FEDERAL SUBSISTENCE BOARD PUBLIC MEETING VOLUME II б MARRIOTT HOTEL Anchorage, Alaska December 7, 2005 8:30 o'clock a.m. 15 MEMBERS PRESENT: 17 Mitch Demientieff, Chair 18 Judy Gottlieb, National Park Service 19 Niles Cesar, Bureau of Indian Affairs 20 Dr. Wini Kessler, U.S. Forest Service 21 George Oviatt, Bureau of Land Management 22 Gary Edwards, U.S. Fish and Wildlife Service 24 Keith Goltz, Solicitor 44 Recorded and transcribed by: 46 Computer Matrix Court Reporters, LLC 47 3522 West 27th Avenue 48 Anchorage, AK 99517 49 907-243-0668 50 email: jpk@gci.net

PROCEEDINGS 1 2 3 (Anchorage, Alaska - 12/7/2005) 4 5 (On record) 6 CHAIRMAN DEMIENTIEFF: We're going to ask 7 8 everybody to please excuse themselves for a little while, we're going to go into executive with the Board, Staff 9 10 Committee and our attorney. So if everybody else could 11 please excuse themselves we'll get started and get to 12 work. 13 14 (Off record - 8:30 a.m.) 15 16 (Executive Session) 17 18 (On record - 9:30 a.m.) 19 20 CHAIRMAN DEMIENTIEFF: Okay, we're going 21 to call the meeting to order. I just want to explain to 22 people what we were doing. And procedurally we had to be 23 clear on how we're going to proceed, it's not like we 24 were discussing the merits of the issues in our executive 25 session, we were actually going through a little bit of 26 Board training of how we're going to go ahead with 27 dealing with this because we want to make sure that we're 28 doing the issue justice and we're considering it in a 29 fair manner, so trust me we weren't conspiring as far as, 30 you know, as discussing merits of the issue, we were 31 discussing procedure and how we're going to get these 32 issues discussed and there will be ample opportunity for 33 everybody to participate in terms of Council members and 34 what not. 35 36 And so I'm going to call these names that 37 were not here yesterday, it doesn't look like I see any 38 of them here. 39 40 Mike Williams. 41 42 (No comments) 43 44 CHAIRMAN DEMIENTIEFF: Ray Sensmeier. 45 46 (No comments) 47 48 CHAIRMAN DEMIENTIEFF: Harold Napoleon. 49 50 (No comments)

CHAIRMAN DEMIENTIEFF: And Art Ivanoff. 1 2 3 (No comments) 4 5 CHAIRMAN DEMIENTIEFF: Okay, I declare б that public testimony is over, okay, so we're ready to 7 move on in the agenda. 8 9 State comments. 10 11 MR. REGELIN: Thank you, Mr. Chairman. 12 The State of Alaska is pleased that the Federal 13 Subsistence Board is undertaking this review. 14 15 We realize that communities are not 16 static and their characteristics can change over time. 17 We believe that a detailed analysis of 18 19 all of the communities that were preliminary identified 20 is warranted and recommend that we go through and 21 complete all 10 of these communities and areas on for 22 further analysis and will make specific comments on 23 individual areas at a later date. 24 25 Thank you. 26 27 CHAIRMAN DEMIENTIEFF: Of course, you 28 will have the opportunity to discuss them, case by case, 29 which is where we're trying to go, that you will have 30 opportunity to participate in that discussion. 31 32 Okay, thank you. 33 34 Council recommendations. Mary. 35 MS. GREGORY: Yeah, I just want to thank 36 37 the people who came and testified on their own behalf and 38 also that I agree with them. 39 40 That being a Yup'ik person from my Yup'ik 41 community, the community of Bethel, because we do a lot 42 of hunting and fishing right in the Bethel city and 43 surrounding villages. What they said is what I'm living. 44 Like I told you, I eat mostly Yup'ik foods, I had two 45 breakfasts here and then tired of the food already 46 so.... 47 48 (Laughter) 49 50 MS. GREGORY: I would urge you to

1 consider the testimonies very carefully before you make the decision in, what, a year or six months, and I will 2 continue to advocate for the rights of my people, 3 4 especially my elders and those young people that will 5 take over when we're gone. 6 7 Thank you. 8 9 CHAIRMAN DEMIENTIEFF: Grace, do you have 10 a comment. 11 12 MS. CROSS: I do. What I don't hear, I 13 think is coming from the Staff Committee, is the reasons 14 why some communities grew. 15 16 I think it's very important that the 17 Board will seriously take into consideration why have 18 some of those communities grown substantially. I could 19 just see Nome being part of the agenda 10 years from now 20 because we're getting a new hospital, which means a whole 21 bunch of new people are going to come in, there'll be 22 doctors, nurses and other professionals that will be 23 coming in with their families and start residing in Nome 24 increasing the population of Nome. However, the most 25 important thing is having a new hospital in Nome is not 26 going to change the status of our subsistence users. 27 Those are the people who are not going to be hired as 28 doctors, those are the people who are not going to be 29 hired as X-ray technicians, these are the people that are 30 not going to be hired as nurses. The people that we're 31 talking about that are subsistence users are not going to 32 be hired by the new hospital. They will remain 33 subsistence users, and there will be other people that 34 will grow up that will remain subsistence users. 35 36 So the change in number doesn't 37 necessarily mean anything. So I think it's very 38 important that the Board remembers that. 39 40 To me, it's very important for you to 41 look into why has a certain community grown so much. And 42 does that growth impact subsistence users or are the 43 subsistence users remaining in the same condition they 44 were despite of the new growth. 45 46 The new school in Nome brought an influx 47 of people but it didn't change many of us subsistence 48 users. There weren't no more new jobs. Because most of 49 the people that I know that are subsistence users are 50 seasonal workers to begin with and a lot of seasonal jobs

are ending because of lower construction, because there's 1 no more monies coming from anywhere. 2 2 4 But I just wanted to point that out. So to me one of the most important things you need to look 5 6 at is the reason for growth and how that is impacting the subsistence community, if any. 7 8 9 Thank you. 10 11 CHAIRMAN DEMIENTIEFF: Yes, of course, 12 and we have to remind ourselves that these are just 13 opening comments, and we can engage in terms of when we 14 discuss the individual communities. 15 16 Gerald. 17 18 MR. NICHOLIA: Yeah, thank you. I have a 19 few concerns considered in the Fairbanks North Star 20 Borough and the Delta area. 21 22 First off, at our meeting, we would like 23 to see the whole Fairbanks North Star Borough stay 24 nonrural but if it expands to include Tok, Eagle and 25 those other areas, we'd like to see those areas stay 26 rural because of their location. 27 28 And concerning Delta, we pretty much 29 wanted to leave Deltana, Healy Lake, Dot Lake and those 30 other outlying areas out of that grouping. 31 And from what we did, we tried to put Big 32 33 Delta and Delta Junction and Ft. Greely together but I 34 have these two documents here, one from Nat Good and one 35 from Rick Johnson, they're saying that Delta and Ft. 36 Greely ain't the same as Big Delta and Delta Junction, so 37 if this one from Nat Good could be taken into 38 consideration on that i'll be good enough for me. 39 40 CHAIRMAN DEMIENTIEFF: Thank you, Gerald. 41 I don't know if we have those on the record but you just 42 brought those? 43 44 MR. NICHOLIA: I got this one from email 45 from Vince. But I emailed Nat Good and then he emailed 46 me back with his comments right here. 47 48 CHAIRMAN DEMIENTIEFF: Is that new 49 material? 50

1 MR. BOYD: Yes. 2 3 CHAIRMAN DEMIENTIEFF: Okay, we need to 4 get that to -- get those copied and distributed and put on the record, I'd appreciate that because we need to 5 б have a look at those when we get there. 7 8 Thank you, very much. Go ahead. 9 MR. ALVAREZ: Thank you, Mr. Chairman. 10 11 My name is Randy Alvarez. I'm Chairman of the Bristol 12 Bay RAC. 13 14 And at our last meeting in Dillingham, 15 October 6th and 7th, we briefly discussed the 16 rural/nonrural determination. But we also did not submit 17 a recommendation. 18 19 Thank you. 20 21 CHAIRMAN DEMIENTIEFF: Thank you. John. 22 23 MR. LITTLEFIELD: Thank you, Mr. Chair. 24 It's my understanding we will have the opportunity to 25 address each community in order as they come up. So what 26 I would like to do now is just briefly describe some of 27 the actions that were taken by the Regional Council and 28 set the tone for the other discussions. 29 30 We met in Wrangell in October and at that 31 time we had had the Decennial Review given to us and in 32 there noted that there was no deference to be accorded to 33 the Councils, so we took a position on that and sent a 34 letter that was dated October 28th, we sent that to the 35 Federal Subsistence Board, and I'd like to go over that 36 at this time. And our deference was based -- we believe 37 that deference is due the Councils for the following 38 reasons. 39 40 If you read Section .805(c) of ANILCA, it 41 says: 42 43 That the Secretary in performing his monitoring responsibility pursuant to 44 Section .806 and in exercise of his 45 46 closure and other administrative 47 authority over the public lands shall 48 consider the report and recommendations 49 of the Regional Advisory Councils 50 concerning the taking of fish and

1 wildlife on public lands within the 2 respective regions for subsistence uses. 3 4 The Secretary may choose not to follow any recommendations which he determines 5 is not supported by substantial evidence; б 7 violates recognized principles of fish 8 and wildlife conservation or would be 9 detrimental to the satisfaction of 10 subsistence needs. 11 12 If a recommendation is not adopted by the 13 Secretary he shall set forth a factual 14 basis and reasons for his decision. 15 16 In our opinion, the Council, the 17 classification of a community as rural or urban 18 determines whether any of those community's residents are 19 eligible to undertake subsistence in any manner. 20 21 Excuse me a second here. 22 23 In essence a rural determination is an 24 issue of taking. If you have no rural classification you 25 cannot take any fish or wildlife under the Federal 26 Subsistence Regulations. With a rural classification, a 27 community may be authorized to engage in subsistence 28 harvesting, i.e., the taking referenced in .805(c). For 29 these reasons the Council believes that the Section 30 .805(c) deference is due to the Council recommendations 31 concerning the Decennial Review rural determinations and 32 requests that the Section .805(c) procedures be followed 33 as they are with other Council proposals on regulatory 34 proposals concerning taking. 35 36 In many respects the Council 37 recommendations concerning rural determinations which is 38 Section 1.5 -- 36 CFR 242.15 is rural determinations are 39 very similar to the Council recommendations that we make 40 on customary and traditional use which is .6 [sic], 41 they're both in the same section, Part B. As with rural 42 determinations, customary and traditional findings allow 43 or disallow a possibility that subsistence taking may 44 occur. 45 46 Recommendations for positive C&T findings 47 means that a community's residence may be authorized to 48 engage in subsistence harvesting under Federal 49 regulations. Negative C&T findings mean that no 50 Federally-authorized subsistence harvesting will take

place. 1 2 3 That's one of the points that I'd like to 4 make in the general statements. 5 6 And the other was, perhaps just to set the tone a little bit, is I think we need to, again, look 7 8 at the definition and everybody should be clear, it was 9 mentioned in the Decennial Review that the definition in 10 .803 as listed, and I'm not going to read all of it, but 11 the key part is in the first sentence where it says: 12 13 Subsistence uses mean the customary and 14 traditional use by rural Alaska 15 residents. 16 17 And to me that's the standard of that. 18 We're talking about customary and traditional use, which 19 is also determination, and we're talking about rural 20 residents; that's what we're talking about. And how we 21 define those is in your regulations and we're going to 22 follow those and they're defined, I don't have any 23 problem with that. But I just wanted to say for the 24 record that those are the standards that we should 25 operate by. As other Council Chairs have indicated, that 26 they had support for their speakers, I have to say that 27 personally I agreed with most of them, too, but we have a 28 job to do here as Council Chairs to represent the 29 Council's will and also operate within those regulations, 30 so that's what I'll try to do. 31 32 Even though I sympathize with Native 33 issues, I'm a Native, I know where I'm from, I know my 34 history, I'm going to try to confine my comments on all 35 of these communities within the regulations and so that's 36 what I'd ask -- I guess it's my bureaucrat speech, I 37 wanted to make it. I felt sorry for some of those people 38 and I really emphasize with them and I'd like to make 39 them know that, I do, but I'm going to try to make my 40 comments confined to the regs. 41 42 So with that, that's it, Mr. Chair. 43 44 CHAIRMAN DEMIENTIEFF: And we appreciate 45 that because we have to stay focused, it's just too 46 important. So appreciate your comments, John. 47 48 With that, we're going to go on to the 49 Staff Committee recommendation and Pete will give that. 50

MR. PROBASCO: Mr. Chair. If you will, 1 before we go to Staff Committee recommendation, we did 2 have some Chairs that could not make it due to travel and 3 4 weather and so our coordinators want to read the 5 Council's recommendation into the record and so they're 6 ready to do that, Mr. Chair. 7 8 CHAIRMAN DEMIENTIEFF: Okay, who do we go 9 to first? 10 11 MR. PROBASCO: Let's go with Michelle. 12 13 CHAIRMAN DEMIENTIEFF: Okav. 14 15 MS. CHIVERS: Thank you, Mr. Chair. The 16 Chair of my Council was unable to make it due to weather, 17 so I will go ahead and read into the record what the 18 Council recommendation was for Kodiak/Aleutians. 19 CHAIRMAN DEMIENTIEFF: You're going to 20 21 have to get a little bit closer to that mic and speak up. 22 23 MS. CHIVERS: Sorry. The Kodiak 24 Aleutian's Council heard public testimony from seven 25 people and formed the following two recommendations for 26 the Board to consider. 27 28 The first recommendation is the Council 29 recommends withdrawal of Kodiak from the list for further 30 analysis. The actual population does not meet the 31 threshold for consideration. The present population is 32 300 persons fewer than when the census was taken. The 33 Council also noted that a change in the numbers of people 34 or other change in demographics does not change the moral 35 need for subsistence for Kodiak. 36 37 The second recommendation is for Adak. 38 The Council recommends that because of the recent 39 tremendous changes in the population, Adak be given rural 40 status without further study. 41 42 Thank you, Mr. Chair. 43 44 CHAIRMAN DEMIENTIEFF: Thank you. Who 45 else do we have Pete. 46 47 MR. PROBASCO: Donald. 48 49 CHAIRMAN DEMIENTIEFF: Donald. 50

MR. MIKE: Thank you, Mr. Chair. Donald 1 Mike. I'm the Regional Council Coordinator for the 2 3 Southcentral region. 4 5 The Southcentral Regional Council met October 25th through the 27th in Kenai and developed б their recommendations on the rural determination review. 7 The Southcentral Council's recommendation endorses 8 further analysis of the communities listed as proposed by 9 10 the Board. 11 12 Thank you, Mr. Chair. 13 14 CHAIRMAN DEMIENTIEFF: Thank you. 15 Anybody else. 16 17 MR. PROBASCO: And Barbara. 18 19 CHAIRMAN DEMIENTIEFF: Okay. 20 21 MS. ARMSTRONG: Thank you. For the North 22 Slope Council. 23 24 It recommends that Prudhoe Bay be 25 analyzed as part of the rural determinations review 26 process and further recommends a nonrural determination. 27 Prudhoe Bay is an industrial complex which does not have 28 a school, store or family homes and should not be 29 considered rural. A few people live there year-round, 30 but virtually all of the people there are oil company 31 employees who work at Prudhoe Bay, but reside elsewhere. 32 The Council noted that some outsiders claim residency in 33 one of the villages during the summer because of the 34 benefits associated with that. 35 36 Thank you, sir. 37 38 CHAIRMAN DEMIENTIEFF: Thank you. 39 Anybody else. 40 41 MR. PROBASCO: I believe that's it, Mr. 42 Chair. 43 44 CHAIRMAN DEMIENTIEFF: Okay. 45 46 MR. PROBASCO: I'll go to the..... 47 48 CHAIRMAN DEMIENTIEFF: Thank you, all. 49 And thank you for helping us out with that Pete, so go 50 ahead with the Staff Committee.

MR. PROBASCO: Thank you, Mr. Chair. 1 Τn your folders, Board Members, is the Interagency Staff 2 3 Committee recommendation. I will not go through it in 4 detail, but just highlight the majority/minority opinion. 5 6 The majority recommendation of the Staff 7 Committee recommends that the Federal Subsistence Board 8 approve for further analysis the 10 communities and areas proposed by the Board on July 18th of 2005. With the 9 10 addition of an evaluation of the rural/nonrural 11 characteristics of the Ketchikan area and of Prudhoe Bay. 12 13 The majority believes these communities 14 should be advanced for further analysis rather than 15 limiting further review. If these communities do not 16 warrant a change in status they should be determined 17 through a full analysis and Board consideration. 18 19 The minority recommendation was there is 20 agreement on inclusion of most of the 10 communities and 21 areas that were proposed for analysis by the Board. The 22 minority of the Staff Committee recommends that the Board 23 remove Kodiak, Sitka, Saxman from the Ketchikan area 24 being included in No. 9, and Deltana from the group being 25 described in 10 from the list of communities that will be 26 further analyzed during the review of rural 27 determinations. 28 29 Along with the majority, the minority 30 also concurs and recommends that the communities and 31 areas of Ketchikan, but excluding Saxman and Prudhoe Bay 32 be added to the review list. 33 34 Both the majority/minority opinion, Mr. 35 Chair, provide justifications for the recommendations as 36 noted in your folders. 37 38 Mr. Chair. 39 40 CHAIRMAN DEMIENTIEFF: Thank you, very 41 much. At this point we're ready to move on to Board 42 deliberations. 43 44 Niles. 45 46 MR. CESAR: Mr. Chairman. In order to 47 get the process on the table for discussion, I move to 48 add the communities listed in the Staff report dated 49 11/21/05, which were approved in July by the Board and 50 found on Pages 2 and 3, numbered 1 through 10 and to

consider those items paragraph by paragraph. 1 2 3 CHAIRMAN DEMIENTIEFF: There's a motion, 4 is there a second. 5 б MR. EDWARDS: Second. 7 8 CHAIRMAN DEMIENTIEFF: Moved and 9 seconded. Tom, can we go through those communities based 10 on the motion? I just want to list them so we know the 11 order that we're going to go. 12 13 (Pause) 14 15 CHAIRMAN DEMIENTIEFF: I'm going to ask 16 Tom if he'd list the communities that are in this motion 17 and please understand that these are not -- that we still 18 can bring up other communities by separate motion, but 19 these are the ones that we are going to start with and 20 we'll discuss and if we have additional requests for 21 other communities we will deal with those separate, case 22 by case, but these are the communities that we are going 23 to deal with. 24 25 MR. BOYD: Mr. Chair. I will go through 26 these items one through 10 in order. 27 28 1. Kodiak. 29 30 2. Sitka. 31 32 3. Adak. 33 34 These three communities have changed in 35 population, and, therefore, were included as recommended 36 for further analysis. 37 38 Fairbanks North Star Borough. 4. 39 40 5. Kenai area. 41 42 6. Seward area. 43 44 These three were listed for further 45 analysis to examine -- or to determine whether to exclude 46 places and to examine the rural/nonrural status of those 47 places independently. 48 49 7. Wasilla area. 50

