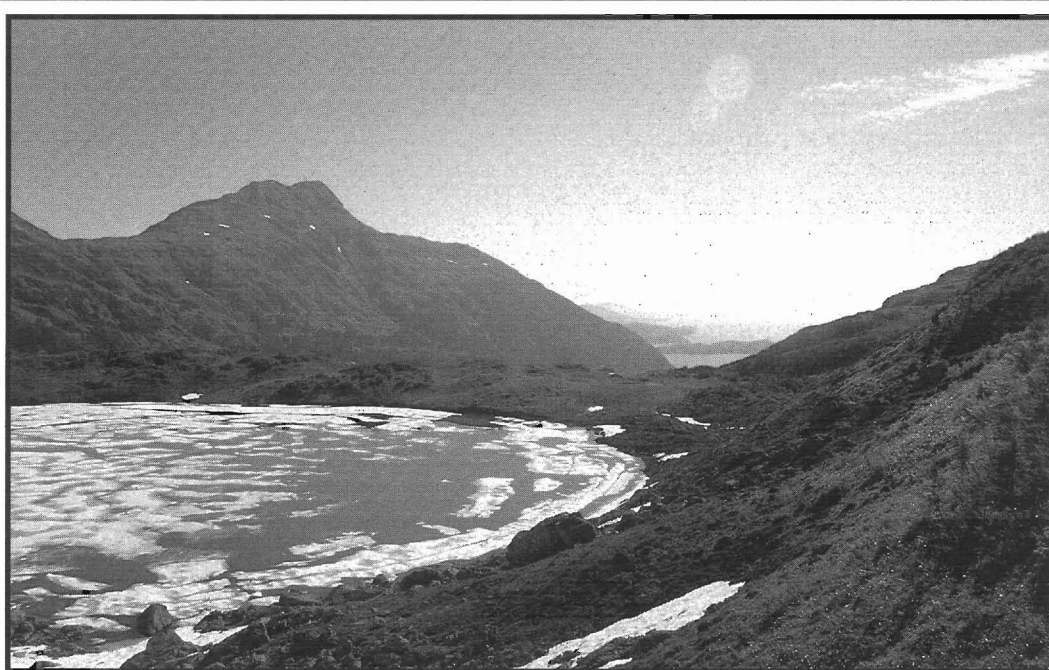


August-September  
1997

# RESTORATION

Volume 4  
Number 3

U P D A T E



Power Creek Ridge. Photo by Nancy Bird.

"WHAT WE ARE ACCOMPLISHING HERE IS HISTORIC."

NANCY BARNES  
PRESIDENT, EYAK CORPORATION

## Persistence pays off

*After four years of effort, Eyak Corp. and Trustee Council agree to protect habitat near Cordova*

More than 75,000 acres of valuable habitat in eastern Prince William Sound will be protected under a package agreement endorsed by the Exxon Valdez Oil Spill Trustee Council and the Eyak Corporation Board of Directors.

The Trustee Council agreed July 2 to spend \$45 million over a 5-year period to protect the habitat through a combination of fee simple purchase, conservation easements and timber easements.

If approved through a shareholder vote, the package will protect habitat in the wooded shoreline areas of Nelson Bay, Eyak Lake and Hawkins Island, much of it visible from the City of Cordova. Port Gravina, Windy Bay

and Sheep Bay, which are considered among the most valuable parcels in Prince William Sound for recovery of injured species, are also included in the package deal.

"This moment has been a long time coming," said Nancy Barnes, president of Eyak Corporation. "We are so pleased that through the diligence and good faith of the Trustee Council and our Corporation, we have reached this milestone."

The Trustees and Eyak Corporation officials were unanimous in their collective sigh of relief at the conclusion of the negotiations. They thanked each

**See Eyak, Page 2**

## Eyak Corporation

Continued from Page 1

other and the negotiators for their "patience and persistence" in coming to an amicable agreement.

