, even
25 without knowing what the alternatives were, perhaps maybe even just

1 based on the spending scenarios. So I would still like to take
2 public comment, I think.

3 CHAIR O'CONNOR: All right, any other thoughts of the Trustees?

4 (No audible response).

5 CHAIR O'CONNOR: All right, I'm going to exercise whatever
6 authority a Chairman has, as defined by the moment, and open it up to
7 any public comments that folks who are still in attendance may have.
8 I realize that it's very early in the process. They haven't had a
9 chance to digest what's being suggested, recognize that we have spent
10 a considerable amount of time, as a Trustee Council trying to figure
11 out what to do, given the implications of the economy and the monies
12 that we're going to have available, and we have very much relied on
13 Sara to help us through this process and I appreciate very much what
14 she has done for us.

15 So at this point, I would ask -- I'm not sure how to manage it,
16 if there are comments, but to see if there are any folks who would
17 like to comment on this, what's going on at this point.

18 DR. WANG: We can help with that. I think staff have been
19 monitoring the chat box. So we have -- I think we already have one
20 person that is interested. So if you are interested in giving your
21 initial thoughts, reactions now, please put your name in the chat box
22 or contact Joy Maglaqui at her email, and yeah, we'll go from there.
23 Sound good?

24 COMMISSIONER VINCENT-LANG: So Craig, this is Doug. So I think
25 there's -- maybe we should give some people some opportunity to get -

1 - so we can get a list up. Can we move to Agenda Item 10. and deal
2 with that issue and then have a complete list that we can move to for
3 public testimony or.....

4 CHAIR O'CONNOR: I think that's a great idea, Doug, okay.

5 COMMISSIONER VINCENT-LANG: Yeah, okay.

6 CHAIR O'CONNOR: Yeah, so exercising the prerogative of the
7 Chair, we will move into Agenda Item 10., while we await indication
8 of interest by folks in the public to comment on the discussion that
9 we just had.

10 So at this point, we have the issue of the Resolution 22-0X
11 Regarding the Restoration Reserve and our solicitation to Congress to
12 basically make a modification or eliminate the requirements from the
13 Division of the remaining monies between the habitat and the research
14 accounts.

15 At this point, is -- I would entertain a motion on that subject,
16 if anybody is prepared to make one.

17 COMMISSIONER VINCENT-LANG: Mr. Chair, I move we approve the
18 draft Resolution 22-0X Regarding the Restoration Reserves, so as to
19 revoke the provisions in prior Resolution 99-03-01 for allocation of
20 management of funds in separate subaccounts to be used for different
21 categories of restoration, as described in Resolution 99-03-01,
22 including the outline of action under existing authority dated March
23 1, 1999, referenced therein.

24 CHAIR O'CONNOR: All right, thank you. Do we have a second to
25 that motion?

1 MS. SARA TAYLOR: I'll second that motion.

2 CHAIR O'CONNOR: All right, at this point, are there any
3 comments, any thoughts, any objections to the motion?

4 MS. SARA TAYLOR: I would like to make a comment, Mr. Chair.

5 CHAIR O'CONNOR: Please.

6 MS. SARA TAYLOR: I am seconding this motion and not going to
7 oppose this motion of -- not because I have decided at this point
8 that this legislation should move forward. The only thing I am doing
9 at this point is getting the necessary process started. I would sign
10 the resolution if it were presented to me today because I know that
11 it preserves every option for us moving forward, and not signing the
12 resolution today means that we have fewer options moving forward.

13 CHAIR O'CONNOR: Thank you. (Indiscernible).....

14 MR. SCHMID: Mr. Chair.

15 CHAIR O'CONNOR: Yeah.

16 MR. SCHMID: Yeah, Mr. Chair, this is Dave, and similar to
17 Trustee Taylor, Sara Taylor, I feel the same way. It's just trying
18 to keep our options open. I haven't made any firm decisions, but I
19 do not want to close any doors here, where we find ourselves today
20 and want to put -- really get some solid input here from the public
21 and the PAC, if possible here to help advise us moving forward here,
22 but -- and that -- I'm in a very similar position to Trustee Sara
23 Taylor.