1 8. Homer area. 2 3 9. Ketchikan area. 4 5 10. Delta Junction, Big Delta, Deltana б and Ft. Greely as an aggregate. 7 8 Mr. Chair. 9 10 CHAIRMAN DEMIENTIEFF: Okay. So we will 11 begin our discussion with Kodiak and we're open for Board 12 discussion at this time. 13 14 MS. GOTTLIEB: Mr. Chair. 15 16 CHAIRMAN DEMIENTIEFF: Judy. 17 18 MS. GOTTLIEB: I was wondering if we 19 could ask Larry to be available for specific questions 20 about analysis. 21 22 CHAIRMAN DEMIENTIEFF: I arranged that 23 yesterday. 24 25 MS. GOTTLIEB: Okay, thanks. 26 27 CHAIRMAN DEMIENTIEFF: Okay. I mean I 28 already spoke it on the record that he's going to be 29 available and so that's why he's here and then we 30 confirmed it before we adjourned last night, or yesterday 31 afternoon. 32 33 MS. GOTTLIEB: I have one general 34 question for him. 35 CHAIRMAN DEMIENTIEFF: Go ahead. 36 37 38 MR. BUKLIS: Mr. Chairman. 39 MS. GOTTLIEB: Thank you. Larry, I was 40 41 wondering when we talk about further analysis, if we need 42 more information on any of these communities, what kind 43 of monetary resources or Staff resources, or what kind do 44 we have available and what further information might we 45 be looking at to be available to us for the Proposed 46 Rule? 47 48 MR. BUKLIS: Mr. Chairman. We would be 49 using the team of people that have worked in support of 50 the Board to this point. And that team of Staff from OSM 1 and one BIA anthropologist would, for communities proposed for further analysis that were approved by the 2 Board for rural/nonrural analysis, we would be looking at 3 4 community characteristics; information on economic 5 development; infrastructure; use of fish and wildlife; 6 educational institutions; transportation, those 7 characteristics that were mentioned in the regulations on 8 communities. Q 10 For communities that are proposed and 11 then approved by the Board on some of the grouping 12 issues, we would be looking at the guidelines -- we would 13 be applying the guidelines the Board has charged us with 14 for the review. Those being proximity and road-15 connectedness of the proposed places; whether they share 16 a high school attendance area; and the commuting 17 information of workers between places from the Year 2000 18 census information. That would be the set of guidelines 19 we'd apply to look at the grouping questions. We've been 20 not able to do that completely to this point in the 21 preliminary review because the commuting data was not yet 22 available from the Census Bureau. 23 24 CHAIRMAN DEMIENTIEFF: Okay, and Larry 25 and Pete are both going to be real handy to us because if 26 we do have questions such as this. 27 28 Gary. 29 30 MR. EDWARDS: I'm just going to start the 31 discussion. 32 33 CHAIRMAN DEMIENTIEFF: Carry on. 34 35 MR. EDWARDS: In effort to get the 36 discussion started I'm going to make a motion, Mr. 37 Chairman, that with regards to Kodiak that we proceed 38 with further analysis of its rural and nonrural status. 39 40 CHAIRMAN DEMIENTIEFF: There is a motion. 41 42 MR. OVIATT: I'll second that motion. 43 44 CHAIRMAN DEMIENTIEFF: Okay, good. Yes, 45 John. 46 47 MR. LITTLEFIELD: Thank you, Mr. Chair. 48 I also have a question for Mr. Buklis that has to do with 49 the latest report that was given out, distributed 50 yesterday, and it has a statement on the first page, Page

1 under the introduction. 1 2 3 About three-quarters of the way down and 4 the paragraph starts with regulations. 5 б MR. EDWARDS: John, which report are you 7 referring to? 8 9 MR. LITTLEFIELD: I'm referring to the 10 one that we're discussing right now, so if you're on Page 11 2, just flip back to Page 1, the November 21st, 2005 12 report that we received yesterday. 13 Anyway, it says the regulations require 14 15 that the Board periodically review rural determinations 16 and so forth and then the sentence there that gets to me 17 is, it says, this review makes use of population data 18 from the Year 2000 U.S. Census, but not any changes that 19 may have since occurred. Changes after 2000 will be 20 captured in the next Decennial Review using data from the 21 2010 U.S. Census. And my reading of the regulations 22 under 36 CFR 242.15(a)(4), specifically contradicts that 23 statement. 24 25 The statement says, and I'll look at 26 that, it says, the population data from the most recent 27 census conducted by the United States Bureau of Census as 28 updated by the Alaska Department of Labor shall be 29 utilized in this process. 30 31 So I think it's important that we address 32 this question and say we're going to use the most 33 available data because I believe that's what the 34 regulations say. 35 36 Mr. Chair. 37 38 CHAIRMAN DEMIENTIEFF: Thank you. Larry. 39 40 MR. BUKLIS: Yes, Mr. Chair, I think that 41 was a question for me and -- if I may? 42 43 CHAIRMAN DEMIENTIEFF: Proceed. 44 45 MR. BUKLIS: I took it as a question for 46 me. 47 48 I understand, Mr. Littlefield, what 49 you're saying there, that Part B talks about rural 50 determinations and that Subpart 4 talks about utilized in 1 this process, and then when you go to Part B it talks about the periodic review, and that's what we're about 2 3 now. And in Part B, it talks about a 10 year review 4 cycle commencing with publication of Year 2000 U.S. 5 Census. The U.S. Census has been published, and, in 6 fact, we've been waiting and waiting for the census data 7 that comes -- I'm sorry, the commuting data that comes 8 out of that census. And there's a research agency which compiles census data into commuting code data, which, 9 10 even this summer wasn't available to us yet, in 2005, and 11 so we are now ready to move forward with the analysis, 12 including the grouping questions but we did not propose 13 in our development of method to use interim population 14 data from Department of Labor Statistics somehow coupled 15 with census data from five years ago on commuting 16 patterns. 17 18 We're trying to take a standard base, 19 which is Year 2000 U.S. Decennial Census for the Part B 20 review. 21 22 CHAIRMAN DEMIENTIEFF: John. 23 24 MR. LITTLEFIELD: Thank you, Mr. Chair. 25 And I understand that, but if any community was submitted 26 for review then it would have to use the updated data, 27 and throughout your report you flop back and forth. 28 29 You use some 2004 figures that are listed 30 in the report, the Decennial Review, some 2000, and I 31 think there needs to be consistency there. If you're 32 going to use some of those numbers in the report to 33 justify something then you need to use -- they should all 34 be the same. And if we look at the -- oh, let me see if 35 I can find an example real quick here, perhaps on Page 18 36 of the first Decennial Review, we talk about using ADCA 37 data from 2005 in the middle of the page and then we're 38 also talking about using figures that are from the 1980 39 census, 1990; so I think there needs to be some 40 uniformity here and we need a statement from the Board 41 that we will either use the latest data or not or take it 42 out of our analysis, and I think that's only prudent. 43 44 Mr. Chair. 45 46 CHAIRMAN DEMIENTIEFF: Thank you. And I 47 just want to explain the process, if the motion fails, 48 that means that Kodiak comes off the list for further 49 review, so we have to understand that. I just want to 50 make sure everybody's clear.

1 Yes, Larry. 2 3 MR. BUKLIS: Mr. Chairman. Regarding 4 that July report on Page 18, the reference source is a Year 2005 publication, but the statistics are rates and 5 6 numbers and percentages from Year 2000. 7 8 Mr. Chairman. 9 10 CHAIRMAN DEMIENTIEFF: Thank you. 11 Further discussion. Yes, John. 12 13 MR. LITTLEFIELD: Mr. Chair. I 14 distributed a graph that had to do mostly with Sitka but 15 I was asked by the residents of Kodiak if I could include 16 them but I did not have my program with me that I did 17 this on, and I'm wondering if it's appropriate now to go 18 over this graph because the Kodiak people asked me to do 19 it and I think it shows some statistics that you may want 20 to look at. 21 22 CHAIRMAN DEMIENTIEFF: Kodiak is on the 23 table, go ahead. 24 25 MR. LITTLEFIELD: Okay, thank you, Mr. 26 Chair. 27 28 You have 10 sheets in front of you, you 29 should have, that were originally graphs, a spreadsheet 30 that I started to put together for a PowerPoint and I 31 heard we weren't going to have PowerPoint presentations, 32 and then subsequently to that I put it in the wrong 33 computer so I couldn't make the changes to Kodiak. So 34 what I'd like to do is kind of just briefly go through 35 these and it's going to concern Sitka, too, because it's 36 one of these communities. The original graphing was from 37 Sitka and all the communities below, from 2,500 because 38 I'll explain why I think 2,500 is a key number to you 39 folks. 40 So if you were looking at -- and I 41 42 misspelled communities, I know, so somebody doesn't have 43 to tell me that. But on Page 1, if you'll look at those 44 communities, those are the communities above 2,500 45 residents up to Sitka. I was asked to include Kodiak, 46 which is the next community above that, in other words, 47 it would fit right into that little slot there where 48 there's nothing there and if you could graph that right 49 now, what you would enter right there, the number for 50 Kodiak would be above the 10,000 number, it would be

12,855. And while you're doing that you can move 1 immediately to the left and put Ketchikan as 13,639. 2 3 4 Now, these figures come from Appendix 1 5 in the first Decennial Review, so they're the numbers б that you've all been acquainted with before. I haven't 7 changed them in this particular instance. 8 9 This just shows the population of those 10 communities. And if we do a line graph here, you'll 11 easily see that Ketchikan starting way up at the top and 12 it goes way down. And the average amount is on the 13 right-hand side of all these graphs. So the average is 14 4,673 residents and you can see that it dips down a 15 little bit to the smallest community of Kotzebue and then 16 heads upward to the largest community of Ketchikan which 17 is 16,369. 18 19 Now, on the next page, Page 2, I show the 20 population changes from 1990 to 2004, and this is what we 21 talked about earlier, I included the latest data, and 22 this population data comes off the web page that's 23 referenced in the book on Page 18, it's the community 24 database on line, and it's easily available and all it 25 takes is a click of a mouse to get this information. And 26 if you will add for Kodiak to the left of Sitka, and I 27 only had the 2000 data because I don't have that on line 28 access, but they were plus 625, so your little bar graph 29 would be 625 immediately to the left of Sitka. 30 Immediately to the left of that below the zero line would 31 be Ketchikan at minus 429. And, again, if you look at 32 this you see that there was an average population change 33 for these communities, and, again, they're all above 34 2,500, an average gain of 694, that's what it says on the 35 right-hand side. 36 37 Okay, let's go to graph three. Graph 38 three is those numbers in the form of a percentage in 39 relationship to the percentage of the community residents 40 that they had in 1990, how much have those communities 41 grown. So immediately to the left of Sitka on Kodiak, 42 you can put 5.1 percent, because that's the growth of 43 Kodiak. Immediately to the left of that in the Ketchikan 44 column, which would be a little off the screen, it's 45 minus 3.2 percent. And, again, you'll see the average 46 growth of all of these communities was 20.5 percent. 47 48 I reference an ISER number here but it's 49 simply a number that you're probably not going to use but 50 it's just for comparison, and it shows the 30 square mile 1 rated density. And if you would add Kodiak to the left of Sitka, the density for Kodiak is 174 on this graph, 2 and the density of Ketchikan would be 207 immediately to 3 4 the left of that. And there was no data that I could 5 find on the communities of Nome and Bethel. And, again, the average density is about 130 persons per square mile. б Yesterday you heard lots of testimony about Sitka being 7 two, but this was just to show some previous report. 8 Q 10 If you look at the next graph, Page 5, 11 Kodiak city to the left, and this is similar information 12 in a different format, Kodiak city and Kodiak Road would 13 be 2.21, just below Sitka to the left of Sitka. And the 14 Ketchikan log value would be 2.32. 15 16 And Page No. 6 is the use of fish and 17 wildlife. And the amounts for Kodiak city/Kodiak Road is 18 160, 160 pounds per capita. And the amount in Ketchikan 19 is 34 pounds per capita, but I have a little note there 20 that Saxman is 211, in your considering your groupings so 21 that may be -- but we'll talk about that later in 22 Ketchikan. So the Kodiak value is 160, the average for 23 all of the communities above 2,500 is 224. 24 25 The next one is a food production log 26 which basically shows you that these are going to track 27 the same no matter which analysis you look at, whatever, 28 the use of food and fish and wildlife is similar. Kodiak 29 city is 2.20, and -- city and road, I lumped them 30 according to what you guys had described in your 31 analysis, 2.20. The Ketchikan is 1.54. And I might add 32 later that -- maybe I should do it now. If we were 33 looking at Girdwood, and the reason I picked Girdwood --34 let me go back one screen, excuse me, or not a screen, 35 but one -- let's go back to No. 5. What I did is I 36 picked Girdwood because it just happened to be at the 37 very top of the list of nonrural areas. For no other 38 reason. There's communities that are not rural that have 39 higher and lower values, but I just picked Girdwood. So 40 if you were looking at five, if you want to note on the 41 top of Page 5 is where I put it, that Girdwood is 2.56 42 and it gives you some relationship to where this graph 43 is. 44 45 On the top of Page 6 you can put Girdwood 46 at 18 pounds per person. In other words, we're looking 47 at rural area right now and including Girdwood, which is 48 not, and you will see that Girdwood is 18 pounds compared 49 to the others. 50

The next, chart seven, Girdwood has a 1 country food production of 1.26, again, way below the 2 3 average. 4 5 Some other data that was on Page 18 of the Decennial Review concerned poverty line data and this б information is on the web page but it does concern 2000 7 so it's the latest data on eight. You would add Kodiak 8 at 6.6 percent and Ketchikan at 6.5 percent. And the 9 10 average of all these communities is nine percent. 11 12 The next graph is per capita income as 13 shown on Page 9. Kodiak is 22,195, and Ketchikan is 14 23,994. And the average of those communities is 23,511. 15 16 Graph No. 10 is the unemployment 17 percentages in these communities. Kodiak is 5.2 percent 18 and Ketchikan is 7.6 percent. Again, the average 19 unemployment is 10.6 percent. 20 21 So without dwelling on them too much, 22 what I did was tried to give you some information on the 23 characteristics of the communities that were referenced 24 on Page 18 of the Decennial Review because they did quite 25 a -- they did a full paragraph on Unalaska, and they 26 talked about all these community characteristics and at 27 the end of the paragraph they made a statement, that, in 28 summary, Unalaska continues to be a regional hub 29 community that is rural in character and further analysis 30 does not appear necessary. So I got to wondering, well, 31 why couldn't we have done a paragraph on every one of 32 these communities above 2,500 similar to what we did with 33 Unalaska and then make a statement to the Board that, 34 based in summary, Valdez continues to be a regional hub 35 that is not rural in character -- in other words, one 36 paragraph could have been prepared for each of these 37 communities. It could have been done for Sitka and 38 Kodiak and Ketchikan as well, and that would have given 39 the Board the information that's easily available, it's 40 nothing new, it's out there, it's on the internet, it's 41 on the ISER pages, the State use of fish and wildlife, 42 it's not a secret. We could have used this. 43 44 If you'll look on Page 18 of the original 45 Decennial Review, it talked about transportation, and as 46 Mr. Buklis talked about the ADCA 2005, it says, 47 transportation to and from Unalaska is by air, barge and 48 bimonthly ferry. Well, I did the -- I looked on the web 49 page and you find out that in Kodiak they also have one 50 airport, a barge line and a ferry line, it's exactly the

1 same. So on Page 1 underneath all of these communities I went into a little further analysis trying to address all 2 the things that were listed on Page 18. 3 Δ 5 So for Kodiak you would put A, B and F, 6 they have air service, they have barge service, and they 7 have ferry service. 8 9 If you look at Ketchikan, they're the 10 same, they have one airport, a barge service, a ferry 11 service. 12 13 So let's go to the right now. Sitka is 14 the same, one airport, one barge, one ferry. 15 16 Bethel has two airports, two runways and 17 barge service. 18 19 Seward, a nonrural area is a little 20 different. They have two runways, they have barge 21 service, ferry service, railroad and truck. They're 22 distinctively different and they're a nonrural area. 23 24 Barrow has one airport, barge service --25 seasonal barge service. 26 27 Unalaska as listed on Page 18 has one 28 airport, a barge, and ferry service. 29 30 Nome has two airports with barge service. 31 32 Petersburg has an airport, a barge and a 33 ferry, just like all these other communities. 34 35 Kotzebue has two airports, and a barge 36 service. Two airports being runways, different sized 37 paved runways. 38 Valdez, again, another nonrural is a 39 40 little bit different. It has an airport, barge, ferry, 41 but it also has trucking. There's trucking companies 42 running in there. 43 44 So what I'm saying is this information 45 was easily available, we could have made a paragraph on 46 each of these communities that could have included the 47 transportation just like it did here. This is good 48 information on Unalaska for you to make your decision, it 49 could have well been done for all the other communities. 50 There was some other information in here that was

1 mentioned about school facilities and the poverty -- the 2 reason I brought up the poverty in all these others, is 3 those are characteristics that were mentioned on this 4 page. I was unable to find on the State web page a lot 5 of those, but I think most of you will realize that we 6 have University of Alaska systems in most places with distance learning in most of these areas. I was able to 7 8 find out that like in Seward they have AV-TECH, but generally almost all of these communities have a 9 10 university. Sitka is a little different, they have SUA. 11 12 And another criteria that I looked at in 13 here was whether they had roads. 14 15 If you'll look at these communities 16 starting with the far left, Ketchikan it has no road. 17 18 Kodiak, no road. 140 miles of road on 19 the island. 20 21 Sitka has no road system, no road access, 22 14 miles of road in the community. 23 24 Bethel, again, no road access, 22 miles 25 of road. 26 27 Seward is on the road, has truck access. 28 29 Barrow, they have, again, no road access. 30 31 Unalaska, no road access, it's in the 32 analysis. 33 34 Nome, no road access. 35 Petersburg, no road access. 36 37 Kotzebue, no road, but they do have 26 38 39 miles of gravel road. 40 And then you get to another nonrural 41 42 area, Valdez, which is on the road system and has truck 43 access. 44 45 Another comparison had to do with the 46 number of people who had commercial fishing licenses. 47 48 Again, starting on the left, Ketchikan 49 had 401 fishing permits owned by the residents. 50

1 Sitka 767 -- excuse me, Kodiak 767. 2 3 Sitka 586. 4 5 Bethel 200. б 7 Seward 80. 8 9 Barrow 7. 10 11 Unalaska 50. 12 13 Nome 60. 14 15 Petersburg 469. 16 17 Kotzebue, I didn't have any data for 18 them. 19 Valdez was 49. 20 21 22 The point I'm trying to make here, Mr. 23 Chair, and sorry for taking all this time but hopefully 24 we won't have to go through this again on Sitka and the 25 others, is, there was a paragraph on Page 18 of the 26 Decennial Review which was the Staff's attempt to give 27 the Board enough information to make a reasonable 28 decision, and it only included the communities of Barrow, 29 Unalaska, Petersburg and Valdez and Kotzebue. It did not 30 include any information on the rest of the communities, 31 so based upon that they're making a recommendation that 32 the Board, at the end of the sentence, in summary, 33 Unalaska continues to be a regional hub community that is 34 rural in character and further analysis did not appear 35 necessary. 36 37 In the case of Kodiak, and I'm going to 38 argue as in Sitka, that very same statement could have 39 been read to the Board as support for Kodiak maintaining 40 their rural status. It's sufficient in my reading for 41 you to -- and the information is there, it's nothing new, 42 I'm not showing you something that's not available, you 43 could make that statement and then if there was problems 44 later in the proposal stage that somebody wanted to 45 contest this or something, Kodiak would join forces with 46 you in supporting their rural characteristics. 47 48 And that's my point here. That perhaps 49 the initial review would have had a different outcome had 50 we done a little further analysis. I think a paragraph