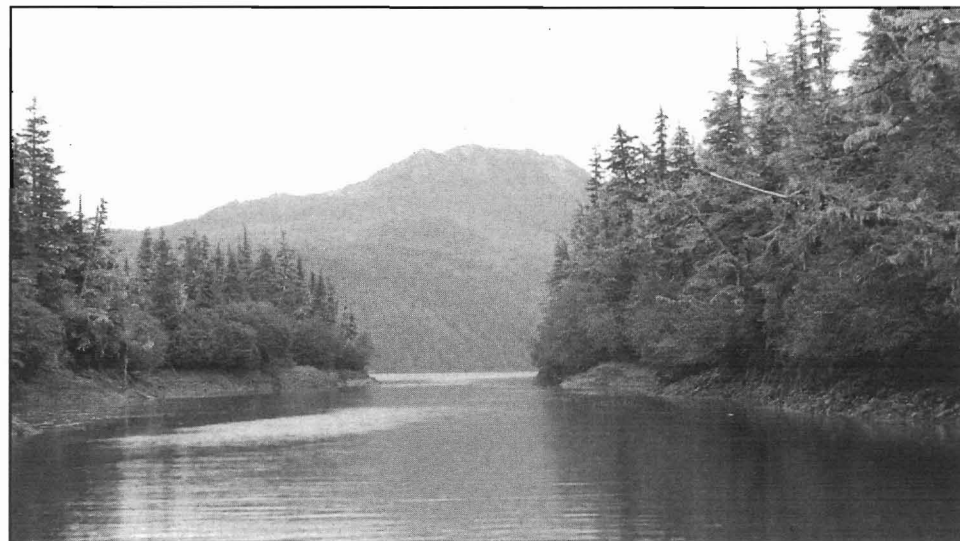
It took more than four years. At times, they all agreed, it looked like it might never happen.

"I had my doubts whether this day would come and now that it has I'm relieved that it's here," said John Johnson, chairman of Eyak Corporation.

The habitat protected includes approximately 80 anadromous fish streams, numerous lakes and lagoons, approximately 50 miles of freshwater shoreline and 150 miles of saltwater shoreline.

The package contains: 5,357 acres surface fee lands; 6,667 acres conservation easements; and 13,401 acres timber easements; for a total of 75,425 acres.

"This agreement has been a long time in the making and represents the cooperative efforts of everyone involved," said Regional Forester Phil Janik, of the U.S. Forest Service. "The effort has paid off with everyone coming out ahead. It not only protects the injured species, but also pro-



Looking out from "Hole in the Wall" to Simpson Bay. Photo by Nancy Bird.

protects the shareholders of Eyak Corporation and the people of Cordova, all of whom were also severely impacted by the spill."

The Trustee Council received several hundred letters, cards, faxes and e-mail messages, dating back to 1993, in support of a habitat protection agreement with Eyak.

Numerous bird species injured by the spill use the Eyak lands for nesting, feed-

ing, molting and wintering. The area is important to pink salmon, sockeye salmon, cutthroat trout, Dolly Varden, Pacific herring, bald eagles, black oystercatchers, harbor seals, harlequin ducks, river otters and sea otters. The entire region is popular for recreational purposes and subsistence food gathering.

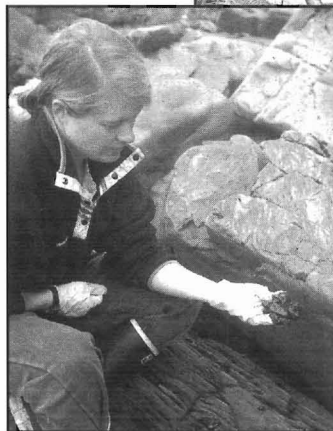
Most of the land would be administered as part of the Chugach National Forest. One smaller tract would be managed by the Alaska Division of Parks and Outdoor Recreation as part of the existing Canoe Passage State Marine Park.

"What we are accomplishing here is historic," Barnes said. "In addition to providing substantial benefits to the public, if approved by our shareholders, this agreement will go a long way toward helping our village corporation achieve some of the underlying goals and promises of the Alaska Native Claims Settlement Act, including to protect and commemorate our rich and diverse cultural heritage and to provide a lasting legacy from these lands of sustainable economic and educational opportunity for our children and for generations to come."

Eyak Corporation's land entitlement is approximately 150,000 acres. Under the agreement, the corporation would retain approximately 100,000 acres with some of that land having conservation easements. It would also keep strategically located small parcels for future development and for their shareholder land use program.