24 CHAIR O'CONNOR: All right, thanks, Dave. Any other comments?

25 (No audible response).

1 CHAIR O'CONNOR: Is there any objection to the motion?

2 (No audible response).

3 CHAIR O'CONNOR: Hearing none, the motion is approved, and I
4 want to emphasize one more time, as I mentioned at the outset, were
5 this motion or were Congress to approve this, that does not mean that
6 all money goes to research. That means that we have a broader
7 opportunity to utilize the monies that we have remaining, and if we
8 want to spend that money on restoration, the acquisition of various
9 projects that have been proposed to us or suggested, or we need to
10 spend that money on research, we are -- we would be open to make
11 those decisions, and not constrained as we are currently.

12 So all right, with that, Joy, have we gotten any folks who want
13 to provide comments on the -- where we stand on the alternatives, as
14 presented by Sara, at this point?

15 MS. MAGLAQUI: Yes, we actually.....

16 MS. QUINN-DAVIDSON: Mr. Chair, sorry, Joy.

17 MS. MAGLAQUI: Go ahead, Austin.

18 MS. QUINN-DAVIDSON: Okay, thanks, Joy. Mr. Chair, this is
19 Austin. We have three folks so far that we've heard from: April
20 Counciller from the Alutiiq Museum, Josie Hickel, and then Shauna
21 Hegna, and if others are interested, please feel free to email or put
22 your name in the chat.

23 CHAIR O'CONNOR: Okay, and who was the first one?

24 MS. QUINN-DAVIDSON: Ms. Counciller from the Alutiiq Museum.

25 CHAIR O'CONNOR: All right, would you like to proceed with your

1 comments?

2 DR. COUNCELLER: Yes, thank you. I'm Dr. April Counciller, the
3 Executive Director of the Alutiiq Museum and Archaeological
4 Repository and an Alutiiq Tribal member of the Shungnak Tribe of
5 Kodiak. I support the merging of the research and habitat accounts.
6 Under my current understanding, that without this action, the funding
7 of our previously awarded grant is at stake.

8 I do not have an opinion on which Delta Alternative is selected,
9 assuming that our project can proceed. Our proposal was specifically
10 written to meet goals of the habitat restoration program. So I am
11 puzzled at the legal opinion that was referenced. The Alutiiq Museum
12 Project represents support of archaeological resources, research and
13 protection, as well as supporting the recovery of Native communities
14 in the oiled region through economic development, tourism and support
15 of our subsistence culture.

16 The most recent assessment of restoration progress indicates
17 that human services have not yet recovered and our project is
18 intended to support restoration in a number of those areas. As of
19 today, we are one to two weeks from releasing RFPs for completion of
20 our architectural drawings and for a general contractor and suddenly,
21 we must comprehend the possibility of cancelling our project.

22 We have expended nearly a quarter of a million dollars already
23 in architectural renderings, pursuit of additional funding support,
24 surveying, and staffing. We have leveraged the EVOS grant award to
25 support additional project funding, which totals \$3 million so far,

1 as well as over \$3 million in in-kind donation of our facility.
2 Losing our grant funding at this stage would be devastating to our
3 project and our organization. Thank you for your time.

4 CHAIR O'CONNOR: Thank you, April. Who was next?

5 MS. QUINN-DAVIDSON: Next, we have Josie Hickel.

6 CHAIR O'CONNOR: Josie.

7 MS. HICKEL: Hello, I'm Josie Hickel. I'm the President of
8 Chugach Alaska Corporation. I want to echo April's comments. We
9 just did see the documents on the Delta options just -- that were
10 just posted last night. So we have not had a lot of time to review
11 them and really understand exactly what the consequences would be.
12 So I do appreciate the additional time. We will be providing written
13 comments.