1 for each community above 2,500 was all that was required and to make a statement at the bottom for all of the 2 communities other than Unalaska. And I think that that's 3 4 missing in this discussion. And the reason I bring this 5 up is you had people here from Kodiak yesterday, as well б as Sitka and Saxman who are under great stress, they 7 think their rural status is going to be taken away and 8 they see it as being threatened. 9 10 A little bit more work on the Staff's 11 part, because you guys get paid for this, quite frankly, 12 we don't, could save thousands of dollars for these 13 people to travel here to town to testify. And you're 14 telling them that you're going to put Kodiak on the list, 15 which means that they're going to have to spend 10's of 16 thousands of dollars in their behalf of time and 17 volunteer, they don't get paid for this, to defend 18 themselves in the proposal stage and I think that's 19 something that the Board needs to be reasonable about. 20 You need to decide whether it's reasonable, given the 21 information that's presented, and the people from Kodiak 22 brought this forward, they haven't changed. There's been 23 no information to the Board from anybody that says Kodiak 24 has changed in its nature, and Sitka as well. So there's 25 no information to the contrary. Your review can stand as 26 it is. You can say I reviewed it and I like it just as 27 it is for every community and that's defensible. 28 29 But only a paragraph. 30 31 And that's what I'm saying, Mr. Chair, it 32 would have been much easier for Staff to do this, present 33 this, it would have been cheaper, less stressful for 34 everybody involved, and perhaps could have drawn some 35 different conclusions. 36 37 So I'm going to have a similar 38 presentation on Sitka that, you know, this data is out 39 there, and other than graph No. 1, the only one that 40 shows any kind of divergence at all, and if you look at 41 that it goes immediately up to the left in kind of a 42 linear scale because we're talking about one factor, 43 population, which you can graph like this, but in every 44 other respect, these communities are very similar to one 45 another; they're rural in nature, they haven't changed. 46 Or in the case of Valdez and Seward, they're nonrural, 47 you can see that the trucking and all these others that 48 are mentioned on Page 18, they are different. And these 49 growth, you know, we're talking about a growth in the 50 community of Seward of 2,000 residents as compared to 625

in Kodiak which is a far bigger area, 217 in Sitka. 1 2 I mean you need to look at these in 3 4 perspective. So I guess that's all I have for now, Mr. 5 Chair, thank you very much for accommodating me. 6 7 CHAIRMAN DEMIENTIEFF: I appreciate your 8 work you've done and Larry may have some response to it, but rather than go through -- it's clearly apparent that 9 10 the work that you've done in terms of your analysis, but 11 as we go through these other areas, this is a matter of 12 record, we can apply your logic to other issues upon your 13 request and the text of that will go into the discussion 14 and then you can just tailor your remarks specific to, in 15 the case of Sitka, so we don't have to go through this 16 again, we'll just apply is what we can do, okay. 17 18 I mean we'll just note that on the record 19 and it will go into the record and then you can tailor 20 your remarks to other areas of concern. 21 22 MR. LITTLEFIELD: Okay, thank you, Mr. 23 Chair, that was my request that you simply consider this 24 as well as consider the testimony. 25 26 CHAIRMAN DEMIENTIEFF: It is. 27 28 MR. LITTLEFIELD: And we're hoping that 29 the Board will use that to make a reasonable decision. 30 That's all my request is. 31 32 Thank you, Mr. Chair. 33 34 CHAIRMAN DEMIENTIEFF: Larry, did you 35 have something. 36 MR. BUKLIS: Mr. Chairman. All I would 37 38 say is that I don't think that what we've heard is in 39 conflict with the review process at all and I respect Mr. 40 Littlefield's testimony, it was very helpful. And this 41 is the kind of information and maybe, additional, we 42 would pursue in further analysis. 43 44 The issue I would speak to briefly is 45 that it's an issue of whether and when to involve the 46 public and the Councils. The charge from the Board as 47 they launched this method, and the method was to review 48 and comment, earlier this year actually, but once under 49 way the method was for communities that are nonrural but 50 decrease in size on down below 2,500, that's the kind of

a situation we would propose for further analysis, and 1 then hear back before we pursue the further analysis, 2 hear back if there's something we need to know about that 3 4 situation. That's the case for Adak. 5 6 For communities that are rural in 7 classification currently but grow, grow over 7,000 for the first time, or go further over 7,000 if they already 8 were, that's a situation that the Board had set in their 9 10 guidelines to us, bring that to our attention, we will 11 propose that situation for review, but we won't engage 12 the Staff on that until we've heard back from the 13 Councils and the public, and that's what this is about. 14 15 And what you're hearing here is the kind 16 of thing we would do if we were so charged to do it. 17 18 The other approach would be to have us go 19 fully into the analysis unchecked and then report back 20 fully. The Board implemented this checkpoint on the 21 process, and it does come with a cost of time and effort 22 and money, we understand that, but it's meant to be a 23 public process. 24 25 And then secondly the discussion on Page 26 17 and Page 18 of the July report dealing with those 27 intermediate size communities, there's a paragraph on 28 Adak, it was intermediate size and dropped below 2,500, 29 well below it. Then there's those six you've mentioned 30 several times, the six rural places, Bethel, Barrow, 31 Unalaska, Nome, Petersburg, Kotzebue that were 32 intermediate and remained intermediate size, and the 33 charge from the Board was is there something about those 34 communities that we need to know about and propose for 35 further analysis or is it sufficient as it is, and our 36 assessment for review, which is what this is about, was 37 we know of no reason to pursue further analysis on those. 38 And on Unalaska, because of its significant population 39 change, the other things that we've heard, we gave more 40 treatment to that in our review, should the Board or the 41 public want to add it to the list, we didn't think it 42 warranted it but we gave it fuller treatment to get more 43 information out on that because it did stand out as 44 having had some changes there which you've pointed out. 45 And then Valdez was intermediate, remains intermediate, 46 was nonrural and we're not proposing to review it 47 further. 48 49 Thank you, Mr. Chairman. 50

CHAIRMAN DEMIENTIEFF: Thank you. 1 2 Gerald. 3 4 MR. NICHOLIA: Yeah, I just had one 5 comment here is that to rely on the State Community 6 Database for information, even in Tanana and the 42 villages in the TCC region, it's very inaccurate. It 7 doesn't portray the population, transportation, 8 9 infrastructure or nothing. I wouldn't rely on that 10 community database because I had a tough time just 11 changing it for our transportation program in Tanana. 12 It's very inaccurate. 13 CHAIRMAN DEMIENTIEFF: Very good 14 15 information. To get the ball rolling, I'll just say 16 where I'm going to go and I'm going to vote against the 17 motion. And my reason is because of the excellent 18 testimony that we had, that they are a subsistence 19 community. And we had previous discussion, some years 20 back, I think that -- and I explained to the Board what 21 happened to us, that people moved in on top of us. 22 Nenana at one time was Fairbanks before 23 24 that bridge was built. 20,000 people lived there, in a 25 little Indian village until they got the bridge built and 26 then they moved -- you know, the railhead on into 27 Fairbanks and people moved on in to Fairbanks because it 28 was closer to the gold fields. 29 30 In this case, the Coast Guard Base, you 31 know, there are things that have moved in on Kodiak, but 32 from the strong testimony that was presented, there is no 33 doubt in my mind that there has been any change in terms 34 of the core community, that they are a subsistence 35 community. There's no reason for a biological concern 36 that I'm aware of. And I just feel very strongly that by 37 nature it is still the same community and for that reason 38 I intend to vote against the motion. 39 40 MR. EDWARDS: Mr. Chairman. 41 42 CHAIRMAN DEMIENTIEFF: Yes, Gary. 43 44 MR. EDWARDS: Yesterday we heard a lot of 45 very articulate and often times passionate testimony from 46 folks that have come a long distance to bring to us why 47 they feel their communities ought to remain rural or why 48 they should become rural, and I guess what I'm wrestling 49 with is, is as we go through this, you know, what is the 50 relevancy of a lot we heard.

You know, a year and a half or so ago 1 2 when we went down this direction to take on this review, we hired some folks which I think we spent way over 3 4 \$100,000 to take a look at this issue, and these were 5 people who were trained in this and they spent a lot of 6 time wrestling with that in trying to figure out how best we could go about doing this. And they reached the same 7 8 conclusion that we heard yesterday, that subsistence is 9 not about how big or how small your subsistence is or 10 where your kids go to school, or where you drive to work 11 or who you interact with or what's your rate of 12 employment or unemployment, they came to the conclusion 13 that it's about, and, again, what we heard is the 14 importance of subsistence to the community, how much the 15 dependency the community has for their subsistence needs. 16 17 And the reality -- we rejected that 18 information and we went down a different path and said, 19 mainly for legal reasons, that we were not able to look 20 at that. And now it seems to me is, because I heard very 21 little about population yesterday, I heard some about 22 concerns that Kodiak, you know, has the Coast Guard Base 23 and some others, but the essence of what we heard and 24 Mary certainly echoed it, too, is the dependency and the 25 importance of subsistence. I think the report used the 26 expression country home food production or something like 27 which is more of an agriculture term. But I guess maybe 28 I would ask our legal counsel, you know, to address that 29 issue so we don't, maybe, get more caught up in the 30 emotion of it but try to look at this and try to look at 31 it from a consistent standpoint. 32 33 CHAIRMAN DEMIENTIEFF: Keith. 34 35 MR. GOLTZ: The statute plainly says 36 rural. And that means that the gateway to subsistence is 37 geography, not history. Historic patterns can be 38 accommodated, but only after this Board has determined 39 that an area is rural. 40 And in making that determination, the 41 42 theater of our concerns is defined by regulation. And 43 that regulation focuses on numbers. And to some, such an 44 approach is going to seem remote and frankly unresponsive 45 to what we heard yesterday but ours is a government of 46 limited powers and until the rules are changed, the 47 latitude of this Board is going to be limited. 48 49 CHAIRMAN DEMIENTIEFF: Thank you. 50 Further discussion. Judy.

MS. GOTTLIEB: Mr. Chair, maybe a 1 question for Keith then. But the regulation and talking 2 3 about characteristics does include use of fish and 4 wildlife. 5 6 MR. GOLTZ: It's a factor. And it can be 7 folded into the analysis, but the focus and the 8 parameters are set by numbers, that's our starting point. 9 10 CHAIRMAN DEMIENTIEFF: You're talking 11 about population? 12 MR. GOLTZ: Population. Area. Density. 13 14 The historic concerns, the ones that motivated much of 15 the testimony that we heard yesterday are important, but 16 most of that importance has an impact later, after the 17 area considerations have been considered. 18 19 This may mean that much of the testimony 20 has little relevance to our consideration. But many of 21 the arguments that we heard are better directed to the 22 legislators, and not to the Board. 23 24 John made a pretty good statement on 25 that, and I concur with his introductory remarks. 26 27 CHAIRMAN DEMIENTIEFF: John. 28 29 MR. LITTLEFIELD: Thank you, Mr. Chair, 30 and thank you Mr. Goltz. 31 I guess what I'd like to do then is to 32 33 refer the Board to that section, .15, and you're well 34 aware, Mr. Goltz, certainly more than I am, this whole 35 regulation, from Part A to Part C needs to be read in 36 whole, together and in context. 37 38 Now, when you get down to it, if you --39 well, let me go through this a little bit, let's start 40 with No. A, it says the Board shall, you don't have any 41 deference there, the Board shall determine if an area or 42 a community in Alaska is rural; that's your job, you're 43 going to do that. You've already done that, so we're 44 just reviewing that. But it says you shall. 45 46 And you shall use the following 47 guidelines and they spell them out, one through six, 48 that's the guidelines you will use. And it's not 49 discretionary so you have to follow those guidelines. 50 But let's look at those guidelines.

Community of 2,500 or less shall be 1 1. deemed rural; shall be deemed rural unless it -- and 2 those are key words, these things are -- you need to key 3 4 in on the key words, unless they possess significant 5 characteristics of a nonrural nature or is considered to 6 be socially or economically part of an urbanized area. 7 8 So you have this number of 2,500 and the 9 regulations say every community below 2,500 is rural 10 unless the community possesses significant 11 characteristics of a rural nature or is considered -- and 12 that's a key number. 13 The next statement, No. 2 says, 14 15 communities or areas with populations above 2,500, but 16 not more than 7,000 will, again, a word you can't debate 17 what it says, will be determined to be rural or nonrural; 18 go back to A, the Board shall determine, so it's telling 19 you that anything above 2,500 you shall determine that. 20 21 Go down, and before we go to 3, which 22 I'll talk about in a minute, let's go down to 5, as was 23 just mentioned by Ms. Gottlieb, it says, a community or 24 area characteristics shall be considered, it doesn't say 25 maybe or the population is the most -- or the number 1, 26 it says shall, you have to include the community 27 characteristics, of which population is but one factor. 28 29 This sets a key here, this 2,500 number, 30 everything below is presumed rural, the 2,500 above shall 31 be determined, you're presumed rural, you're presumed 32 nonrural if you're above 7,000 but you're no different at 33 2,501, 6,999 or 7,002, you're still, the Board must 34 determine those, they've made the determination. 35 36 So if we're looking at this, I think that 37 the Board is clearly directed in No. 5, community or area 38 characteristics shall be considered, so the information 39 that was given on community characteristics, I have to 40 disagree with Mr. Goltz, I think is very relevant and 41 population is relevant too but it is only one part of the 42 mix here. 43 44 CHAIRMAN DEMIENTIEFF: Keith. 45 46 MR. GOLTZ: We're getting in deep waters 47 here and I wish the State Attorney General was here 48 because we've chased a curious squirrel around the tree. 49 50 The State started with this program and

1 they started with a definition which is very much like a lot of people seem to be arguing for now and that's that 2 they would study the landscape in historic terms, see 3 4 where subsistence is taking place and then make their 5 determination on that basis. The precepts that the State 6 was using were tested in the Ninth Circuit in the Kenaitze Decision, and the Ninth Circuit Court of Appeals 7 8 basically said, no, you're not supposed to run your 9 program about how people are using the landscape, you're 10 supposed to run your program based on the nature of the 11 landscape itself. 12 13 So that's the basis. That's the 14 motivating impulse behind the regulations. 15 16 I don't know how useful it is to parse 17 out to exact quantity how much these characteristics are 18 going to influence our analysis of the numbers. I think 19 the important thing is that the record be complete and 20 that we not focus on subsistence uses as the basis for 21 our decision. The basis for our decision is the 22 geography of the land, what are the areas, how many 23 people are in that area. The way the Ninth Circuit 24 approached it is to say that the term rural is a word of 25 common understanding, look at the dictionary and proceed 26 from there. Well, we know it's not going to be quite 27 that simple, but our focus unfortunately at this point is 28 not on common human concerns. 29 30 I think in all of us we would like to 31 respond positively to much of what we heard yesterday but 32 that is not our focal point here. We're setting the 33 thresholds, we're setting the path to Title VIII 34 subsistence, we are not allocating that subsistence unit 35 now. 36 37 CHAIRMAN DEMIENTIEFF: Thank you. John. 38 39 MR. LITTLEFIELD: Thank you, Mr. Goltz 40 for mentioning a point that I was hoping you would bring 41 up, and that's the Kenaitze Decision, it said rural is 42 rural and you don't need to tie numbers to it or anything 43 like that. And so I did look in the dictionary, I have 44 Webster's Third New International Dictionary and I popped 45 all these numbers out, what does rural mean, and you're 46 going to find that it means something of what was said 47 yesterday. 48 49 1. Definition of rural is living in 50 country areas and engaged in

1 agriculture pursuits 2 3 2. Characterized by simplicity and 4 lacking in sophistication. We're 5 a rustic people б 7 3. Of or relating to characteristics 8 of people who live in the country 9 10 4. Of or relating to associated with 11 typical lives in the country 12 13 5. Of or relating to or constituting 14 a tenement and land adapted for 15 agriculture, pastoral purposes as 16 opposed to urban. 17 18 Three of these talk about country, so I 19 said, well, what does country mean. 20 21 Country says: 22 23 It's an expansive land that's 1. 24 undefined but usually considered 25 a region or district or area 26 marked by some distinguishing 27 feature 28 29 In the case of Kodiak they're on an 30 island surrounded by water, distinguishable. 31 32 2. The land of a person or origin's 33 birth or residence or citizenship 34 35 Many of these people yesterday talked 36 about being born there. I know you had a member here 37 that said he was born in the '30s and talking about this 38 is my country, I can speak best about it. 39 40 3. The people of a state or a 41 district, country people. 42 43 In other words, those are people from 44 Kodiak as well as Sitka. 45 46 4. Rural regions as distinguished 47 from a city or town or other 48 thickly inhabited or built up 49 area; like taking a walk in the 50 country. A region of the ocean;

1 country rock. 2 3 We won't get into that one. But I would 4 say yesterday there was a testifier that said in the form 5 of Jeff Foxworthy, I guess, he was asking you some rhetorical questions and I can't remember all of them, I б 7 started to write them down and one of them, I think, was way of life, whether I spent all my time dreaming about 8 hunting or something like that, how much my gas was and 9 10 how long had it been since I'd been to the food to get 11 stores [sic], well, I remember the exact day I had beef 12 the last time, I remember that day, I went to a 13 fundraiser. 14 15 I'm sure many of these people can say the 16 same thing. The statistics from the Tribe were 97 17 percent of the communities eat subsistence foods. 18 19 I spend most of my money on gas commuting 20 back and forth to my camp. 21 And I'm going to go hunting tomorrow if I 22 23 get back tonight. 24 25 So, yes, I'm a country boy, I'm a rural 26 person in Sitka, and I think those people that talked 27 yesterday said the same thing. That relates to the 28 definition of rural, that's the standard; customary and 29 traditional of rural. 30 31 Thank you, Mr. Chair. 32 33 CHAIRMAN DEMIENTIEFF: You had follow up. 34 35 MR. GOLTZ: I don't know how long we want 36 to continue this exchange. But let me hopefully 37 summarize by telling the Board this. 38 39 To the extent that you rely on numbers 40 and data as they relate to the landscape and to 41 population density you're defensible. To the extent you 42 relate to how people use that land we become less and 43 less defensible. I'm not saying you can't fold other 44 things into the record, but the Ninth Circuit points me 45 in the direction of numbers. 46 47 CHAIRMAN DEMIENTIEFF: Okay. I think it's 48 not necessarily declaring but I think some Board members 49 need to come forward and discuss the issues that Keith 50 was talking about and let's just kind of focus on that

1 right now. I feel like we have all the information, all the tools to make a decision, and that's what I was 2 hoping to start because I want to get John home tomorrow, 3 4 and I want to go home tomorrow. We're going to have to 5 meet out on the street if we continue this tomorrow б because we need to get this done. 7 8 MR. CESAR: Mr. Chairman. 9 10 CHAIRMAN DEMIENTIEFF: Go ahead. 11 12 MR. CESAR: If our Chairman will quit 13 speaking the Board members will start to engage. 14 15 (Laughter) 16 17 MR. CESAR: I was paying very close 18 attention to what Keith was saying in terms of focusing 19 on the geography. I mean not the uses, necessarily, but 20 location, isolation, those kinds of things that typically 21 you would find in a rural setting, and all of them, when 22 you begin to think about it, apply to Kodiak. I mean it's 23 isolated, I mean it is very difficult to get in and out 24 of, it's population growth or decline is in somewhat 25 related to both the geography out there, that it's hard 26 to get in and out of. Some people, because it's so 27 isolated leave there. 28 So those kinds of things lead me to 29 30 believe that, in fact, is a rural area. And I wonder to 31 myself what benefit we gain from examining the geography 32 again. I mean if we're looking at not the use but where, 33 the geography, I don't know, maybe there is some benefit. 34 But I am not clear that I see the benefit of reviewing 35 that geography again. 36 37 MR. EDWARDS: Mr. Chairman. 38 CHAIRMAN DEMIENTIEFF: Go ahead. 39 40 MR. EDWARDS: As one who argued very 41 42 strongly for using another method to try to get us to 43 where we're going and also spending numerous hours of 44 arguing the Ninth Court Decision with our good Counselor, 45 is why I thought it was severely flawed, and also after 46 doing what mr. Littlefield did, spending hours and hours 47 trying to look up rural on the internet and finding that 48 it's a very elusive terms and it varies throughout the 49 country, and under very legal laws, it's a very elusive 50 thing to do.