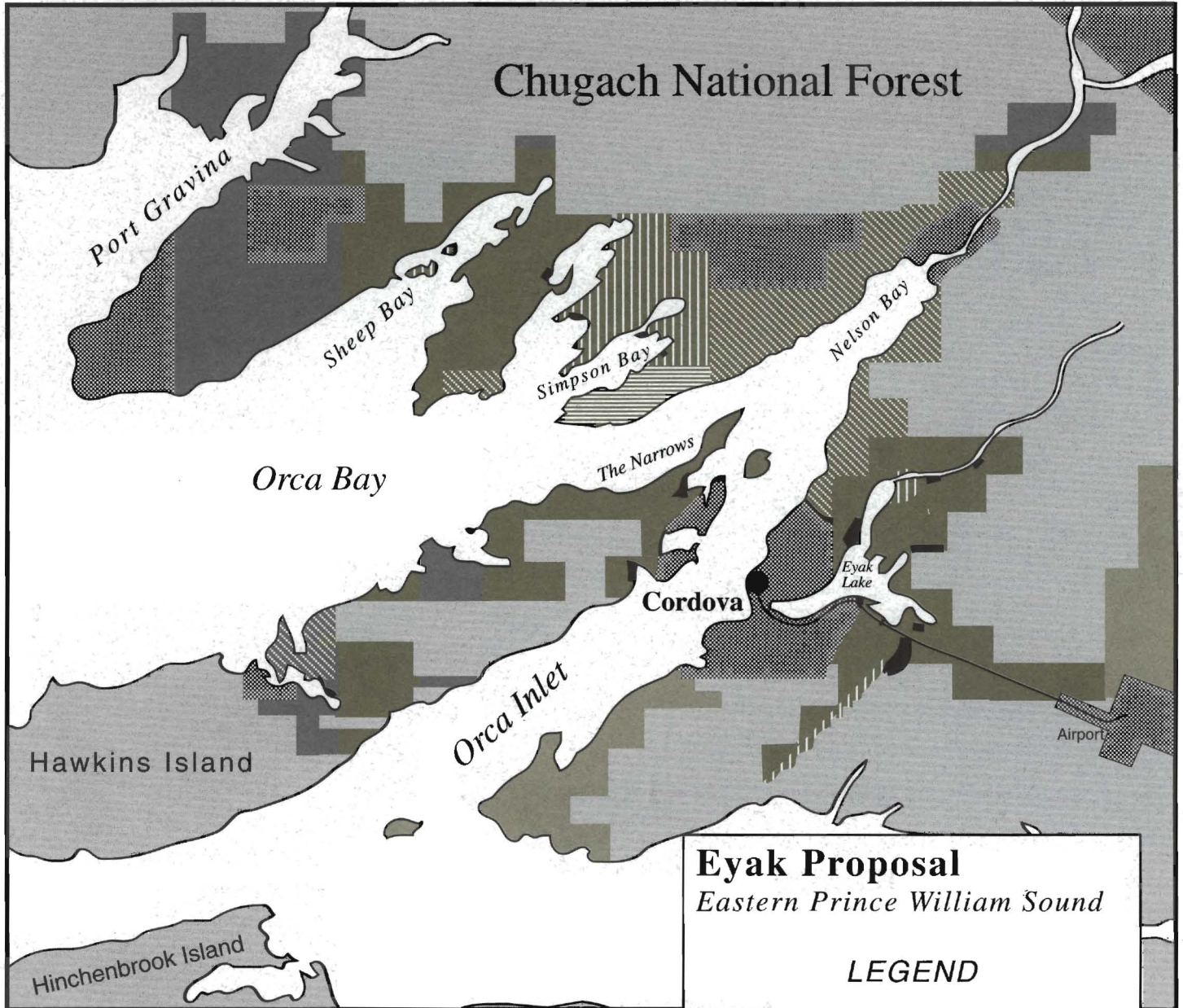
## Cleanup crew tackles Chenega beaches

Photos by Roy Corral



Eight years after the spill, a crew of mostly Chenega Bay residents returned to local beaches in June to clean oil entrenched under rocks and sand. The \$2.1 million cleanup focused on beaches popular for subsistence and recreation. At left, the DEC's Dianne Munson samples Exxon Valdez oil dug from a crevice between two rocks. Above, cleanup workers inject pressurized air along with a chemical agent known as PES 51 to loosen the oil. The oil and PES 51 were washed to the water's edge where both were picked up by absorbent booms and towels.