14 I did want to say that we also agree that combining the accounts
15 is a good idea because it does provide more flexibility for funding.
16 It is important to us that we maintain the funding, as April stated,
17 for the archaeological repositories and museum. Chugach also has
18 done a significant amount of work to move towards our project, which
19 would be new construction. So we're not as far along as the Alutiiq
20 Museum, but the fact that our region in Prince William Sound was
21 devastated by the spill, and as I've testified before, there's been
22 very, very little funding for the cultural impacts to our region and
23 our resources, and also, I just want to speak, as well, to our
24 cultural camp funding, which is under the education and outreach is
25 also very important to us, as well, in that the subsistence resources

1 were harmed by the spill and have not recovered, and that is an
2 attempt to be able to lead to that recovery.

3 So thank you very much for your time, and I appreciate all of
4 the work that has gone in to this today. Thank you.

5 CHAIR O'CONNOR: Thank you, Josie. Who's next?

6 MS. QUINN-DAVIDSON: Ms. Shauna Hegna.

7 CHAIR O'CONNOR: Shauna, are you there?

8 MS. HEGNA: Cama'i, I'm Shauna Hegna, I'm the President of
9 Koniag, the Alaska Native Regional Corporation that represents the
10 Kodiak Island area. Like Josie, our region was significantly
11 impacted by the *Exxon Valdez* oil spill, and I, too, am digesting the
12 Delta Plan. I would like to sing the praises of the Trustees for
13 putting much needed time and effort into these options.

14 You know, the projects that were previously approved by *Exxon*
15 *Valdez* Trustees are critical to the success of the oil-impacted
16 region, and so while I am still digesting the Delta Plan, I would
17 offer that the initial information that's been provided -- for me,
18 I'm really interested in Alternative Orange, as it seems to fully
19 fund the archaeological repository proposals that were originally
20 funded by the Trustees.

21 I did also, in passing, hear that an initial legal review has
22 found that funding of the archaeological repositories falls outside
23 of the scope of the funding within the EVOS, and I'm a little bit
24 flabbergasted by that analysis and perhaps it's misinformation
25 because the Alutiiq Museum was originally funded and built using EVOS

1 Trustee dollars in order to preserve the archaeological resources
2 that were impacted by the oil spill.

3 So I'm scratching my head a little bit on the legal analysis,
4 but perhaps I misunderstood that information; if so, I apologize.
5 Again, Koniag will provide written comments, but initial review seems
6 to lean towards Alternative Orange. Thank you.

7 CHAIR O'CONNOR: Any other commenters?

8 MS. QUINN-DAVIDSON: No one else on our list, Mr. Chair.

9 CHAIR O'CONNOR: All right, thanks, Austin. All right, at this
10 point, I'm not sure where we are. We've got a 30-day, give or take,
11 comment period established. One of the issues that we're faced with
12 today is whether or not those comments are going to be in writing or
13 are they going to be verbal comments that can be recorded in some
14 fashion? Are there any thoughts by the Trustees? Jason.

15 COMMISSIONER BRUNE: Thank you, Mr. Chair.

16 CHAIR O'CONNOR: I see your hand is up.

17 COMMISSIONER BRUNE: I just -- I really wanted to thank the
18 three folks that took the opportunity to give initial comments, and I
19 want to -- I don't know if it's possible, Mr. Chair, but I think that
20 there needs to be some clarification given by the Department of
21 Justice, by the Alaska Department of Law, because it does seem like
22 there is some confusion based on what April, Josie, and Shauna said.

23 I believe the statement about whether it can be funded, I think
24 they can be funded, but whether or not they can be funded by the
25 research or by the habitat subaccounts is the question, and you know,

1 the last I saw, the Department of Justice is not a Trustee. I've
2 made this comment before, many times over the last four years, but as
3 April stated in her comment, they put their project together with a
4 habitat emphasis.

5 So if advisors to us, not decision-makers, advisors to us are
6 stating that they don't believe the habitat subaccount can be used, I
7 appreciate their advice. That's -- that's -- I think that we should
8 give some clarity and maybe ask for a formal statement to come out
9 from the Department of Justice to give clarity to these people that
10 have already been awarded grants, because that makes me very nervous,
11 what they're saying and what the Department of Justice and Department
12 of Law have made, but I do appreciate, again, the comments that were
13 made, and that they're going to be giving -- other people will be
14 giving comments in the 30-day comment period, but I think that we're
15 -- the public is owed that clarification.