But saying all of that, it still seems to 1 -- where I get concerned about, I guess, is that we set 2 ourself down on a course, I guess to some extent to use 3 4 my grandmother's saying, we've made our bed, so to speak, 5 and now we have to sleep in it, but it seems like we б don't want to sleep in it, I guess that bothers me. I think that we need to be consistent with the direction 7 that we said. I do, hopefully, that as we add these 8 things to the list, we're not making any final decisions. 9 10 I recognize there's costs associated with that but I 11 think that will allow us to be in a much better place. 12 13 Again, I think rural is an elusive term. 14 I just came back a couple weeks ago from pheasant hunting 15 with some friends that I have in Nebraska whose closest 16 neighbor is a mile away, their closest airport they want 17 to fly is 100 some miles drive, if they want to go to the 18 store it's 35 miles, my sense is if they were in Kodiak 19 they would not think, Kodiak, for example, was rural. So 20 in many ways, rural is in the eyes of the beholder, I 21 don't think that's what we're arguing here. But I just 22 think we set a course and I think we need to follow that. 23 24 CHAIRMAN DEMIENTIEFF: Niles, is it all 25 right if I acknowledge other Board members, I mean I hate 26 to dominate the mic. 27 28 (Laughter) 29 30 CHAIRMAN DEMIENTIEFF: Go ahead. 31 MR. OVIATT: Well, I, too, have struggled 32 33 with this and I stand kind of in the cord with Gary, that 34 we have, I think, made our bed and I think these are 35 guidelines that we need to put these things forward and 36 hopefully in that further study it will help us 37 understand and better define, especially in the Kodiak 38 area, we may be able to better define that whole area. 39 40 So I guess I'm probably going to vote in 41 favor of the motion. 42 43 CHAIRMAN DEMIENTIEFF: Thank you. 44 Anybody else. 45 46 DR. KESSLER: Mr. Chair. 47 48 CHAIRMAN DEMIENTIEFF: Yes. 49 50 DR. KESSLER: Yes, I plan to vote in

1 favor of the motion, too. Everything I've heard the last two days shows me that these are very complex matters and 2 there are sources of information that, for example, that 3 4 Mr. Littlefield's brought to our attention that we need 5 to look at. There's all to be gained, I think, by taking 6 a careful look, setting a solid record and allowing ourselves to draw a conclusion that has the benefit of 7 the full light of analysis and information, so I am 8 9 inclined to vote in favor of the motion. 10 11 CHAIRMAN DEMIENTIEFF: Thank you. Does 12 the State have comment? 13 14 MR. REGELIN: (Shakes head negatively) 15 16 CHAIRMAN DEMIENTIEFF: Okay, I assumed 17 you'd let me know if you did. 18 19 MR. REGELIN: Yes. 20 21 MS. GOTTLIEB: Mr. Chair. 22 23 CHAIRMAN DEMIENTIEFF: Yes. 24 25 MS. GOTTLIEB: In the case of Kodiak, I 26 thought we heard excellent and relevant testimony 27 yesterday particularly on the changes in the economy 28 since 1990, some of the persisting Exxon Valdez impacts, 29 changing in population. I'm hoping that with further 30 analysis, looking at Appendix 7 we have Kodiak city at 31 about 6,300 or maybe less now, I don't know, and then 32 other breakdowns, that we could have more information 33 before us to make perhaps the final decision. 34 35 I think it would also be interesting and 36 we're not sure if these population numbers reflect people 37 who are citizens of the U.S. or not and whether that 38 would or would not have a bearing on our program. Т 39 think we have heard about reduced transportation 40 opportunities and I think that's one of the aspects we 41 ought to look at as well. 42 43 So I understand what Keith is saying 44 about numbers. If we are only using population numbers, 45 that's why Kodiak is on the list. But I think that's a 46 starting point for this discussion only and other 47 characteristics do need to be looked at as well. And I 48 think we did hear quite a few characteristics and 49 information including figures on the amount of use and 50 some of the infrastructure challenges an island

community, such as Kodiak and its outlying areas have and 1 2 the Coast Guard Station 3 4 CHAIRMAN DEMIENTIEFF: Thank you. 5 Anybody else. б 7 (No comments) 8 CHAIRMAN DEMIENTIEFF: If not, we're 9 10 going to proceed on with a vote. I think we've discussed 11 this as far as we can go. Tom, let's just go roll call. 12 13 Go ahead and repeat the motion. 14 MR. BOYD: Mr. Chair. Mr. Edwards moved 15 16 to add Kodiak to the list for further review and it was 17 seconded by Mr. Oviatt. 18 19 MR. OVIATT: I vote in favor. 20 21 MR. BOYD: Mr. Edwards. 22 23 MR. EDWARDS: I vote yea. 24 25 MR. BOYD: Ms. Gottlieb. 26 27 MS. GOTTLIEB: I vote in favor. 28 29 MR. BOYD: Mr. Cesar. 30 31 MR. CESAR: I vote no. 32 33 MR. BOYD: Ms. Kessler. 34 35 DR. KESSLER: Yes. 36 37 MR. BOYD: And Mr. Chair. 38 CHAIRMAN DEMIENTIEFF: I vote no. Motion 39 40 carries, four to two, Kodiak will advance. 41 42 Okay, who do we have next, Tom. 43 44 MR. BOYD: Sitka. 45 46 CHAIRMAN DEMIENTIEFF: Sitka. 47 48 DR. KESSLER: Mr. Chair. To get the 49 discussion going I move to advance Sitka for further 50 analysis.

CHAIRMAN DEMIENTIEFF: There is a motion, 1 2 is there a second. 3 4 MR. EDWARDS: Second. 5 б CHAIRMAN DEMIENTIEFF: Discussion. John. 7 8 MR. LITTLEFIELD: Mr. Chair. I'd like to 9 go over the Council recommendations concerning Sitka. 10 The Council recommends that Sitka be 11 12 removed from the list of communities to receive further 13 analysis in the rural determination process. The Council 14 believes that Sitka's rural status and the community's 15 dependence on subsistence are clearly established and 16 that further analysis is not needed. The Council 17 requests that a rural determination be held in the 18 community to facilitate community's understanding of this 19 issue and participation in the decision-making process. 20 21 The Council considered the following 22 information in developing its recommendation. 23 24 1. Sitka was considered to be a 25 rural place by Congress in 1860 26 [sic] at the passage of ANILCA. 27 Sitka was not one of the 28 communities, Anchorage, Juneau, 29 Fairbanks and Ketchikan 30 identified as an urban place. 31 32 Sitka's census was 7,803 in 1980, 2. 33 above the 7,000 threshold when 34 ANILCA was passed. 35 36 3. In 1986, the Joint Board of Fish 37 and Game determined Sitka was a 38 rural place. The Joint Boards 39 considered community data and 40 public testimony at that time, 41 and the majority membership of 42 each Board was required to make 43 this determination. 44 45 4. Sitka continued to be a rural 46 community by the State of Alaska 47 when the State fell out of 48 compliance after the State 49 Supreme Court and the McDowell Decision. This classification 50

1 2 3 4 5			was accepted by the Federal program at the inception of the Federal management of wildlife in '91 and fisheries in 2000.
6 7 8 9 10 11 12 13 14		5.	Sitka's population growth has been minor from 1980 to 1990 and from 1990 to 2000. The growth was 785 people, or 10 percent during the first time period, and 247, or three percent during the second time period. That's .3 percent a year or less.
14 15 16 17 18 19 20 21		б.	Sitka had a comprehensive household survey done by the State of Alaska, Division of Subsistence in cooperation with the Sitka Tribe of Alaska in '88 and '97.
22			on't go over this, read this
23 24			ainly shows that Sitka's vides a higher than average
			food. In other words, we eat
			ole normally get, and it's all
27	wild foods, and	the data	a is stable.
28		_	
29 30		7.	Sitka residents are unified in the support of the rural
31			classification. City and Borough
32			resolutions and letters, Sitka
33			Tribe of Alaska letter, Alaska
34			Native Brotherhood and Sisterhood
35			resolutions, State of Alaska Fish
36			and Game Advisory Committee
37 38			
50			recommendations, and as noted by the testimony vesterday
			the testimony yesterday.
39 40		8.	
39 40 41		8.	the testimony yesterday. The nonNative Sitka grew up around the Sitka Indian town.
39 40 41 42		8.	the testimony yesterday. The nonNative Sitka grew up around the Sitka Indian town. The Sitka Native population
39 40 41 42 43		8.	the testimony yesterday. The nonNative Sitka grew up around the Sitka Indian town. The Sitka Native population includes member of Sheekwaakaan
39 40 41 42 43 44		8.	the testimony yesterday. The nonNative Sitka grew up around the Sitka Indian town. The Sitka Native population includes member of Sheekwaakaan as well as members of other
39 40 41 42 43		8.	the testimony yesterday. The nonNative Sitka grew up around the Sitka Indian town. The Sitka Native population includes member of Sheekwaakaan
39 40 41 42 43 44 45		8. 9.	the testimony yesterday. The nonNative Sitka grew up around the Sitka Indian town. The Sitka Native population includes member of Sheekwaakaan as well as members of other
39 40 41 42 43 44 45 46 47 48			the testimony yesterday. The nonNative Sitka grew up around the Sitka Indian town. The Sitka Native population includes member of Sheekwaakaan as well as members of other tribes who live in the area. Sitka was the center for industrial logging at the time
39 40 41 42 43 44 45 46 47			the testimony yesterday. The nonNative Sitka grew up around the Sitka Indian town. The Sitka Native population includes member of Sheekwaakaan as well as members of other tribes who live in the area. Sitka was the center for

1 through the mid-1990s. An 2 industry presence in Sitka 3 included large scale logging 4 operations and some management 5 activities, a major pulp mill and б small timber milling operations. 7 These industrial businesses have 8 been closed with the loss of 9 hundreds of well paying industrial jobs. Sitka also lost 10 many of the Federal government 11 12 jobs that managed timber harvest 13 in the Tongass National Forest. 14 Sitka has become more of a rural community since closure of the 15 pulp mill and virtual elimination 16 17 of logging activities staged from 18 Sitka. Seasonal engagement with 19 tourism has increased, 20 particularly with the rapid post-21 1985 increase in cruise ship 22 visitation in Southeast. Charter 23 boat fishing has also increased, 24 and both of these endeavors 25 compliment the subsistence 26 activities. 27 28 For those reasons, Mr. Chair, the Board 29 supported not adding Sitka to the list because Sitka 30 meets the definition of rural which is a remote and 31 isolated place. 32 33 Mr. Chair. 34 35 CHAIRMAN DEMIENTIEFF: Thank you. 36 Further discussion. 37 38 DR. KESSLER: Mr. Chair. 39 40 CHAIRMAN DEMIENTIEFF: Wini. 41 42 DR. KESSLER: I'd like an opportunity. I 43 just really appreciate all the information Mr. 44 Littlefield is providing. But to me it speaks more 45 strongly of the need to proceed because it will put Sitka 46 and this information in a much stronger position in my 47 view. 48 49 The presentations we've heard these last 50 two days and the written submissions as well have brought

1 forward many points that have important bearing on this review process, and I'd like to commend and recognize the 2 committed effort of everybody who helped to assemble this 3 4 information and bring it to our attention for use in this 5 process. And I truly am confident that these perspectus we heard in the case of Sitka will be well supported and 6 substantiated as the full body of information is 7 objectively examined in the analysis that is central, in 8 9 my view, to this review process. 10 It's very important, I think, that all 11 12 the relevant facts be afforded a chance to be 13 systematically examined and documented in the record as 14 this will provide the strongest possible basis for 15 conclusions to be drawn and defended and decisions to be 16 made. And, again, clearly as Mr. Littlefield's 17 demonstrated, in my view, there are many sources of 18 information that merit consideration, but this needs to 19 be done in a comprehensive systematic method instead of 20 piecemeal. It needs to be done systematically. 21 22 So with that in mind I'm simply not 23 comfortable with dropping Sitka at this juncture because 24 it would require drawing conclusions without the benefit 25 of that systematic consideration of the full body of 26 information which is clearly substantial. 27 28 I think it would be contrary to the 29 principle and spirit of informed decision-making and if 30 we were to diminish Board's access to the full and 31 complete information and I also think in a way it would 32 do a disservice to those who have labored to assemble the 33 information which deserves to be examined carefully. 34 35 Moreover, I think there's an element of 36 risk associated with the notion of dropping Sitka at this 37 early juncture. When the Proposed Rule is issued next 38 year it's very possible that Sitka, as a community over 39 7,000, that that threshold, like it or not it is a 40 threshold, will be a target of intense interest and 41 scrutiny, so I think it's better to have the advantage of 42 a solid record of information that will come from an 43 analysis. 44 45 Thank you. 46 CHAIRMAN DEMIENTIEFF: Thank you. Gary. 47 48 49 MR. EDWARDS: Mr. Chairman. Dr. Kessler 50 said that so well all I'm going to say is sort of ditto.

I agree. I mean I think Sitka is a community that can --1 from everything we have heard, from what I know of it and 2 all I think, can make a very compelling argument, but I 3 4 do think that the process is important and I think we 5 need to go through the steps. 6 7 MS. GOTTLIEB: Mr. Chair. 8 9 CHAIRMAN DEMIENTIEFF: Yes. 10 11 MS. GOTTLIEB: Thank you. I appreciate 12 everybody's comments and I certainly appreciate all the 13 testimony and the work that's gone into this particular 14 issue. 15 16 Sitka's population was and has been over 17 7,000 but from the extensive information I think we've 18 already received, I don't believe that there's been 19 changes other than that small, I think it's three-tenths 20 of one percent increase per year in population. So 21 previously this Board determined it to be rural and it 22 sounds like the numbers, the characteristics have not 23 changed very much in that case. 24 25 The infrastructure, as we heard has 26 changed tremendously over the years because of the 27 closure of the mill, cruise ships coming in, that changes 28 the economy significantly and the price of fish have gone 29 down quite a bit too. I think it was interesting, as was 30 pointed out that, not only the Mayor, as well as the 31 tribal government has come in very unified, that the 32 whole town is very unified that it's rural in their minds 33 per our definition or perhaps most of the definitions, 34 and the RAC has supported this. 35 36 They have limited services. We've heard 37 about the transportation issues and infrastructure and 38 the road system. Also the Coast Guard Base. 39 40 I think, while it's on the list, again, 41 because of its population, we also have the opportunity 42 through our regulation to look at the unless clause; and 43 I'm not sure what further information we would be 44 collecting with further analysis and maybe we need to 45 speak to that more specifically but I know the Mayor had 46 already provided some density information and some 47 information on the decline on school attendance and so on 48 and so forth and the ferry service. 49 50 So I think with respect to Keith's

1 guidance, geography and nature of landscape, while, people in Sitka are really fortunate by virtue of 2 geography to have an abundance of resources, and the same 3 4 could be said of the landscape that's happened to provide 5 a great variety of resources and people have made use of 6 it. 7 8 CHAIRMAN DEMIENTIEFF: Thank you. John, 9 you had something. 10 11 MR. LITTLEFIELD: Thank you, Mr. Chair. 12 I was just listening to Dr. Kessler's comments, and she 13 said we would clearly subst -- you know, we clearly have 14 substantial data, which is the standard here, substantial 15 evidence to support our case. Apparently she said we've 16 got lots of it and she thinks we'll probably do okay, but 17 to be -- and we appreciate that. 18 19 We think we will win if this goes there. 20 21 But you've just dismissed the fact of 22 causing these communities thousands and thousands of 23 dollars, and that's why I appealed to your reasonableness 24 here that you're causing the communities to spend a lot 25 of money that the Federal program should be absorbing, 26 not the communities of Sitka, Saxman, Ketchikan and 27 Kodiak. And so I'm just saying that we asked -- one of 28 the things that the Council did was to ask this Board, 29 and it was in the letter, and I have a response to that, 30 to ask this Board to provide and identify relevant data 31 to help those communities out. Like Saxman has two 32 people. And we got a response back from OSM, I don't 33 want to read it, but basically said you can't help us 34 because you're ruling on us. But that doesn't solve the 35 question of Saxman and Sitka, that, where are they going 36 to get the money to do this. And I think if you can 37 reasonably say to anybody in a court, it's clearly 38 substantial, that's what you said, and we'll be able to 39 do it and you said, ditto, that's cool, you can defend 40 that, and so I just asked you to be reasonable, you're 41 causing a great amount of grief to people here by the 42 decision to include Sitka and I hope that it does not 43 succeed. 44 45 CHAIRMAN DEMIENTIEFF: Niles. 46 47 MR. CESAR: Thank you, Mr. Chair. I 48 agree with Judy. 49 50 I think that for those reasons, of

1 economy, of change in the economy and how that money is earned, I believe that there is not a substantial 2 increase in anything or a difference in anything except 3 4 the population in terms of numbers. I believe that a lot 5 of the new jobs that are in Sitka are, in fact, at the hospital. They're a different types of jobs. Although б we heard yesterday that brings in a lot of new people, or 7 people who change the dynamic of it, I believe in Sitka's 8 case, a lot of those people, in fact, are other Native 9 10 Alaskans who come in and take over those kind of jobs and 11 I hope where we're headed with this new schools and new 12 hospitals, and I was struck yesterday by that, that our 13 own people are getting educated and we will not be hiring 14 folks, we will have our own doctors like we're getting, 15 our own teachers will come in, and I believe that's where 16 we should be headed. And I think that's really what I 17 support. 18 19 I believe that Sitka has made its case 20 for remaining rural. I don't believe that further 21 analysis is going to discover anything new and I maintain 22 that -- or at least it's my opinion that we don't want to 23 get stuck in an analysis paralysis. You know, how much 24 analysis is enough analysis, and who's going to pay for 25 it. 26 27 I believe that Sitka's made its case and 28 I intend to make a motion, if it's appropriate at this 29 moment, to remove Sitka from the list. 30 31 CHAIRMAN DEMIENTIEFF: We already have a 32 motion on the table, if it fails Sitka's off. 33 34 MR. CESAR: I hear you, you're right, I'm 35 sorry. 36 37 CHAIRMAN DEMIENTIEFF: Okay. Now, if 38 you'd just get off the microphone we could proceed on. 39 40 (Laughter) 41 42 CHAIRMAN DEMIENTIEFF: Gerald. 43 44 MR. NICHOLIA: Yeah, thank you, Mitch. Т 45 was just wondering if there's a Coast Guard Base there, 46 if you do include that Coast Guard Base, do you guys 47 offer the military subsistence priorities? 48 49 MR. BOYD: Mr. Chair. 50