### Eyak Proposal

*Eastern Prince William Sound*

#### LEGEND

-  Fee Simple
-  Conservation Easement
-  Timber Easement
-  Previous EVOS Acquisition
-  Other Eyak Corp. Lands
-  Chugach National Forest
-  Other Private, Public Lands
-  Shareholder Land Use Program - Retained Lands

”

THE EFFORT HAS PAID OFF WITH EVERYONE COMING OUT AHEAD. IT NOT ONLY PROTECTS THE INJURED SPECIES, BUT ALSO PROTECTS THE SHAREHOLDERS OF EYAK CORPORATION AND THE PEOPLE OF CORDOVA, ALL OF WHOM WERE ALSO SEVERELY IMPACTED BY THE SPILL.

PHIL JANIK  
ALASKA REGIONAL FORESTER

”

# "This Web Page Rocks!"

Since it went online in May 1996, the Oil Spill Public Information Center's web page has had more than 54,000 hits from around the world, providing a valuable resource for anyone researching the Exxon Valdez spill and oil transportation issues.

During a 60-day period beginning with the 8th anniversary of the spill (March 24, 1997), OSPIC provided a means for the users of the web site to log in their comments. It resulted in 93 messages from 16 countries and 26 states, mostly from students and teachers studying environmental and safety issues. More than half of the respondents were under the age of 20.

"It's been very rewarding to see the many responses from all over the world," said Jeff Lawrence, the web site manager for OSPIC. "People are very appreciative to have this information available to them."

Lawrence pointed out that the Internet is proving to be a very effective method of getting oil spill information directly to the people who really want it. On the following page is a sampling of comments.

Kelsey Claney  
1615 Hawthorne Ln.  
Plano, Texas 75074

April 29, 1997

Dear Ms. Hayes,

Thank you for all of the information you sent to me about oil spills for my Science Fair Project. I also want to thank you for getting me in touch with Diane Munson. She was great to talk to! You both were a big help to my project.

My project was about the clean up of oil spills and if the use of booms helped in rough waters. The name of my project was "TO CLEANUP A SLICK IS NOT QUICK". I won first place for second grade and grand prize for grades 1 - 3 at my building Science Fair. I won first place for second grade in the Earth Science division at Districts. At the Regional Science Fair I won first place for second grade Earth Science and grand prize for grades 1 - 3. This is as far as an elementary project can go. There are thirty-two elementary schools in the Plano School District, and seven school districts at the Regional level. I am proud of myself and even if I wouldn't have won, the time and effort was worth it.

I have enclosed, for you, a picture of me with my project and trophies. I do not have Dianne Munson's address, so will you please let her know how I did, and tell her THANKYOU for me!

I'm thinking of doing a second year project about oil spills and hope you don't mind if I contact you again. Thanks again for all your helpful information!

Sincerely,  
Kelsey Claney  
Kelsey Claney

The letter above was sent to Beverly Hayes, a former librarian for OSPIC, for her personal assistance in providing oil spill information to second-grader Kelsey Claney of Texas. Claney provided a photo showing all her ribbons and trophies won as a result of her science fair exhibit on oil spills.



"Thanks to this homepage i was able to gain an A+ on my project."  
Kavi, 14, Bangkok, Thailand

"WOW!!!! Thanks so much !!!!! I was looking for information on the topic of the Exxon Valdez for my Science Fair project and you guys blew me away with everything that's on here!! Thanks sooooo much!!"  
The Cat in Calgary, 13, Calgary, Alberta,

"Thank you for the information. I am an instructor and doctoral student at the University of Toledo and am teaching a class in Environmental Health this quarter, in which my students are presently learning about major US environmental disasters. Many of my students were only 10 or 11 years old when the EV disaster occurred and know few of the details or environmental implications of what happened in Prince William Sound. The information you have provided here will aid in their understanding; thank you."

Kerry, 36, Toledo, Ohio

"I am an associate majoring in agricultural economics. Now I am working voluntarily as a member of the Natural Resource Damage Assessment of the oil spill by Russian tanker this January. I am now researching how it is really possible to estimate the economic value of nature."

Hiroshi, 41, JAPAN

"Great Site!!! I really like the audio clip, check it out!!!"  
Joe, Toledo, Ohio

"The world needs sites like this to develop a knowledge base and insight into the effects of pollution and solutions. I believe that pollution has had negative effects on my health and also on friends families. We may need to develop a new science of Pollution Medicine. I am very grateful to you for your groundbreaking efforts to provide urgently needed insight. Thank you."