16 COMMISSIONER VINCENT-LANG: So Mr. Chair, I think -- I
17 appreciate the comments that were made today, but I think we can --
18 we have them captured in the minutes, in the recording, so I don't
19 know if we need to take any more steps to do that, and I heard, at
20 least a couple of the people say that they're going to provide
21 written comments to follow up on their comments. So I think -- I
22 don't think we need any more action on the recording of these public
23 comments that we have already, that we heard today.

24 CHAIR O'CONNOR: Thank you. Any other thoughts? Sara.

25 MS. QUINN-DAVIDSON: Mr. Chair, I'm sorry.

1 CHAIR O'CONNOR: Somebody -- go ahead.

2 MS. QUINN-DAVIDSON: This is Austin. I just wanted to point out
3 that there was a comment in the chat, too, in case you wanted to read
4 it aloud, or if you don't have access to the chat, I'd be happy to --
5 the Chair of the PAC included a comment.

6 COMMISSIONER VINCENT-LANG: I do not have access to the chat.
7 So how long is the comment?

8 MS. QUINN-DAVIDSON: It's a short -- it's about one
9 (indiscernible).....

10 COMMISSIONER VINCENT-LANG: Can you -- can you read it real
11 quick?

12 MS. QUINN-DAVIDSON:long sentence. It says, "Isn't the
13 reason that the cultural facilities were called out by the DOJ
14 because they should be funded under "research and restoration," and
15 the research account will run out of money before the habitat
16 account?

17 COMMISSIONER VINCENT-LANG: Okay, thank you.

18 CHAIR O'CONNOR: Thanks.

19 MS. SARA TAYLOR: Mr. Chair, that is my understanding, Madam
20 Chair, that the point is not necessarily -- and as Trustee Brune
21 pointed out, the point is not necessarily that we can't fund it. We
22 can fund it. We made the decision to fund it. We intend to fund it,
23 and I want everybody to know that Delta Plan has, at its core, one
24 objective: every single proposal in it ends with 100% funding for
25 five years.

1 There's no way any of us walk away putting any five-year project
2 at jeopardy, period. We have the ability to do something about it
3 and we will. I think the real key for us in this coming public
4 comment period is choosing the best path forward.

5 So even if your project -- I hope, I sincerely hope that not a
6 single five-year project is concerned about their funding. The goal
7 of the Delta Plan is that we meet that deadline with a full staff
8 that's paid for, that the point is that after that, the restrictions
9 in law, which our lawyers advised us about, the restrictions in law
10 say that in order to keep that money in the investment account,
11 right, with the Department of Revenue, in order to keep that money in
12 the Department of Revenue account, we are duty bound by law to spend
13 it in accordance with the 1999 resolution, and that resolution has
14 restrictions on how the habitat subaccount contemplates being used
15 for restoration. Most general restoration, the vast majority of
16 general restoration, has been handled by the research subaccount,
17 which is not just for research.

18 CHAIR O'CONNOR: All right, thank you, Sara. All right, any
19 comments, any questions, any concerns, any reason we shouldn't
20 adjourn, which is all that's left?

21 COMMISSIONER VINCENT-LANG: Motion to adjourn.

22 CHAIR O'CONNOR: Is there a second?

23 COMMISSIONER BRUNE: Second.

24 CHAIR O'CONNOR: All right, I'm going to oppose it for just a
25 moment. Thank you very much for the opportunity to serve as the

1 Chair. This has been an interesting meeting. We have some daunting
2 tasks ahead of us and I look forward to working with us, with this
3 group in trying to resolve those and get the best path forward, and I
4 want to thank again, Sara, you for putting together the alternatives
5 and hopefully, we will be able to reach a meaningful conclusion at
6 the end of the comment period in our next gathering on this subject.