1 CHAIRMAN DEMIENTIEFF: Tom. 2 3 MR. BOYD: I think the short answer is 4 that the members of the military are citizens of the 5 community, they are included, and if a community is rural б where military personnel reside, they are afforded the subsistence priority along with their neighbors. 7 8 9 CHAIRMAN DEMIENTIEFF: We do have 10 precedence in that area, though. Both in the State 11 system in the past, where we have segregated out, 12 segregated, that's not a real good word, we have 13 separated like in the case of Nenana. Clear Air Force 14 Base, they do not have -- they did not have subsistence 15 use of the resources in that area. 16 17 And I think probably Terry could speak 18 better to this or.... 19 20 MR. HAYNES: Mr. Chairman. I was just 21 going to remind everyone that even if military bases are 22 included with the rural community, the individuals have 23 to be residents of Alaska before they qualify for the 24 subsistence qualify. So they would have to have been a 25 resident there for 12 months in order to qualify. 26 27 That's an important distinction. 28 MR. BOYD: Mr. Chair. 29 30 31 CHAIRMAN DEMIENTIEFF: Tom. 32 33 MR. BOYD: Terry's correct. I didn't 34 elaborate but there are some situations where military 35 members of a particular base or facility have not been 36 granted a customary and traditional use determination. 37 So I mean there are variations on this theme. 38 39 But I think the principle here is that 40 when dealing with the question of whether or not a 41 community is rural, we include all residents of the 42 community in that consideration. 43 44 CHAIRMAN DEMIENTIEFF: I was not doing my 45 duty. I need to get on the record that I ruled Niles' 46 motion out of order because we do have -- I mean it just 47 needs to officially go on. 48 49 Gerald, you had something. 50

MR. NICHOLIA: Yeah, I was just kind of 1 going to say if you include military to the rural 2 3 priority, it will be like a disservice to the real 4 Federally-qualified user that's living in that area. 5 6 CHAIRMAN DEMIENTIEFF: Okay, again, we ought to probably focus on Sitka which is a little 7 8 different. I think we're going back to Kodiak is what we're doing -- oh, yeah, go ahead, John. 9 10 11 MR. LITTLEFIELD: Mr. Chair. Just some 12 history there. I did propose a couple years ago, I put a 13 proposal in to remove the people in the Sitka Coast Guard 14 Base from the program and it was based upon the history 15 of this program, which has, I believe, Tatalina Air Force 16 Base, some others that are not -- there are some listed 17 where rural determinations, that I saw at the time, it 18 may be different now, but I got so much flack over that 19 that I had to pull that because I got called every name 20 in the book and I had to tell that Commander there that, 21 you know, I was a Vietnam Veteran, American Legion 22 member, VFW post commander, but there was a lot of strife 23 over there. 24 25 But the way the regulations read, or as 26 Mr. Haynes said, you need to qualify as a rural resident, 27 which is under the dictionary, and I still don't believe 28 they qualify then, because the rural residence says 29 you're going to come back and you plan to be here, your 30 domicile, but that's a really iffy point. So we'd like 31 to not see those numbers used against us and you've 32 recognized them, I think, as other searches, but I don't 33 think we want to go there. 34 35 CHAIRMAN DEMIENTIEFF: Okay. Are we 36 prepared to vote now? 37 38 MR. CESAR: I'll for the question on the 39 motion. 40 CHAIRMAN DEMIENTIEFF: Great. Okay. 41 42 Wayne. 43 44 MR. REGELIN: Thank you, Mr. Chairman. Т 45 feel like very strongly that we've started a process and 46 I'm not sure why we would want to stop and not have a 47 full analysis of Sitka and I guess I just feel like it's 48 smart business to do a full analysis and do the job that 49 we started out to do rather than curtail it right now. 50

I don't understand -- I understand we had 1 a lot of testimony, but when you look at the law, I don't 2 3 understand how we can not go through a full analysis. 4 5 Thank you. б 7 CHAIRMAN DEMIENTIEFF: Go ahead. 8 9 MR. OVIATT: Mr. Chairman. I think Dr. 10 Kessler explained my views very well and I support what 11 she has said. And I think we have an opportunity to 12 address the changes in Sitka that have happened and 13 through this analysis put this to bed once and for all, 14 otherwise, because of the threshold it could come back 15 before this Board in 10 years from now. And I just think 16 we have an opportunity to really put this to bed through 17 this analysis and so I'm going to vote in favor of the 18 motion. 19 CHAIRMAN DEMIENTIEFF: Yeah, I think, 20 21 really we know a lot about Sitka, I think that analysis 22 work, as it's been pointing out in testimony, has been 23 done, and as I've said before that I know more about 24 Sitka from 35 years ago is the first time I ever went 25 there and it's the same community, it's the same 26 community that it was 35 years ago. A little difference 27 in the dynamics but we've gone all through that, the 28 economic dynamics I'm talking about. But we've gone all 29 through that. 30 31 But every time I go to Sitka, when I go 32 to a public function I'm eating the same foods I was 33 eating 35 years ago. When I go to my friend's homes, I'm 34 eating the same foods I was eating 35 years ago. When I 35 go to the restaurants I'm eating, even though it's in the 36 commercial market, I'm eating the same foods that I was 37 eating 35 years ago. The fact of the matter is, is that, 38 they haven't changed so I really agree that there's no 39 reason to go back and take these people through all this 40 at tremendous expense when we know that Sitka is the same 41 Sitka that we've always known it to be. 42 43 Just a little bit of change in income, 44 but that's a progressive community, and in losing a 45 source of income, you know, the economics has to 46 diversify and that's exactly what the community of Sitka 47 did, and I think it's very important that we keep those 48 things in mind. 49 50 And so with that I think if there's no

more comments, is somebody ready to call the question. 1 2 3 MS. GOTTLIEB: Mr. Chair. 4 5 CHAIRMAN DEMIENTIEFF: Yes. б MS. GOTTLIEB: I'd just like to make one 7 more comment and that is to remind us that the 8 Interagency Staff Committee did also bring out several 9 10 very relevant factors particular the geographic isolation 11 of Sitka that also leads me to believe that we have a 12 solid record for making a decision right now. 13 14 CHAIRMAN DEMIENTIEFF: Are we ready to go 15 to a vote? 16 17 (Board nods affirmatively) 18 CHAIRMAN DEMIENTIEFF: I see head's 19 20 nodding. 21 22 Tom, would you call the roll. 23 24 MR. BOYD: Yes. Dr. Kessler. 25 26 DR. KESSLER: Yes. 27 28 MR. BOYD: Mr. Cesar. 29 30 MR. CESAR: No. 31 32 MR. BOYD: Ms. Gottlieb. 33 34 MS. GOTTLIEB: No. 35 36 MR. BOYD: Mr. Edwards. 37 38 MR. EDWARDS: Yes. 39 40 MR. BOYD: Mr. Oviatt. 41 42 MR. OVIATT: Yes. 43 44 MR. BOYD: Mr. Chair. 45 46 CHAIRMAN DEMIENTIEFF: I vote no. Motion 47 fails, three to three and Sitka's off the list. Next 48 community. We're going to press on as long as we can 49 here, we're not going to take a break. If somebody needs 50 to step outside for a minute, just go and do it because

1 we've got a lot to do and we've already done lots today, but we do need to get done today, that's the bottom line, 2 3 so I'm going to press on as far as we can. 4 5 Go ahead. 6 MR. BOYD: Mr. Chair. The next community 7 is Adak. Mr. Chair, the recommendation, Adak was 8 proposed for further analysis because it's population 9 10 decrease is now below the 2,500 threshold. 11 12 CHAIRMAN DEMIENTIEFF: Thank you. Is 13 there a motion. 14 15 MS. GOTTLIEB: Mr. Chair. 16 CHAIRMAN DEMIENTIEFF: Yes. 17 18 19 MS. GOTTLIEB: I move that we remove Adak 20 from further discussion. 21 22 CHAIRMAN DEMIENTIEFF: Is there a second 23 to that. 24 25 MR. CESAR: I second. 26 27 CHAIRMAN DEMIENTIEFF: It's been moved 28 and seconded, discussion on the motion. 29 30 MS. GOTTLIEB: Mr. Chair. 31 32 CHAIRMAN DEMIENTIEFF: Yes. 33 34 MS. GOTTLIEB: I guess I should have said 35 from further analysis. But I think it's clear and we've 36 discussed for years informally how the population has 37 declined significantly because of the withdrawal of the 38 Naval Base, so I think it would not warrant any more 39 population numbers analysis. I think we have the current 40 and the 200 data. 41 42 CHAIRMAN DEMIENTIEFF: Thank you. Niles, 43 if you could direct traffic for me, I've got to step out 44 for just a minute. 45 46 MR. CESAR: Yes, sir. Further comment. 47 48 MR. EDWARDS: Well, I mean certainly if 49 you look at Adak and what's taken place with the 50 population, I think that one can certainly make a

1 reasonable argument that it's reduced significantly, I think, from over 5,000 people to probably less than 100 2 3 now, but as I have said on the previous two ones, I think 4 we have started down -- we originally started down a 5 road, I'm concerned already with our inconsistency of our approaches to things, and I think that Adak, that we б ought to consider it for further consideration and 7 8 further review. I think by the very nature of it and the 9 subsistence requirements out there, I don't think that 10 there's anything to be gained or lost by not going 11 forward. 12 13 As I mentioned to people on the Board, 14 right now the caribou season on Adak is seven days a 15 week, 24 hours a day, 360 days a year, shoot as many as 16 you want. The others, the marine mammals have certain 17 restrictions with their subsistence foods, and we do 18 have, I think, migratory birds, subsistence out there, so 19 I don't think it's a big issue one way or the other, but 20 for consistency and to try to keep us going down the 21 direction that I think we should be going I'm going to 22 vote no on the motion. 23 24 MR. CESAR: Further comment. 25 26 DR. KESSLER: I'll just apply the same 27 principle I did in my previous comments. That I think 28 there's everything to be gained by looking at the 29 information and coming to the conclusion. I think the 30 conclusion is going to be pretty straightforward in this 31 case but nonetheless I think it's important to follow 32 through with process and examine the information and draw 33 the conclusion based on that. 34 35 So I'd prefer to keep it on the list. 36 37 Thanks. 38 39 MR. CESAR: Further comment. 40 41 MS. GOTTLIEB: Mr. Chair. 42 43 MR. CESAR: George first. 44 45 MR. OVIATT: Thank you, Mr. Chair. I, 46 too, think that we ought to follow the process and we 47 ought to keep it on the list. The analysis would be 48 short. I don't think it would be too detrimental to the 49 community either. 50

1 MR. CESAR: Judy. 2 3 MS. GOTTLIEB: Thanks. Well, I was just 4 wondering, and maybe Larry could fill us in. I mean what 5 other analysis would we do on Adak, for example, besides what already has been done? б 7 8 MR. BUKLIS: Mr. Chairman. The population change is the most significant feature, and 9 10 beyond that we might describe the characteristics of the 11 community as it had been as a middle-sized -- in that 12 middle strata of population size, but I think it would 13 be, as was mentioned by the Board member, a very brief 14 and straightforward analysis. 15 16 I'm not sure at this point what we would 17 do beyond verifying the population change numbers and 18 perhaps describing the characteristics somewhat. But it 19 would be a very brief analysis. 20 21 MR. CESAR: Further comment. 22 23 (No comments) 24 25 MR. CESAR: I don't think we can go to a 26 vote until our Chair comes back. 27 28 I support Judy's motion to remove Adak 29 from the list for the very reasons she talked about. 30 That the most significant thing, as Larry has said is the 31 population, if that is not a dramatic population drop 32 then there is no such thing, and I think the analysis, as 33 Larry has talked about will not demonstrate anything. 34 35 And to me, they have made the case, and I 36 think it should be removed from the list and so that's 37 how I intend to vote. 38 MS. GREGORY: Mr. Chair. 39 40 41 MR. CESAR: Yes. 42 MS. GREGORY: If the population was 43 44 filled by somebody that came from outside of the area and 45 they left, the people who live there have done their 46 subsistence gathering all this time, before, during and 47 after whoever populated it, it never changed. 48 49 I know, I'm from a village. Our village 50 life never changes. Every year we go and get our own

food, whether there's lots of people in our village or 1 not, and I think that's what Adak is. I don't know, it's 2 a remote area. It qualifies already because it's in a 3 4 remote area, no access to it, no road system. 5 6 CHAIRMAN DEMIENTIEFF: Thank you. Larry. 7 8 MR. CESAR: No, I'm sorry, I just wanted 9 to comment. I think I'm the only one that has any 10 experience on Adak that means anything. I was there 30 11 months from '64 to '67, and if that doesn't fit rural 12 with the leaving of the military, nothing does. 13 14 CHAIRMAN DEMIENTIEFF: Larry. 15 16 MR. BUKLIS: Thank you, Mr. Chairman. Т 17 wanted to follow up on my response of a moment ago. The 18 way the process is laid out, further analysis is sort of 19 the route to the Proposed Rule stage for change items. 20 So I wanted to make clear for the record that, as I 21 understand the motion that's on the table, remove it from 22 the list for further analysis, and implicit would be to 23 advance it to the Proposed Rule stage for change in 24 status. Because if we simply remove it from analysis, we 25 need to make explicit you meant, also that the status 26 would be changed without further analysis and moved to 27 Proposed Rule as rural. 28 29 Thank you. 30 31 MS. GOTTLIEB: Mr. Chair. 32 33 CHAIRMAN DEMIENTIEFF: Yes. 34 35 MS. GOTTLIEB: Thank you for that 36 clarification, Larry. Yes, that was my intent and maybe 37 I need to amend the motion and would move that we remove 38 this from further analysis because of the clear data we 39 have on population right now and put it on the list as 40 being a rural community because of its geographic 41 isolation. 42 43 CHAIRMAN DEMIENTIEFF: We have an 44 amending motion, is there a second. 45 46 MR. CESAR: I guess I viewed that as a 47 clarification to the motion as opposed to an amendment. 48 49 CHAIRMAN DEMIENTIEFF: A clarification. 50

1 MS. GOTTLIEB: Yes. 2 3 MR. CESAR: Yes. 4 5 CHAIRMAN DEMIENTIEFF: Okay. That was б your intent? 7 MS. GOTTLIEB: Yes. 8 9 10 CHAIRMAN DEMIENTIEFF: And the consent of 11 the second, we all have that understanding, okay, so we 12 do have that -- just the main motion in front of us. 13 14 John. 15 16 MR. LITTLEFIELD: Mr. Chair. I have to 17 apologize I had to leave the room and it's my 18 understanding you're putting a motion on the floor in 19 some kind of a negative or something like that, it sounds 20 to me like that. 21 22 It was my understanding when we started 23 this morning that the process was going to be we were 24 going to, number 1, we were going to recommend that 25 Kodiak is on the list, and I think that you should do 26 that in every case even though you may want to oppose it, 27 then you vote against it so the record is real clear, and 28 I think that's what Mr. Buklis is trying to say. If you 29 make the motion to put Kodiak on the list, if you're in 30 favor of it, you would vote yes, if you're opposed you 31 vote no, it's not trying to figure out the vice-versa. 32 So I would think that a motion in the positive method 33 would be helpful. 34 35 MR. EDWARDS: I think what Larry was 36 saying is that I don't think that that applies in this 37 case given that, depending on how the motion would go, 38 because Adak currently is identified as nonrural, and I 39 think by doing what you suggested won't get, I mean where 40 Judy wants to go. 41 42 MR. LITTLEFIELD: She wants to remove it. 43 44 MR. EDWARDS: No, she doesn't. 45 46 CHAIRMAN DEMIENTIEFF: No, she wants the 47 status changed right here, so that is a positive motion. 48 49 Okay, that is the motion before us. 50

Any further discussion. 1 2 3 (No comments) 4 5 CHAIRMAN DEMIENTIEFF: Hearing none, roll б call. 7 8 MR. BOYD: Dr. Kessler. 9 10 DR. KESSLER: No. 11 12 MR. BOYD: Mr. Cesar. 13 14 MR. CESAR: Yes. 15 16 MR. BOYD: Ms. Gottlieb. 17 18 MS. GOTTLIEB: Yes. 19 20 MR. BOYD: Mr. Edwards. 21 22 MR. EDWARDS: No. 23 24 MR. BOYD: Mr. Oviatt. 25 26 MR. OVIATT: No. 27 28 MR. BOYD: Mr. Chair. 29 30 CHAIRMAN DEMIENTIEFF: Yes. Motion 31 fails, three, three so it will remain on the list for 32 further review, okay, move on. 33 MR. BOYD: Mr. Chair. The next several 34 35 six items deal with generally and area and whether or not 36 to exclude or include particular communities within a 37 grouping in that area. So the first set of that is the 38 Fairbanks North Star Borough, and the question is whether 39 to continue using the entire Borough as a nonrural area 40 or separate some outlying areas for further analysis. 41 42 Mr. Chair. 43 CHAIRMAN DEMIENTIEFF: Thank you. 44 Is 45 there a Board motion. 46 47 (No comments) 48 49 CHAIRMAN DEMIENTIEFF: I guess the first 50 question I would have is do we have any requests from

outlying areas of Fairbanks for a change or comments from 1 2 the area? 3 4 Larry. 5 6 MR. BUKLIS: Mr. Chairman. I think you 7 had a Council recommendation from the Eastern Interior Council. But in terms of the origin of this, it was 8 advanced by the Staff in our initial review and brought 9 10 forward by the Board as proposed because we, in looking 11 at the groupings we had, we realized it's not so much 12 that there was a substantial change in the North Star 13 Borough, rather we wondered if the current use of the 14 Borough boundary, while an easily recognized boundary and 15 well established and well defined is overreaching what 16 was necessary to define a nonrural area, and whether some 17 of the outlying areas could be defined as separate and 18 thereby be separate from the nonrural rural. 19 20 So it was more a matter of analytical 21 detail rather than people coming forward and requesting 22 it. But the Eastern Interior Council did have a 23 recommendation on your proposed review. 24 25 CHAIRMAN DEMIENTIEFF: Having clarified 26 that, is somebody prepared to make a motion. 27 MR. EDWARDS: Mr. Chairman. I am 28 29 concerned that we have set up a process that is going to 30 make it very difficult from this point on for people to 31 make motions. Because the way we have it with the three 32 to three vote, there's no advantage for one to make a 33 motion, given sort of the direction that Board members 34 appear to be going on this, so I'm just suggesting we may 35 want to look at another approach. 36 37 CHAIRMAN DEMIENTIEFF: It's a matter of 38 process. We have a process we have to go by it. 39 40 MS. GOTTLIEB: Mr. Chair. 41 42 CHAIRMAN DEMIENTIEFF: Yes. 43 44 MS. GOTTLIEB: May I make a motion, 45 please. 46 47 CHAIRMAN DEMIENTIEFF: Sure. 48 49 MS. GOTTLIEB: I would propose that we 50 would keep Fairbanks North Star Borough on the list for

further analysis because I don't think we've heard enough 1 information to make a decision at this point in time. 2 3 4 CHAIRMAN DEMIENTIEFF: Thank you. Is 5 there a second to the motion. 6 7 DR. KESSLER: I'll second. 8 CHAIRMAN DEMIENTIEFF: Okay. Discussion. 9 10 11 MS. GOTTLIEB: Mr. Chair. 12 13 CHAIRMAN DEMIENTIEFF: Yes. 14 15 MS. GOTTLIEB: I did have a couple of 16 comments that I hope we can find out more information on 17 and that had to do with some of the school information 18 that we heard -- I'm sorry, I'm getting mixed up with the 19 other one, sorry, no, sorry. 20 21 CHAIRMAN DEMIENTIEFF: Okay, so we're 22 clarified again that a vote in favor of the motion, we 23 vote in favor of the motion, if it turns out against the 24 motion then the motion fails -- or, yeah, they get 25 removed for further analysis, yes. 26 27 No further discussion. 28 29 Oh, I'm sorry, Gerald. 30 31 MR. NICHOLIA: Yeah, thank you, Mitch. 32 One of our main concerns is that if the Borough expands 33 and it encompasses the other surrounding villages that we 34 wouldn't like that. But another thing is, too, is that 35 you got to consider the access to other resources that 36 the Borough has compared to subsistence resources, 37 because they have stores right down the road there and if 38 they're considered nonrural it will affect other outlying 39 areas that are considered rural. 40 I wouldn't want to impose -- I wouldn't 41 42 want to see you guys impose so much hardships on the 43 outlying areas like in Delta, Deltana, and other areas 44 that was -- that they're trying to encompass that whole 45 area as a group, so I'd be very careful. 46 MR. EDWARDS: Mr. Chairman. 47 48 49 CHAIRMAN DEMIENTIEFF: Gary. 50