Ralph, 42, Milwaukee, Wisconsin

"... where there is life THERE IS HOPE", don't ever forget this. . .  
Congratulations OSPIC."

Jose, 20, Monterrey, Mexico

"I have completed many research papers and projects involving the Exxon Valdez oil spill. I have been following the cleanup and progress of cleanup since the spill. The spill took place when I was in 8th grade. It left quite an impact on my life and attitude toward tankers. This is just a note to say I feel strongly for all the life, human and animal, that has been greatly effected by the spill."

Jennifer, 21, Big Rapids, Michigan

"Wow. . . I am so glad that people are not trying to keep this spill quiet. Instead you opted to turn it into a learning experience. What I found here impressed me. Thank you."

Kris, 17, Martinez, California

"THIS PAGE ROCKS. IT WAS A GREAT HELP."  
Steve, 13, Auckland, New Zealand

## New web site, CD Rom offer wealth of restoration data

The Restoration Office recently introduced a new web site which offers more information about restoration, habitat protection, and research projects.

Do you need to know more about the recovery of orcas? Click on [Injured Resources and Services](#). Click on [List of Injured Species](#) and then click [Killer Whales](#). You will find a complete description of injury and recovery. Click on [Query Database](#) and you get a complete list of killer whale projects dating back to 1989. Click on a given project and you can read the abstract of that report. It then provides information on how the full report can be obtained.

The Oil Spill Research and Restoration CD Rom is also available. It uses a Geographic Information System (GIS) to provide data from the spill cleanup, damage assessment and restoration efforts. It also provides a full project bibliography and the Hydrocarbon Database.

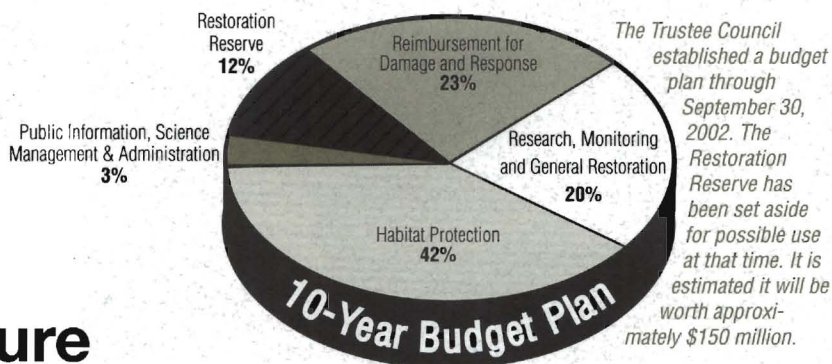
To obtain the CD, contact the Restoration Office or locate the request form on the new web site: <http://www.oilspill.state.ak.us>.

Visit the OSPIC Web Site at  
<http://www.net/~ospic>  
Visit the new Restoration Office Web Site at  
<http://www.oilspill.state.ak.us>



# The Restoration Reserve

## It's time to start planning for the future



Four years ago, the Trustee Council was faced with a historic choice: Which path should it take to best help the ecosystem recover from the *Exxon Valdez* oil spill?

After an inclusive public process, the Council adopted a course combining habitat protection, restoration projects, and research and monitoring. But it added a fourth element to provide flexibility for long term planning — the restoration reserve.

The restoration reserve is the Trustee Council's savings account. It was established to give the Council the option of continuing some sort of restoration program after the final payment is received from Exxon in the year 2001.

The long-term budget plan calls for the Trustee Council to set aside \$12 million each year to create a \$108 million reserve. With interest, it's projected that fund will grow to approximately \$150 million by the year 2002.

Again, the Council is facing a historic choice: How should it use the reserve account? During the next year, the Council will be seeking public input on this important issue. The Council will be facing many tough questions.

- Should a permanent endowment be set up with annual dividends used to finance restoration projects? Or should the fund be budgeted for expenditure over a 10- or 20-year period?
- Should funds be used to acquire and protect more habitat? Should it be used for research and monitoring? Should it be used for community-based restoration projects? Or should it be some combination of the three?
- How should the fund be governed? Should a new trustee structure be developed?
- Should spending be limited to the designated spill region?