7 COMMISSIONER BRUNE: Mr. Chair.

8 CHAIR O'CONNOR: Yes.

9 COMMISSIONER BRUNE: Just to clarify, as well, thank you for
10 Chairing today. Did -- are we going to announce for the public
11 that's here, the date of the next meeting? Do we have that set
12 or.....

13 CHAIR O'CONNOR: I don't know that we have it set. Shiway, did
14 we set a date?

15 DR. WANG: I believe so. I think it was November 30th, if I
16 recall. Is that -- does that ring a bell for everybody?

17 UNIDENTIFIED SPEAKER: (Indiscernible).

18 MS. SARA TAYLOR: That was the date I proposed, yeah. I
19 proposed November 30th because it gives us the best opportunity to
20 accomplish everything, maybe, you know, maybe. I would just like to
21 make a closing comment, if that's all right, Mr. Chair.

22 CHAIR O'CONNOR: Sure.

23 MS. SARA TAYLOR: Just briefly, I really appreciate a lot of the
24 kudos, but it's -- on putting these alternatives together, but I'll
25 be really honest with you, it's a bit like congratulating Columbus on

1 this awesome new world he discovered. I pulled these alternatives
2 from decades of work by many of the people that are here on this call
3 now, by many people that have gone before on the Council, and by many
4 people that have passed on.

5 I pulled this work from them. All of this came from a lot of
6 tremendous effort that has been put into the restoration of this
7 ecosystem throughout the Council's history, and I -- I really wanted
8 to make sure that this, I guess, you know, buffet of next steps that
9 we have to choose from, that it continues that arc, but I did not
10 invent it by any stretch of the imagination.

11 So I picked all of these things up and I put them into a piece
12 of paper, and that is thanks to a lot of hard work from a lot people,
13 including my support team, Veronica and Lesia and Liz, so thank you.

14 CHAIR O'CONNOR: Thank you, Sara. Any other comments,
15 questions, concerns? Yes, ma'am, Sheway.

16 DR. WANG: So I will work with -- just to let the public know, I
17 will work with Trustees and our staff to get the document posted
18 online. I think we were going to aim for Friday, and get the Smart
19 comments set up and if people would rather call us, you guys are
20 welcome to do that, too, and Joy and I would be willing to listen and
21 dictate and submit your public comment that way.

22 CHAIR O'CONNOR: Good, all right. Any objection to adjourning?
23 (No audible response).

24 CHAIR O'CONNOR: Hearing none, we stand adjourned -- no, strike
25 that. I'm going to suspend this meeting, and we will reconvene on

1 November 30th to follow-up on those things we left open today. Is
2 that what I'm supposed to say, Sara?

3 (No audible response).

4 CHAIR O'CONNOR: So the order of the Chair, we're going to take
5 a break for the next several weeks. Thank you, everybody. I
6 appreciate it, and go Packers -- just go Packers, all right, thank
7 you.

8 COMMISSIONER BRUNE: Yeah, thank you, all, bye.

9 MR. SCHMID: Thanks.

10 CHAIR O'CONNOR: Bye, bye.

11 MS. SARA TAYLOR: Thank you.

12 12:32:56

13 (Off record)

14 (END OF DAY)

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22 C E R T I F I C A T E

23 UNITED STATES OF AMERICA)

24 STATE OF ALASKA)

25 I, Lisa Nelson, CSR No. 5907, Notary Public in and for

1 the state of Alaska and reporter for Accu-Type Depositions, do hereby
2 certify:

3 THAT the foregoing pages numbered 2 through 108 contain a
4 full, true and correct transcript of the *Exxon Valdez* Oil Spill
5 Trustee Council's Meeting recorded electronically by Accu-Type
6 Depositions Court Reporter on the 5th day of October 2022 and
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10 Anchorage, Alaska

11 DATED at Anchorage, Alaska this 18th day of October 2022.

12 SIGNED AND CERTIFIED TO BY:

13 

14
15 Lisa N. Nelson

16 Notary Public, State of Alaska

17 My Commission Expires: 02/06/24

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