MR. EDWARDS: I mean regardless of what 1 the Borough does, that will have no -- isn't that true, 2 it will have no bearing on what our ultimate decision 3 4 might be, whether they want to annex the whole northern part of the state or not? That won't have any bearing on 5 6 our decision; is that correct? 7 8 CHAIRMAN DEMIENTIEFF: That's correct. 9 Go ahead, Keith, you had something? 10 11 MR. GOLTZ: It won't determine the 12 decision but it could be a factor. 13 CHAIRMAN DEMIENTIEFF: Okay. You know 14 15 since Fairbanks is a suburb of Nenana I know quite a bit 16 about it and the area. And they do -- those people in 17 that area are strictly sport, and I'm talking about the 18 satellite communities that this motion would affect, and 19 I do know that for a fact. 20 I think if some of the smaller of the 21 22 communities wanted to appeal, which we don't have 23 requests from them, I think I would be inclined to look 24 at that, but I know most of those people, when they're 25 out hunting or gathering, they don't do it in their own 26 area, they go -- except for maybe berries, they go to 27 outlying areas, Nenana, towards Minto, you know, those 28 are areas that they use for gathering their resources. 29 So in other words, nothing has really changed. And 30 unless we get a specific request from the outlying area, 31 outside of Fairbanks, I mean we get them all the time, so 32 I mean nothing has changed. So I just don't know why we 33 would want to exhaust our resources without a request 34 from the area and why would we want to do that. We know 35 nothing has changed. 36 37 So anyway I intend to vote against the 38 motion for that reason and not waste our resources to ask 39 questions, do work for something that's not even being 40 requested by the locals. 41 42 MR. CESAR: Pete, could I get a 43 clarification, have we had any requests for study in that 44 area? 45 46 MR. PROBASCO: Mr. Chair. Mr. Cesar. 47 The request to include North Star Borough was forwarded 48 from the Board when we met with you in July. As far as 49 public comments, I don't believe we had any Fairbanks 50 specific.

1 DR. KESSLER: Mr. Chair. 2 3 CHAIRMAN DEMIENTIEFF: Yes. 4 5 DR. KESSLER: Could I have a little б explanation of the need for analysis that caused the 7 Board to put this forward on the list? There must be 8 some specific questions there that we need to address? 9 10 CHAIRMAN DEMIENTIEFF: Larry. 11 12 MR. BUKLIS: Mr. Chairman. Did you have 13 a specific question of me regarding the need for 14 analysis? 15 DR. KESSLER: I'm trying to get a better 16 17 feel for why the Borough is on the list for further 18 analysis, what are the particular needs for that 19 analysis? I'm trying to get a better handle on that. 20 21 MR. BUKLIS: Thank you. Mr. Chairman. 22 The Fairbanks North Star Borough is on the list because 23 it is a grouping, and back when the initial 24 determinations were made the North Star Borough boundary 25 was used as the , you know, area boundary. That is a 26 boundary of convenience. It's well defined, well 27 established independent of this program, but we note that 28 it is a very large Borough and encompasses a lot of 29 geography. 30 31 And in our initial review, we simply 32 raised the question of whether it would be worthwhile to 33 apply your guidelines of proximity and road 34 connectedness, shared high school attendance, and 35 commuting patterns to examine whether, in fact, the whole 36 Borough forms an aggregated area that is nonrural or 37 whether, in fact, some of the outlying areas, while part 38 of the Borough, politically and geographically are not 39 part of the aggregate for the purposes of this program. 40 And so not knowing now how that would go, 41 42 it's simply the question of whether that warrants further 43 examination. 44 45 DR. KESSLER: So at the time it was put 46 forward, the thought was people who were affected or had 47 opinions or needs on this would step forward and speak to 48 it and we have not had those folks step forward, correct? 49 50 MR. BUKLIS: That's correct. To the best

1 of my knowledge, unless there are some late comments I haven't seen but to the best of my knowledge we have not 2 had public comment focused on this issue. We have had an 3 4 Eastern Interior Regional Council recommendation, and 5 I'll paraphrase it as I understand it, but Mr. Nicholia 6 can speak to it better than I, that we not further examine the North Star Borough, we continue to use the 7 8 Borough boundary as the nonrural boundary, but, in fact, the Council is concerned that if the Borough expand for 9 10 other reasons that we be careful not to necessarily 11 expand with it in our nonrural boundary definition. 12 13 Thank you. 14 15 CHAIRMAN DEMIENTIEFF: Gerald. 16 17 MR. NICHOLIA: Yeah, that's correct, 18 Larry. And another thing I'd like to back up to is what 19 Mitch said, that whole area, even the Lake, Two Rivers, 20 Pleasant Valley there, they're all sport. They affect my 21 area in Tanana, they affect my area down Novi to go moose 22 hunting and everything, they adversely affect other 23 users. So I know for a fact they're all sport people. 24 25 CHAIRMAN DEMIENTIEFF: I think part of my 26 interest in going back to our decision to advance was to 27 see if there would be something put forward and so am 28 going to vote against the motion because of the fact that 29 we didn't generate any interest. So if nobody stepped 30 forward, then what's the use of taking our resources, and 31 that's the point I made a little bit earlier. 32 33 But that's what I was really interested 34 in. Because there are some little small areas in the 35 area but we tossed it out there and there was no 36 interest, so I'm ready to drop it out and vote against 37 the motion for that reason. 38 39 Anybody have anything else. 40 41 (No comments) 42 43 CHAIRMAN DEMIENTIEFF: Roll call. 44 45 MR. BOYD: Mr. Oviatt. 46 47 MR. OVIATT: I'm going to vote in favor 48 of the motion just for the sake of the process that we 49 have in place. 50

1 MR. BOYD: Mr. Chair. 2 3 CHAIRMAN DEMIENTIEFF: Tom. 4 5 MR. BOYD: So I can clarify, I should б have done this earlier, just to repeat, the motion was to 7 move to maintain Fairbanks or add Fairbanks to the list for further review, and I just wanted to clarify that 8 9 that was Mr. Oviatt -- okay -- Mr. Edwards. 10 MR. EDWARDS: I vote in the affirmative. 11 12 13 MR. BOYD: Ms. Gottlieb. 14 15 MS. GOTTLIEB: Yes. 16 17 MR. BOYD: Mr. Cesar. 18 19 MR. CESAR: Yes. 20 21 MR. BOYD: Dr. Kessler. 22 23 DR. KESSLER: Yes. 24 25 MR. BOYD: Mr. Chair. 26 27 CHAIRMAN DEMIENTIEFF: No. Motion 28 carries. 29 30 It's about a quarter of 12:00 right now 31 and we got to do Kenai, I probably just ought to break 32 right now and go and get some lunch. We got to try to be 33 prompt getting back here because we really do have a lot 34 of work yet to do, but I don't want to get into Kenai and 35 then run into the lunch hour, plus that we can get a jump 36 on the restaurants if we get out right now. 37 38 Okay, so we'll recess until 1:15. 39 40 (Off record) 41 42 (On record) 43 44 CHAIRMAN DEMIENTIEFF: We've got a 45 request from one of our members as we reconvened, one of 46 our Regional Council members who has pressing business in 47 Fairbanks and he needs to get on the first available --48 his last issue will be Delta, so we're going to take that 49 out of sequence and go right into Delta in order to 50 accommodate.

So maybe you could introduce the issue, 1 2 Tom. 3 4 MR. BOYD: Mr. Chair. The next item, which would be Item No. 10 on Page 3 of the Staff report 5 6 that I referenced earlier deals with Delta Junction, Big Delta, Deltana and Ft. Greely. And these were brought 7 8 into question to evaluate whether some or all of these places, currently considered rural and not grouped, 9 10 should be grouped and their rural/nonrural status 11 evaluated collectively. 12 13 Mr. Chair. 14 15 CHAIRMAN DEMIENTIEFF: Okay, thank you. 16 Okay, is there any discussion on the issue that we need 17 to get in. 18 19 MS. GOTTLIEB: Mr. Chair. 20 21 CHAIRMAN DEMIENTIEFF: Yes. 22 23 MS. GOTTLIEB: Could I ask a question, 24 perhaps of Larry or others, just as a reminder, as to 25 sort of how did these particular communities come to be 26 grouped? 27 28 CHAIRMAN DEMIENTIEFF: Larry. 29 30 MR. BUKLIS: Mr. Chairman. As we did our 31 initial review for the Board, this was an area that came 32 to our attention that these communities are proximal, 33 connected by road, share a high school in Delta Junction 34 and we weren't certain of the level of commuting among 35 communities, but given the Board's guidance on how 36 grouping's are to be conducted, this area looked like it 37 may warrant further analysis as to whether it should be 38 considered a group or not, and so it's an open question. 39 40 And the further analysis would look at 41 whether it warrants being considered a group. If grouped 42 the four places that were mentioned would total a 43 population of over 3,600 using the Year 2000 census and 44 that would put it up in a range of not presumed rural, 45 nor presumed nonrural but we'd have to look at the 46 characteristics of that grouping to make an assessment as 47 to what the characteristics most look like. 48 49 CHAIRMAN DEMIENTIEFF: Gerald. 50

MR. NICHOLIA: Yeah, was there any 1 request specifically from any one of those four 2 3 communities to do this? 4 5 MR. BUKLIS: No, there wasn't a request б to do it. It was part of the initial Staff review that the Board then endorsed and made a proposed area for 7 further analysis. And then this comment period was a 8 time for collecting that public comment. And as to the 9 10 public comment, we did receive we did receive, I believe 11 one public comment in writing about that and then the 12 Eastern Interior Council recommendation and we've had 13 testimony at this meeting. 14 15 Mr. Chairman. 16 17 CHAIRMAN DEMIENTIEFF: Thank you. Any 18 other discussion or is somebody prepared to make a 19 motion. 20 21 MR. EDWARDS: Mr. Chairman. For purposes 22 of discussion, I move that the communities of Delta 23 Junction, Big Delta, Deltana and Ft. Greely be evaluated 24 for the purpose of looking at whether they should be 25 grouped or not grouped for the purpose of determining 26 whether their rural or nonrural status. 27 28 CHAIRMAN DEMIENTIEFF: Thank you. We 29 have a motion, is there a second. 30 31 MR. OVIATT: For point of discussion I'll 32 second the motion. 33 34 CHAIRMAN DEMIENTIEFF: Gerald. 35 MR. NICHOLIA: Yeah, thank you, Mr. 36 37 Chair. I'd just like to mention from looking at this map 38 here, is that, it may be wise to not group Deltana with 39 Delta Junction and Big Delta and Ft. Greely because from 40 what I've been hearing is that Deltana is just the same 41 as Healy Lake, Dot Lake and they don't have -- maybe 42 besides the road there, they don't have access, good 43 access to Delta Junction as Big Delta or Ft. Greely. And 44 to say something else, too, Dry Creek has better access 45 to the road than the people of Deltana. 46 47 So it would be very unwise to group 48 Deltana with these other three deals because of the 49 difference in the remoteness that they're in. 50

CHAIRMAN DEMIENTIEFF: Yeah, Gerald, I 1 think that that's probably why it's up for further review 2 3 so we can do that. 4 5 And also being familiar with the area, 6 and when we did Fairbanks I voted against that, but I do know there are pockets of people there that are resource 7 dependent and we need to give them another opportunity. 8 There are people that live across the river from Delta, 9 10 and you know there's two times a year when they're not 11 going to be able to get access to town, so what are they 12 doing, what are they eating those two times a year during 13 break up and freeze up? You know they're using the 14 resource, so that's worth looking at from my point of 15 view. 16 17 And like I said, even though I voted 18 against Fairbanks, I am going to support the motion, and 19 then I've got agreement from the representative from 20 Delta, wherever he's at, we had a conversation and talked 21 further about it and they're willing to do more work to 22 help us to collect those paperworks. 23 24 And like I said, clearly the people 25 across the river, we know they're dependent upon the 26 resource, we know that. And so there may be other areas 27 in that area, but that's just further evaluation. 28 29 Go ahead, Judy. 30 31 MS. GOTTLIEB: Thank you, Mr. Chair. I 32 guess two quick comments. 33 34 I do know there is another high school in 35 that area, another school so I hope that would come out 36 in any further analysis. 37 And secondly, maybe just in the 38 39 particular wording of the recommendation, further 40 analysis of whether those four communities should be 41 grouped and the rural/nonrural status evaluated 42 collectively. I mean should the wording be, should be 43 grouped or not be grouped and their status evaluated, 44 whether it's as a group or then individually. You know, 45 it's almost, the way we have it as a recommendation, it's 46 almost concluding that the group would have to be 47 evaluated versus maybe it's not a group. 48 49 CHAIRMAN DEMIENTIEFF: Gerald. 50

MR. NICHOLIA: Yeah, I'd be very 1 carefully to -- like Deltana, they're really resource 2 3 dependent and then if you group these people together and 4 then you declare them nonrural, I think you'll be hurting those people more than helping them out. 5 6 7 Thank you. 8 9 DR. KESSLER: Mr. Chair. 10 11 CHAIRMAN DEMIENTIEFF: Yes. 12 13 DR. KESSLER: Well, I think this is the 14 type of information that would become clear during an 15 analysis and that the effect of doing an analysis would 16 clearly be beneficial then, that type of information will 17 come to light and be taken into consideration. 18 19 MR. EDWARDS: Mr. Chairman. 20 21 CHAIRMAN DEMIENTIEFF: Yes. 22 23 MR. EDWARDS: Larry, all right, so on the 24 map in the Delta Junction vicinity, all eight of these 25 communities currently are rural, that's correct, right? 26 27 MR. BUKLIS: Yes, Mr. Chairman. 28 29 MR. EDWARDS: And then we're suggesting 30 that we're only looking at four out of the eight, and so 31 I guess maybe you explained but I just missed it, why, 32 for example, were only four looked at as opposed to all 33 eight? I mean what separates, you know, Delta Junction, 34 Healy, Dot Lake village and Dot Lake from the other four? 35 MR. BUKLIS: Mr. Chairman. I think 36 37 because the issue is centered on Delta Junction as the 38 center of an area there. 39 40 The proposed analysis would look at those 41 communities in immediate proximity to Delta Junction. 42 And the map you're looking at, Figure 10, in that 43 November report, those are census designated places 44 covering some geography, and it's not meant to say that 45 the population is uniformly distributed through those 46 grey scale areas, this is the census' way of drawing 47 boundaries on geography and attributing population to it. 48 But the center of the focus is Delta Junction, and the 49 proposal is that Big Delta, Ft. Greely and Deltana in 50 immediate proximity to Delta Junction be looked at in

1 their relation to Delta Junction and whether that should be considered a group. 2 3 4 You're right, currently they're all 5 individual and rural. If we found some rationale for grouping and if that put us into a population category 6 that was presumptively rural, then we would look further 7 at the rural/nonrural characteristics. 8 Q 10 So in going back to the other Board 11 member's comment, it would hinge on the grouping analysis 12 and whether that put us at a population level where 13 rural/nonrural characteristics were called into the 14 question. 15 16 MR. EDWARDS: All right, I'm trying to 17 follow all that. But once we grouped them and if we 18 added up their population it's still going to be way 19 below the -- it's going to then be between the 2,500 and 20 the 7,000 threshold, right? 21 22 MR. BUKLIS: That's correct. And we 23 wouldn't presume rural or nonrural, it would hinge on 24 their characteristics. 25 26 MR. EDWARDS: But there are other 27 communities that have fallen within that character that 28 we have not taken a look at, right, you know, I mean 29 Valdez falls within the 2,500 to 7,000 but we started out 30 by really not considering anything in that threshold, 31 right? 32 33 Am I making sense? 34 35 (No comments) 36 37 MR. EDWARDS: I guess let me rephrase it. 38 So the fact that we group on their population then 39 becomes 3,500 or 4,000, whatever it is, then it's going 40 to require even another step and then another step after 41 that? 42 43 MR. BUKLIS: Mr. Chairman. There are 44 communities in that midsized range now that aren't being 45 proposed for further analysis, you're right. You 46 mentioned Valdez. It's in that range of 2,500 to 7,000, 47 it has a determination, that determination is nonrural. 48 And in our initial review and your proposed package that 49 led us to this meeting, there isn't a proposal to revisit 50 the nonrural status of Valdez. And we've heard no