### The Budget -- Making the Transition

During the next several years, the Council plans to gradually scale down the size of the annual work plan. The current work plan is budgeted at \$16 million. Next year's target is \$14 million and by fiscal year 2002, the

Council plans to provide approximately \$6 million for the work plan budget. At that point, funding for research, monitoring and restoration projects will either end or it will be supported by the restoration reserve. But at what level?

With an inflation-adjusted endowment, the fund could generate approximately \$3 million to \$6 million a year. But if the fund was set up to expire over a 20-year period, \$12 million to \$14 million could be available annually. A 10-year fund could produce \$20 million to \$22 million annually.

### The Council -- Considering a New Structure

One of the biggest administrative and legal considerations concerns the structure of the governing body. Should the Trustee Council continue to oversee and allocate the funds? Should the 17-member Public Advisory Group continue to exist? To what extent should scientific peer review be continued?

Answers to those questions will also determine the funding needed for administrative costs. Each of those groups comes with a pricetag for meetings, transportation, per diem, and such. To bring administration costs down, some sort of restructuring will be needed.

### Public Discussion -- What Do You Think?

The Trustees have expressed an interest in maintaining a federal/state process as a vital component of any future restoration program. At a forum held in Seward May 29, the Council opened the debate about its own future and the possible uses of the reserve.

"I think the idea of a multi-agency group with a process to involve the public has worked," said Trustee Frank Rue, commissioner of the Alaska Department of Fish and Game. "There has been some criticism of it, but I still think you don't get parochial agency views as much as you would if one agency or one entity were managing it. You get much broader perspective."

Assistant Attorney General Craig Tillery, representing Attorney General Bruce Botelho on the Trustee Council, agreed with Rue but added that a new structure might be needed. "I've given this a fair amount of thought over the last couple of years," he said. "My own view is the Council needs to go out of business about the year 2001 and it needs to be replaced, perhaps by something with very many of the same agencies, but with a public component."

During a recent visit to Seward, the Council invited local residents to give their opinions about the restoration reserve. Seward resident Chuck Adams told the Council he thought a permanent endowment would be the best way to help injured species recover. "A lot of these sea creatures, they spend their

”

*My own view is the Council needs to go out of business about the year 2001 and it needs to be replaced, perhaps by something with very many of the same agencies, but with a public component.*

Trustee Designate Craig Tillery  
Assistant Attorney General

”

entire lives at sea and there's no way to protect them other than through research," he said. "I really think research needs to be the future of this (fund)."

Reserve funds could also be used for habitat protection, either through acquisition of strategically located smaller parcels or by protecting larger tracts of 1,000 acres or more. Though most of the habitat protection goals have been met, it's clear that there is not enough money available to protect all of the parcels currently under consideration, according to Executive Director Molly McCammon.

"The Trustee Council will be facing some very tough choices with the restoration reserve because it's likely some very important parcels — each with its own public support and community support — will not be funded under the current budget," she said.

The Trustee Council plans to seek public comment from throughout the spill region in the same way it did four years ago in establishing the current restoration program. Public meetings will be held in spill area communities during the first half of 1998 and a final decision is expected by the end of the year.

For planning purposes, the decision must be made well in advance of the last payment from Exxon in 2001, McCammon said. Any changes to the structure of the Trustee Council and its funding would likely require changes in law that could take years to complete, she said.

## What are your ideas for the future of restoration?

The Trustee Council is seeking your input about the future of the Council and the possible uses of the Restoration Reserve. Your opinions and ideas will be used to assist staff in developing a spectrum of options for consideration by the Trustee Council.

To submit initial ideas and comments to the Council, please consider the following questions:

- Should a permanent endowment be set up with annual dividends used to finance restoration projects? Or should the fund be budgeted for expenditure over a 10- or 20-year period?
- Should funds be used to protect more habitat? Should it be used for research and/or community restoration projects? What other options should be considered?
- How should the fund be governed? Should a new trustee structure be developed? Should the 17-member Public Advisory Group continue to exist? To what extent should scientific peer review be continued?
- Should spending be limited to the spill region?

The Public Advisory Group will use your comments in considering the issue at its November meeting. The Council is then scheduled in December to decide on the list of options to take to the public for formal comment.

A final list of options will be published by January 1, 1998 and distributed throughout the spill region. The public will have until May to submit comments on the various options. Public workshops will be held in spill-area communities in February and March to ensure residents are informed about the options and have a chance to state their opinions.

**Please submit any written comments by October 1 or let us know if you want to be part of the reserve planning process. Send comments to the Restoration Office at 645 G Street, Anchorage, AK 99508 or fax to 907-276-7178 or sent via e-mail to: [kerih@oilspill.state.ak.us](mailto:kerih@oilspill.state.ak.us).**



Members of the Public Advisory Group discussed ideas for the Restoration Reserve during their July meeting. From left to right are Nancy Yeaton of Nanwalek, Howard Valley of Kodiak, Chuck Totemoff of Chenega Bay, Stacy Studebaker of Kodiak, Charles Meacham of Juneau and Mary McBurney of Anchorage.



# Trustees approve \$13.1 million work plan for fiscal year 1998

The Trustee Council approved its work plan for fiscal year 1998, providing \$13.1 million for research, monitoring and general restoration projects for the Kodiak Island, Kenai Peninsula and Prince William Sound regions.

The FY98 Work Plan is the document that sets the Trustee Council budget and identifies restoration projects, scientific studies and administrative duties for the fiscal year beginning October 1. Altogether, approximately 100 research, monitoring and restoration projects were funded for next fiscal year. The Council approved the plan during its August 6 meeting.

In Prince William Sound, the work plan will fund \$683,000 for herring research in Prince William Sound and \$2.3 million for the Sound Ecosystem Assessment (SEA) project, which seeks to understand the dynamics influencing pink salmon and herring productivity in the sound. The majority of research projects funded by the Council will take place in the sound, some of them through the Prince William Sound Science Center in Cordova.

The work plan also provides funding for the release of coho salmon in Boulder Bay to create a subsistence fishery for Tatitlek residents, the stocking of sockeye salmon in Solf Lake on Knight Island, and \$150,000 to the Chugach School

District to maintain a program which gets students involved in restoration research projects.

Kenai Peninsula projects include \$491,000 for Kenai River habitat improvements, evaluation of sockeye enhancement potential at Delight and Desire lakes on the southern coast of the Kenai Peninsula, and enhancement of the pink salmon return to Port Graham, evaluation of habitat improvements to Port Dick Creek to restore use by native salmon stocks.

Several research projects funded under the work plan are to be operated for the first time from the Alaska SeaLife Center in Seward. The SeaLife Center will provide facilities, equipment and support staff for five research projects studying pink salmon, rockfish, pigeon guillemots, harbor seals and river otters.

In the southern part of the spill area, the Council is funding enhancement of the coho run in the Kametolook River near Perryville on the Alaska Peninsula, training of village-based technicians to take biosamples from harbor seals for use by researchers, local stewardship of archaeological resources on Kodiak and Shuyak islands, and the final phase of improvements to the Little Waterfall Creek barrier bypass.

The Council approved an additional \$12 million to go into a restoration reserve account and \$2.8 million for administration, science management and public information.

## Exxon Valdez Oil Spill Trustee Council



**Bruce Botelho**  
Attorney General  
State of Alaska

**Michele Brown**  
Commissioner  
Alaska Dept. of  
Environmental Conservation

**Deborah L. Williams**  
Special Assistant to the Secretary  
US Dept. of the Interior

**Phil Janik**  
Regional Forester  
Alaska Region  
US Dept. of Agriculture

**Steve Pennoyer**  
Director, Alaska Region  
National Marine  
Fisheries Service

**Frank Rue**  
Commissioner  
Alaska Dept. of Fish & Game

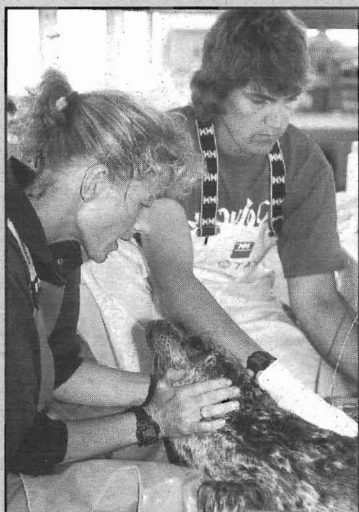


Photo by Roy Corral

### Talking to the animals

*Dr. Sara Iverson talks to a seal pup to keep it distracted as Kathy Frost, marine biologist for the Alaska Department of Fish and Game, prepares to take measurements and blood samples. The pups are intrigued by Iverson's soothing voice, but the method does not work on adults.*

### Restoration Office

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