1 testimony urging us to rethink that. 2 3 On the question of the grouping in and 4 around Delta Junction, the Staff work and the Board work 5 to this point indicates there may be reason for that area б to be considered a group now, and so the charge would be to look at the proximity, the high schools, the commuting 7 patterns and report back as to whether it warrants 8 9 consideration as a group now to be added to the list of 10 communities that are groups in this program. If that 11 runs us up to a total up over 2,500 people, we wouldn't 12 presume that it's a rural group, but we'd have to look at 13 the characteristics of that group. That phase of the 14 work would be done at the same time as the grouping 15 analysis and we'd report to you the outcome of the 16 grouping and if it led us to that nonpresumptive size, 17 we'd also report what characteristics we found. 18 19 CHAIRMAN DEMIENTIEFF: Gerald. 20 21 MR. NICHOLIA: Yeah, thank you, Mitch. 22 From that email from Nat Good that you have before you, 23 you can see clearly -- he was on this Eastern Interior 24 Council before and he's on that Delta Advisory Committee, 25 and he clearly states in here that Deltana is way 26 different than Delta Junction and Big Delta and Ft. 27 Greely, and if you could get Rick up here to state that, 28 too, I believe he'll say the same thing, so I think 29 you'll be making a big mistake to include Deltana with 30 those other three groups. 31 32 CHAIRMAN DEMIENTIEFF: Okay, got it. 33 Niles. 34 MR. CESAR: Mr. Chairman. If we chose to 35 36 remove Deltana from the grouping, the other three would 37 go forward and would be subject to that review; is that 38 correct, Larry? 39 40 MR. BUKLIS: Yes, Mr. Chairman. In terms 41 of procedure, the Board has proposed that Staff further 42 analyze a grouping including four places. If your 43 direction is to -- if the motion is to proceed with 44 analysis, but of only three places, that would be our 45 charge. I would note that Deltana alone had a population 46 of over, I think, 1,500. So the remaining pieces would 47 be below 2,500 from the start. 48 49 MR. CESAR: And I guess that's where I 50 was headed, would that then change the dynamic of the

1 population to begin with, would that then have them fall out, would it make sense to review the remaining three, I 2 3 guess. 4 5 MR. BUKLIS: Mr. Chairman. Purely on a technical basis, you have given us guidelines on the б 7 grouping of places, and the regulations say the 8 communities will be considered in the aggregate, and so just on that part of the regulations we are to consider 9 10 communities in the aggregate. We have guidelines on how 11 to report to you on integration. Within that realm, 12 there's some basis for analysis, but if it gives us a 13 population total that's under 2,500, it would be presumed 14 rural unless there's something about the characteristics 15 that would indicate a nonrural nature. 16 17 For example, Prudhoe Bay is being 18 proposed for analysis and it's population is five people, 19 so a place can be small but have characteristics that are 20 nonrural. So I don't want to speculate in advance of the 21 analysis. 22 23 CHAIRMAN DEMIENTIEFF: Thank you. 24 Gerald. 25 26 MR, NICHOLIA: Yeah, I'm just wondering 27 where you get all your data from saying that Deltana has 28 a population of 1,300 [sic], because what I heard from 29 Nat Good is that it's mostly sparse and mostly farmers 30 out there. And like I said if you got that data from the 31 Alaska State Community Database, like I said before, it 32 ain't very accurate. 33 34 CHAIRMAN DEMIENTIEFF: Larry. 35 36 MR. BUKLIS: Mr. Chairman. Yes, the 37 estimate is from the U.S. Census Bureau Year 2000, the 38 decade census and the census designated place they call 39 Deltana had a population of 1,570. And that population 40 is attributed to the geography shown on Figure 10 called 41 Deltana. 42 43 MR. NICHOLIA: Excuse me, but that's 2000 44 and this is 2005, and what Nat has been telling me is 45 that Rick is right, that there's been a lot of out 46 migration from the deal. 47 48 MR. EDWARDS: Mr. Chairman. 49 50 CHAIRMAN DEMIENTIEFF: Gary.

MR. EDWARDS: I guess I'm somewhat now 1 totally confused and I don't know enough about the 2 3 characteristic one way or another to know whether it 4 should be included or not so maybe that leads me to the 5 conclusion is that maybe it makes sense to do the 6 evaluation and then we'll at least -- at least I'll feel more informed in making a decision, so I'm going to vote 7 in favor of my motion. 8 9 CHAIRMAN DEMIENTIEFF: No further 10 11 motions, then if we go ahead with this then Deltana's 12 going to be reviewed as well. 13 14 MS. GOTTLIEB: Mr. Chair. 15 16 CHAIRMAN DEMIENTIEFF: Yes. 17 18 MS. GOTTLIEB: So could I ask a question 19 again about an actual evaluation. The evaluation would 20 be whether these four communities should be grouped, if 21 the conclusion is that they should not be grouped then 22 each community would fall under population guidelines for 23 determination if it's rural or nonrural? 24 25 MR. BUKLIS: Yes, Mr. Chairman. That 26 would be the first step in the two-step process, would be 27 the grouping assessment, and then that may lead to an 28 evaluation of characteristics of a grouped set of 29 communities. 30 31 MR. EDWARDS: Then, I guess, Mr. 32 Chairman, I'm not sure exactly what you said was exactly 33 correct. I don't think that this vote will necessarily 34 mean Deltana would be reviewed per se, the decision is 35 going to make it be grouping, then that group would be 36 reviewed, not each one of these individually would be 37 reviewed; is that correct? 38 MR. BUKLIS: Yes, Mr. Chairman. My 39 40 understanding of the charge would be -- I'm not sure of 41 the exact motion, but Page 2 and 3 of the Staff report, 42 Deltana, Delta Junction area is on Page 3, if that moved 43 forward as proposed by you and shown on Page 3, the Staff 44 would look at those four named places, evaluate the 45 merit, the technical merit of grouping them, given your 46 guidelines to us, and if that put us in a nonpresumptive 47 zone of population size, then we would look at community 48 characteristics of that grouped place, like we do for 49 other groupings and report back to you on both 50 components.

The grouping assessment and the community 1 2 characteristics, if warranted. 3 4 CHAIRMAN DEMIENTIEFF: For the group? 5 б MR. BUKLIS: For the group. 7 8 CHAIRMAN DEMIENTIEFF: Niles. 9 MR. CESAR: Mr. Chairman. If the first 10 11 step is to review whether they should be viewed as a 12 group and when you have that information, do you come 13 back to the Board at that point or do you move ahead 14 based on your evaluation and look at the community 15 characteristics then? 16 MR. BUKLIS: Mr. Chairman. The Staff 17 18 would report with an analysis of the whole package for 19 your Proposed Rule process. That's the process we're on. 20 21 CHAIRMAN DEMIENTIEFF: Gerald. 22 23 MR. NICHOLIA: Yeah, thank you. I'11 24 tell you right now is that Deltana is way different than 25 those other three because I've been out there and I've 26 visited those people. One is like a little community, 27 Delta -- Big Delta and Ft. Greely, and Deltana is just a 28 farming area with a bunch of people out there farming, 29 scattered out, in a remote area, they're not together 30 compared to Delta and Big Delta, it's different. It's 31 way different. I don't see how you could group them 32 together. 33 34 CHAIRMAN DEMIENTIEFF: You know, at some 35 point in time we are going to have to look at Delta 36 because we all know with the closing of Greely that that 37 economy is changing, and that's going to change the way 38 those people get their food, you know, that whole base 39 closure is there. And that is something that, you know, 40 we have to keep in mind. 41 42 But I agree with Gerald as far as 43 Deltana, that's not even, to run them through the 44 process, they are separate and distinct communities, even 45 though they're, you know, in the same area. 46 47 Gerald. 48 49 MR. NICHOLIA: My biggest worry in this 50 situation if Ft. Greely and Big Delta and Delta Junction

1 get declared nonrural with the inclusion of Deltana, is that we'd be hurting Federally-qualified subsistence 2 3 users, and I'd very careful on this thing. 4 5 I know it's going to be reviewed and б stuff but they didn't put their trust in me to come up 7 here and have them excluded from the priority of 8 subsistence or being able to go out there and hunt and 9 stuff. 10 CHAIRMAN DEMIENTIEFF: Wini. 11 12 13 DR. KESSLER: Well, again, this question 14 about the grouping is exactly the one that needs to be 15 examined so that the information can come forward and we 16 can have clarity because at this juncture I would be very 17 uncomfortable with being asked to draw conclusions about 18 this one or that one without having the light of that 19 examination of the information. 20 21 So, again, I think there's just benefits 22 to be gained by proceeding and looking at, and letting 23 the facts that are being brought forward carry the day 24 through examination. 25 26 CHAIRMAN DEMIENTIEFF: Niles. 27 28 MR. CESAR: Unlike the other votes that 29 we've taken where I believe there is a preponderance of 30 evidence to guide my vote in the last ones, I don't have 31 that same level of confidence in this one and I believe 32 it's probably a wise idea to examine those four. 33 34 CHAIRMAN DEMIENTIEFF: Further 35 discussion. 36 37 MS. GOTTLIEB: Mr. Chair. 38 CHAIRMAN DEMIENTIEFF: Yes. 39 40 MS. GOTTLIEB: I think Gerald's done an 41 42 excellent job certainly of representing what the RAC has 43 said and from his own knowledge. I guess I just want to 44 make sure as we vote on this, that we're considering 45 whether some or all should be grouped, it's not sort of 46 an all or none, all four have to be grouped and all four 47 have to be decided upon. But maybe after further 48 analysis, maybe only two or three or none of the 49 communities get grouped, that all those options be -- is 50 that part of the motion?

MR. EDWARDS: Yeah, Mr. Chairman, at 1 least from standing, and maybe to Gerald. See, my view 2 is that, one, we're a long ways from making the decision 3 4 whether Deltana should even be in the group, and then 5 we're even a further longer away determining whether the group status could change or not. So I think this is б just the very beginning of the process so I don't think 7 8 that in any way this sends a signal about anything about 9 what ultimately what will happen to Deltana in my mind. 10 11 MR. CESAR: Mr. Chairman. I agree with 12 Gary. I mean, you know, again, unlike some of the 13 others, this is a very preliminary evaluation for us to 14 see what are those -- or should they be grouped together 15 because it certainly wouldn't be my intent -- I would not 16 vote to declare them nonrural after just a review of the 17 grouping, that just wouldn't make any sense. 18 19 MR. NICHOLIA: Mr. Chair. 20 21 CHAIRMAN DEMIENTIEFF: Gerald. 22 23 MR. NICHOLIA: Mr. Chair, could you just 24 please clarify your motion for me. 25 26 CHAIRMAN DEMIENTIEFF: Gary. 27 28 MR. EDWARDS: I guess my motion was that 29 we would proceed with further analysis of whether the 30 communities of Delta Junction, Big Delta, Deltana and Ft. 31 Greely should be grouped for further evaluation of their 32 status as rural or nonrural. 33 34 MR. CESAR: I'd like to call for the 35 question. 36 37 CHAIRMAN DEMIENTIEFF: The question has 38 been called for. Tom, do you want to call the roll. 39 40 MR. BOYD: Mr. Oviatt. 41 42 MR. OVIATT: In favor. 43 44 MR. BOYD: Mr. Edwards. 45 46 MR. EDWARDS: I vote in favor of the 47 motion. 48 49 MR. BOYD: Ms. Gottlieb. 50

1 MS. GOTTLIEB: Yes. 2 3 MR. BOYD: Mr. Cesar. 4 5 MR. CESAR: Yes. б 7 MR. BOYD: Ms. Kessler. 8 9 DR. KESSLER: Yes. 10 11 MR. BOYD: Mr. Chairman. 12 13 CHAIRMAN DEMIENTIEFF: Yes. Motion 14 carries. 15 16 MR. CESAR: Gee, even when we agree it 17 takes us a long time. 18 19 CHAIRMAN DEMIENTIEFF: Yeah. I think the 20 thing about it is, too, because I do know the nature of 21 those people just like all the other people, have paid 22 great expenses to be here and I do agree with that that 23 we have to go there. We don't all have to go there, but 24 I will go and whoever else is available because we need 25 to learn as much as we can and the best way we're going 26 to do that is on the ground. I mean we'll just -- I mean 27 whoever's available whenever it's scheduled. 28 29 Gerald. 30 31 MR. NICHOLIA: Yeah, that's what I was 32 going to come to is that if you guys are going to do 33 this, I'd like for those four communities, I'd like to 34 request a public hearing there. 35 CHAIRMAN DEMIENTIEFF: Yeah, that's my 36 37 intent anyway. You know, I'm going to go everywhere we 38 have additional work to save the expense for those 39 communities. And, you know, we can just get a team of us 40 to go and whoever is available at the particular time 41 because I know all you folks are busy, whereas I have 42 nothing else to do but go to meetings -- no, that's a 43 joke. So we will go there to make sure that we get the 44 maximum from the people, people who would not otherwise 45 be available to go. 46 47 Okay, we're done with that and we're 48 ready to move on 49 50 MR. BOYD: Mr. Chair. The next item is

1 No. 5, Kenai area, and by that we mean this area was placed -- concluded to be placed in the list for further 2 3 evaluation to evaluate whether to exclude Calm Gulch and 4 other similarly situated places. 5 6 I should point out that the Kenai area is a complex of communities surrounding Kenai/Soldotna so 7 it's already nonrural and Clam Gulch is currently grouped 8 with that. And the evaluation would be whether to 9 10 exclude Clam Gulch from that grouping. 11 12 Mr. Chair. 13 14 MR. CESAR: Tom, if I could ask..... 15 MR. BOYD: I'm sorry. 16 17 18 CHAIRMAN DEMIENTIEFF: Go ahead. 19 20 MR. CESAR: Maybe I should just go back 21 to Larry, when you say other similarly situated places, 22 maybe Larry would go into that -- I'm sorry. 23 24 MR. BOYD: I would ask Larry to respond. 25 Thank you. 26 27 MR. BUKLIS: Mr. Chairman. For the Kenai 28 Peninsula communities groupings, Kenai area, which you 29 are on now, and upcoming the Seward area and then later 30 Homer area, the specific communities or areas that are 31 being proposed for further analysis, the circumstances 32 for potential merit and them being analyzed further grew 33 out of your out of cycle review for the Kenai Peninsula 34 in the late 1990s. 35 36 But in proposing them for further 37 analysis here, as we take up that analysis and look at 38 commuting levels in proximity, in high school patterns, 39 attendance areas, we didn't want to cut off what we might 40 uncover in doing that. So that phrase is meant to keep 41 open the options for bringing back to you what we find 42 for other similarly situated places in the margins of 43 these areas. 44 45 Clam Gulch is in that outer southern end 46 of the Kenai area, and as we examine its pattern we 47 wouldn't just stop there if we were finding something of 48 merit there, so it provides some flexibility. 49 50 CHAIRMAN DEMIENTIEFF: Further

1 discussion. 2 3 (No comments) 4 CHAIRMAN DEMIENTIEFF: Is somebody ready 5 б to advance a motion. 7 MR. CESAR: Mr. Chairman, I move that we 8 move forward to evaluate whether Clam Gulch and other 9 10 similarly situated places should be excluded. 11 12 CHAIRMAN DEMIENTIEFF: There is a motion, 13 is there a second. 14 15 DR. KESSLER: Second. 16 17 CHAIRMAN DEMIENTIEFF: Discussion. 18 19 MS. GOTTLIEB: Mr. Chair. 20 21 CHAIRMAN DEMIENTIEFF: Yes. 22 23 MS. GOTTLIEB: I'd say specifically on 24 this Calm Gulch, we did not hear a lot of testimony 25 during the last couple of days so I think it would be 26 good to have some further analysis. 27 28 CHAIRMAN DEMIENTIEFF: Yes. I agree. I 29 do know a lot of the people that live there in Clam 30 Gulch, like I know a lot of people on the whole Peninsula 31 and, you know, I think they could make the argument if 32 they chose to so I would support the motion to take 33 another look at that. 34 35 MR. CESAR: Mr. Chairman, I think for all 36 the reasons that you've laid out there as well as Judy I 37 would support this motion. 38 CHAIRMAN DEMIENTIEFF: Good. Is there 39 40 any discussion. 41 42 (No comments) 43 44 CHAIRMAN DEMIENTIEFF: If not, we'll go 45 ahead with the vote, Tom. 46 47 MR. BOYD: Mr. Chair, I'll start with Dr. 48 Kessler. 49 50 DR. KESSLER: I vote yes.

MR. BOYD: Mr. Cesar. 1 2 3 MR. CESAR: Yes. 4 5 MR. BOYD: Ms. Gottlieb. б 7 MS. GOTTLIEB: Yes. 8 9 MR. BOYD: Mr. Edwards. 10 MR. EDWARDS: Yes. 11 12 13 MR. BOYD: Mr. Oviatt. 14 15 MR. OVIATT: Yes. 16 17 MR. BOYD: Mr. Chair. 18 19 CHAIRMAN DEMIENTIEFF: Yes. 20 21 MR. BOYD: Unanimous, Mr. Chair. 22 23 CHAIRMAN DEMIENTIEFF: It must have been 24 a nice lunch. 25 26 (Laughter) 27 28 CHAIRMAN DEMIENTIEFF: We're not all 29 quite touchy feely but..... 30 31 (Laughter) 32 CHAIRMAN DEMIENTIEFF: Okay, let's move 33 34 on. 35 36 The next one. 37 MR. BOYD: Mr. Chair. Item No. 6, is the 38 39 Seward area, and by that we mean this was included in 40 order to evaluate whether to exclude Moose Pass and other 41 similarly situated places. 42 43 Just to remind the Board, in the current 44 determinations, Moose Pass is aggregated with Seward and 45 this is called the Seward area with other communities, 46 and currently that would mean that Moose Pass is 47 nonrural, and the question that we would be looking at in 48 terms of whether Moose Pass should have been aggregated r 49 considered on its own. 50

1 Mr. Chair. 2 3 MR. CESAR: Mr. Chairman. We heard from 4 someone from Moose Pass yesterday raise the issue and talk about their belief that they are separate from them. 5 б And so I believe on the strength of that, we probably -and at least his telling us that he represents and has 7 8 talked to a number of people in there, that it's probably 9 worthy of an evaluation. 10 11 CHAIRMAN DEMIENTIEFF: Do we have a 12 motion. 13 14 MR. OVIATT: Mr. Chairman. 15 16 CHAIRMAN DEMIENTIEFF: Yes. 17 18 MR. OVIATT: I move that the Seward area 19 be evaluated as to whether to exclude Moose Pass and 20 other similarly situated places. 21 22 CHAIRMAN DEMIENTIEFF: Yes. 23 24 MR. EDWARDS: Second. 25 26 CHAIRMAN DEMIENTIEFF: It's been moved 27 and seconded. And I think part of the testimony was 28 they're coming into Anchorage for bulk shopping. And I 29 don't know of anybody in any village that doesn't go to, 30 you know, Anchorage, Fairbanks, you know, we go there --31 especially with today's prices we go there for bulk 32 shopping whereas before we used to do all of our shopping 33 at home, but I mean it's changed everybody. I mean 34 people fly in from the villages, they're carrying cases 35 and cases of groceries back to their village just because 36 it's -- even with air freight it's still cheaper for 37 them. So that's just one of the changes that we've had 38 in recent times and I agree, you know, we need to take a 39 look at that. 40 41 So I intend to vote for the motion as 42 well. 43 44 MR. OVIATT: Mr. Chairman. I believe, I 45 heard in the testimony, I agree with Niles that there's 46 enough concern, and the testimony he talked about, the 47 community of Moose Pass having their own arts and crafts 48 and those types of things, and I just think it warrants 49 this study and I'm going to vote in favor of it. 50

1 CHAIRMAN DEMIENTIEFF: Gary. 2 3 MR. EDWARDS: Mr. Chairman, every time I 4 drive through Moose Pass I always question, I ask myself 5 why is this not a rural community and hopefully this б additional work will either answer that question one way 7 or the other, so I intend to vote yes. 8 CHAIRMAN DEMIENTIEFF: Besides that, 9 10 we're going to be in the neighborhood on the other one 11 that we just voted on so we might as well drop in. 12 13 (Laughter) 14 15 CHAIRMAN DEMIENTIEFF: Okay, any further 16 discussion. 17 18 (Laughter) 19 20 CHAIRMAN DEMIENTIEFF: Hearing none, all 21 those in favor say aye. 22 23 IN UNISON: Aye. 24 25 CHAIRMAN DEMIENTIEFF: Those opposed, 26 same sign. 27 28 (No opposing votes) 29 30 CHAIRMAN DEMIENTIEFF: I think that train 31 had already left the station. 32 33 Okay, Tom. 34 35 MR. BOYD: Mr. Chair. The next item, 36 Item No. 7 is titled the Wasilla area, and the reason 37 it's on the list is to evaluate whether to include 38 Willow, Pt. MacKenzie and other similarly situated 39 places. In short, the specific communities I mentioned 40 are currently rural. So if we included them in the 41 aggregate of the Wasilla area in this case, they would 42 probably end p nonrural so that's -- it's going in a 43 different direction than the previous couple of motions 44 that you just considered. 45 46 CHAIRMAN DEMIENTIEFF: And the 47 recommendation is to..... 48 49 MR. BOYD: The recommendation is to 50 include the Wasilla area, to evaluate whether to include

Willow, Pt. MacKenzie and other similarly situated 1 2 places. 3 4 CHAIRMAN DEMIENTIEFF: And, again, the outlying communities are rural at this time, right? 5 6 7 MR. BOYD: That's correct. The ones I 8 mentioned, that's correct, yes. 9 10 MR. EDWARDS: Mr. Chairman. 11 12 CHAIRMAN DEMIENTIEFF: Gary. 13 14 MR. EDWARDS: You know, the Mat-Su Valley 15 is probably -- and I think there's no question that it's 16 growing faster than any place in the state. The other 17 day coming into the meeting I was hearing on public radio 18 that it had the highest job increases in any of place in 19 the state, the new hospital's going out there now, so I 20 just think given all of that that it would really behoove 21 us to take a broader look at that. 22 23 And so I would move that we proceed with 24 further analysis of whether to include Willow, Pt. 25 MacKenzie and other similarly situations with that. 26 27 And I guess the other thing I should 28 mention if the bridge ultimately ever gets build, I mean 29 all those things are going to change so I think it would 30 be timely to do this now. 31 32 MR. CESAR: What bridge is that? 33 34 (Laughter) 35 CHAIRMAN DEMIENTIEFF: We do have a 36 37 motion, is there a second. 38 39 MR. CESAR: Second. 40 41 CHAIRMAN DEMIENTIEFF: Okay. 42 43 MS. GOTTLIEB: Mr. Chair. 44 CHAIRMAN DEMIENTIEFF: Yes. 45 46 MS. GOTTLIEB: I think this would be a 47 48 good example of where we certainly have a lot of 49 questions and probably a lack of data about these, at 50 least these two communities and possibly others so I

think it would be worthwhile to do more analysis. 1 2 3 CHAIRMAN DEMIENTIEFF: Thank you. 4 5 MR. CESAR: Mr. Chairman. б 7 CHAIRMAN DEMIENTIEFF: Yes. 8 9 MR. CEDAR: Mr. Chairman, I feel the same 10 way Gary does when he goes past Moose Pass, every time I 11 go through those areas up in the Mat-Su I wonder how 12 could they be rural, so for the same reason we're looking 13 at one, I think we have good reason to look at these. 14 15 CHAIRMAN DEMIENTIEFF: Thank you. 16 Anybody else. 17 18 (No comments) 19 20 CHAIRMAN DEMIENTIEFF: Well, I do know 21 that there are the different communities in Mat-Su, and 22 to lump them, but we do need to take a look at it, I 23 agree with that. I, of course, travel through there all 24 the time and have family and friends and all over in 25 there and spend a lot of time with them. So Il so agree 26 that let's take a look. 27 28 MR. CESAR: Mr. Chairman, if you had as 29 many friends and as many friends as you say you have all 30 over the state, you wouldn't have any time to come to 31 these meetings. 32 33 CHAIRMAN DEMIENTIEFF: My daughter says, 34 criminly it's just like you're a Governor or something. 35 (Laughter) 36 37 38 CHAIRMAN DEMIENTIEFF: When we were up in 39 Fort Yukon, Gary was grilling me about naming places all 40 over to the state that came to him, yep, yep, yep. 41 That's what you get for looking a long time. Well, I 42 think this train has also left the station so we're going 43 to go ahead and vote. 44 45 All those in favor signify by saying aye. 46 47 IN UNISON: Aye. 48 49 CHAIRMAN DEMIENTIEFF: Those opposed, 50 same sign.

1 (No opposing votes) 2 3 CHAIRMAN DEMIENTIEFF: Motion carries. 4 5 MR. BOYD: I think..... б 7 CHAIRMAN DEMIENTIEFF: From now on when 8 we get tough issues, we're just going to open the meeting 9 with lunch. 10 (Laughter) 11 12 13 MR. BOYD: Mr. Chair. The next item is 14 No. 8, the Homer area. This is included to evaluate 15 whether to include Fox River, Happy Valley and other 16 similarly situated places. 17 18 Again, the specific communities I 19 mentioned are currently rural and if they were aggregated 20 with the Homer area they would probably end up nonrural, 21 so just so you know which direction this evaluation would 22 be looking. 23 24 Thank you, Mr. Chair. 25 26 CHAIRMAN DEMIENTIEFF: Discussion. 27 28 (No comments) 29 30 CHAIRMAN DEMIENTIEFF: Is there a motion. 31 MR. EDWARDS: Mr. Chairman, for purposes 32 33 of discussion I would move that we proceed as proposed to 34 do further analysis of whether to include Fox River, 35 Happy Valley and other similarly situated places in the 36 Homer area. 37 CHAIRMAN DEMIENTIEFF: There's a motion, 38 39 is there a second. 40 41 DR. KESSLER: Second. 42 43 CHAIRMAN DEMIENTIEFF: Okay. 44 45 MS. GOTTLIEB: Mr. Chair. 46 47 CHAIRMAN DEMIENTIEFF: Yes. 48 49 MS. GOTTLIEB: Could I ask a question. Ι 50 mean are we considering Ninilchik as a similarly situated

area or we would name it if we were considering it. 1 2 3 CHAIRMAN DEMIENTIEFF: Larry. 4 5 MR. BUKLIS: Mr. Chairman. We would name б that if we were considering it. I think that phrase was added in this case, again, just to retain flexibility but there isn't something about Ninilchik that we know of 7 8 that we haven't brought to your attention so I don't 9 10 anticipate that being included. 11 12 CHAIRMAN DEMIENTIEFF: I guess from my 13 point of view, we've been there and we've done the hard 14 work to get where we are now and we've been there in 15 person. So unless somebody can tell me something that's 16 extenuating change in the area, I would have to oppose 17 going in there. 18 19 I mean we did diligence, I'm sorry, but 20 we did. 21 22 So my point is, again, I ask the 23 question, is there something, extenuating circumstances 24 that would have us change? 25 26 MR. CESAR: Mr. Chairman. I'm a little 27 confused about that area, I don't know very much about 28 it. Currently Homer is considered nonrural, is that 29 correct, and Happy Valley and Deer Valley and all these 30 little valleys, are they rural or nonrural? 31 32 CHAIRMAN DEMIENTIEFF: Larry. 33 34 MR. BUKLIS: Mr. Chairman. They would be 35 considered -- they are considered rural. And if you look 36 at your figure, Figure 4 in your November report, there's 37 a map of the Homer area, and the crosshatching is the 38 current nonrural boundary recognized by this program, and 39 that's overlaid on to the census designated places with 40 their boundaries and names and so you can see how our 41 nonrural area relates to the census units. And so the 42 question is whether we should look further to the north 43 there along the highway that's known as Happy Valley 44 there and further to the east along Fritz Creek out to 45 Fox River area, whether we should examine the commuting 46 patterns and the high school attendance and the other 47 criteria related to grouping or not. 48 49 MR. CESAR: Mr. Chairman. 50

1 CHAIRMAN DEMIENTIEFF: Yes. 2 3 MR. CESAR: Did I understand your 4 comments, I missed a little bit of it, that life hasn't 5 changed in that area so why are we going in there, is б that it? 7 8 CHAIRMAN DEMIENTIEFF: That's basically, you know, why I intend to oppose the motion is because 9 10 life really hasn't changed in those communities and they 11 are not -- they have their own areas that they fish in, 12 they don't go, for example, like a lot of people do, like 13 I have people at home in Nenana that travel down to Homer 14 for fishing, they fish right there in their own little 15 area. 16 17 So just life hasn't changed that I know 18 of. And I think to go in there would be basically 19 spinning our wheels. We're going to go spend a lot --20 again, it's one of those things we're going to go spend a 21 lot of time in -- maybe I could ask that of Terry, would 22 you feel comfortable in answering that question, is that 23 an area that you work in? 24 25 MR. HAYNES: Mr. Chairman. I've been 26 down there, I haven't spent extensive time but it 27 certainly seems like it's a significant shift in status 28 of those outlying areas if they were to lose their rural 29 status, and from my perspective I think you'd want to 30 make sure you had a pretty complete understanding of how 31 their situation resembled or differed from that of the 32 Homer nonrural area. 33 34 CHAIRMAN DEMIENTIEFF: But also 35 considering the fact that we've done that work already 36 and made the determinations, I just don't see why, unless 37 somebody has any information on how things have changed. 38 39 Larry. 40 MR. BUKLIS: Mr. Chairman. It's not that 41 42 I have special information on change, but going back to 43 the July report that led to your proposed package of 44 areas for further analysis, we did note that these -- and 45 as I mentioned a few minutes ago here, the three Kenai 46 Peninsula areas on your proposed list for further 47 analysis were areas that rose up in the Kenai Peninsula 48 out of cycle review process, and the Staff analysis back 49 at that time concluded that determinations should remain 50 unchanged at that time and that some of these questions

that arose in that process should be taken up at the next 1 Decennial cycle, which is this time. 2 3 4 So it sort of picks up on the Kenai out 5 of cycle review and picks up some unfinished business б that was put off to the regular Decennial cycle on some 7 of these boundary and grouping issues. 8 9 DR. KESSLER: Mr. Chairman. 10 CHAIRMAN DEMIENTIEFF: Yes. 11 12 13 DR. KESSLER: I feel it is an important 14 opportunity to bring that information to light and have 15 it examined and put it to rest, I think we should proceed 16 with analysis. 17 18 MR. OVIATT: Mr. Chairman. 19 20 CHAIRMAN DEMIENTIEFF: Yes. 21 22 MR. OVIATT: I agree with Dr. Kessler, 23 that it is an opportunity to bring us forward and examine 24 it, especially the Fox River area, and just put this to 25 bed under good documentation. 26 27 CHAIRMAN DEMIENTIEFF: Okay. Then let me 28 understand this, now, we can get this done before a 29 Proposed Rule goes out? 30 31 MR. BOYD: Yes, Mr. Chair, that's 32 correct. 33 34 CHAIRMAN DEMIENTIEFF: Okay, so it 35 doesn't necessarily mean we have to go there for a 36 hearing, is there anything different, we get that 37 information and proceed on at that point -- okay, 38 understand. 39 40 Any other discussion. 41 42 MS. GOTTLIEB: Mr. Chair. 43 44 CHAIRMAN DEMIENTIEFF: Judy. 45 46 MS. GOTTLIEB: I think compared to some 47 of the other areas we've been talking about, we really, 48 at this public hearing or in the analysis have not gained 49 a lot of information so I think I would be more 50 comfortable with gathering that information and be better

able to make a decision when we have that in front of us. 1 2 3 CHAIRMAN DEMIENTIEFF: Tom. 4 5 MR. BOYD: Mr. Chair. I know we said б this earlier, probably much earlier, but just to make it fresh in the minds of the Board members. For several of 7 8 these items that we've already covered, and this one, in particular, as well, it had been our intent when we 9 10 started this process to have the evaluations of these 11 aggregations done, however, because we were not able to 12 obtain the census data regarding commuting we had to 13 postpone this until this later step. Anyway, it was our 14 hope that you would have had the information so you could 15 have considered whether these would move forward. We 16 just weren't able to do that. 17 18 CHAIRMAN DEMIENTIEFF: Thank you. Do we 19 have any other discussion on the motion. 20 21 (No comments) 22 23 CHAIRMAN DEMIENTIEFF: Hearing none, all 24 those in favor signify by saying aye. 25 26 IN UNISON: Aye. 27 28 CHAIRMAN DEMIENTIEFF: Those opposed, 29 same sign. 30 31 (No opposing votes) 32 33 CHAIRMAN DEMIENTIEFF: Motion carries. 34 35 Next. 36 MR. BOYD: Item No. 9 is entitled the 37 38 Ketchikan area and the focus of our proposal 39 recommendation would be to evaluate whether to include 40 Saxman in areas of further growth and development outside 41 the current nonrural boundary of Ketchikan. And, again, 42 this would focus on Saxman and these other areas that are 43 currently rural with the question of whether they should 44 be grouped with Ketchikan. 45 46 Mr. Chair. 47 48 CHAIRMAN DEMIENTIEFF: Okay, discussion. 49 Go ahead, John. 50

MR. LITTLEFIELD: Thank you, Mr. Chair. 1 2 I'd like to read the Council comments on Ketchikan as 3 well as Saxman at this time. Δ 5 Ketchikan. The Council recommends adding Ketchikan to the list of communities subject to further б 7 analysis. The Council has supported consideration of Ketchikan as a rural community through resolutions passed 8 in previous years. The Council believes that Ketchikan's 9 10 community characteristics may have changed since the 11 passage of ANILCA, with Ketchikan becoming more of a 12 rural place in recent years. 13 14 The Council supports Ketchikan's request 15 for rural determination to be heard in this community. 16 In making our recommendations, the Council considered the 17 following information: 18 19 Ketchikan is mentioned in the 1. 20 Legislative history of ANILCA as 21 an example of an urban place and 22 the population of Ketchikan 23 Borough is well above 7,000. 24 25 2. Overall fish and wildlife harvest 26 levels per capita harvest 27 estimates for Ketchikan are not 28 readily available. 29 30 3. Adequate studies of hunting and 31 fishing patterns in Ketchikan 32 have not taken place because 33 Ketchikan has been classified as 34 an urban community. 35 36 4. At the time of passage of ANILCA 37 expectations were that Ketchikan 38 would grow as an urban center, 39 timber harvesting, saw mill, pulp 40 mill production and other 41 industrial productions would be 42 developed. These industries have 43 largely disappeared with the loss of hundreds of well paying jobs 44 45 and Ketchikan's population has 46 not grown as expected. 47 48 5. Ketchikan may have more rural characteristics at this time than 49 50 it did in 1980 when ANILCA was

1			passed.
2			
3		б.	The analysis needs to take place
4			that would closely examine
5			Ketchikan's community
6			characteristics so that the rural
7			classification may be considered.
8			This analysis should consider
9			whether all or portions of the
10			Ketchikan Borough would meet the
11			standards for rural
12			determination. A portion of the
13			Borough is currently classified
14^{13}			as rural and these are the out
15			the road areas.
16			che road areas.
17		7.	There may be geographically
18		<i>.</i>	district enclaves, or
19			populations, communities
20			definable by interest or
21			affiliation within the Borough
22			that meet rural criteria as well
23			as customary and traditional
24			criteria.
25			criteria.
26		Continu	ing on with the Saxman
27	recommendations.		ing on wren ene baxman
28		•	
29		The Cour	ncil confirms Saxman's rural
	request rural		and recommends that Saxman be
			ommunities requiring further
32	analysis.		similaritered requiring rarener
33			
34		The Cour	ncil reviewed information
-	concerning Saxma		eard testimony from Lee Wallace
36			IRA. The Council requests that a
37			ring be held in Saxman to allow
			and the issue and to participate
39	in the decision-		
40		maning r	5100055.
41		The ige	ues considered by the Council in
	developing this		
43	developing child	reconnici	
44		1.	Community was founded by Cape Fox
45		±•	Tlingit who moved to the present
46			area over a hundred years ago.
47			Saxman consolidated the Cape Fox
48			population in one community where
49			there was potential access to
50			schools and services.

1 2 3 4	2.	The Cape Fox Tlingit maintain ties to the traditional community territories.
5 6 7 8	3.	Saxman has had a separate community identify from Ketchikan since its foundation.
9 10 11 12	4.	Saxman has become an enclave only as Ketchikan grew around it over the years.
13 14 15 16 17	5.	Saxman maintains its own IRA, Indian Reorganization Act Tribal Government and its own city government.
17 18 19 20 21	б.	Saxman is recognized as a small tribe by the Bureau of Indian Affairs.
22 23 24 25 26	7.	The State of Alaska Joint Board of Fisheries and Game determined that Saxman was a rural community for the purposes of subsistence in 1986.
27 28 29 30 31 32 33 34	8.	The State of Alaska continued to consider Saxman as a rural community until the State lost jurisdiction over subsistence hunting and fishing in 1991 and in 2000, respectfully.
35 36 37 38 39 40 41	9.	There is no evidence showing that Saxman has assumed a more urban character since the initial State of Alaska rural determination or since the more recent Federal assumption of management responsibilities.
42 43 44 45 46 47 48 49	10.	Saxman has consistently shown a subsistence harvesting pattern in Alaska Department of Fish and Game household surveys conducted in 1988 and 2000 and in other studies.
50	11.	Saxman's overall harvest levels

1 2 3 4 5 6		on a per capita basis are characteristics of a subsistence community and shows strong dependency on subsistence harvest.		
0 7 8 9 10 11 12	12.	Saxman has a mixed subsistence based economy, and the cash portion of the economy compliments the subsistence portion.		
12 13 14 15 16 17	13.	Saxman's population of 431 is well below the 2,500 person threshold and the population has been stable.		
17 18 19 20 21	14.	Most Saxman residents are from families who have lived there for generations.		
21 22 23 24 25 26 27	15.	Some Saxman Native Corporation residents live in Ketchikan and do not qualify for the Federal subsistence provisions at this time.		
27 28 29 30 31 32 33 34 35 36	16.	Some Saxman residents work in the timber harvesting, saw mill, pulp mill industries in the '80s and '90s and these industries have now closed down. There are fewer industrial or urban employment opportunities for Saxman and residents at present time.		
37 38 39 40 41	17.	Seasonal tourism jobs have increased in recent years and culture presentations employee some Saxman residents.		
42 43 44 45	18.	Seasonal tourism jobs provide some of the cash needed to support subsistence activities.		
46 47 Council, would	So the recommendation of No. 9, of the Council, would be to include the Ketchikan area and exclude the Saxman area. That would be our recommendation.			

1 Mr. Chair. 2 3 CHAIRMAN DEMIENTIEFF: I think what we'll 4 do is deal with the two communities separately. It's 5 clear to me from the testimony that we've had, from all the information that's gathered about Saxman, from my б point of view, there's no reason to make any changes 7 there. I think in dealing with Ketchikan I'll use my 8 arguments there, but clearly Saxman doesn't need to be 9 10 reviewed. 11 12 So I think we'll just deal with Saxman 13 first. 14 15 DR. KESSLER: Mr. Chair. 16 17 CHAIRMAN DEMIENTIEFF: Yes. 18 19 DR. KESSLER: I'd move to advance the 20 Ketchikan area for further analysis of that question, 21 whether to include Saxman. So I want to advance that 22 question for analysis and leave the motion at that. 23 24 I think that the question regarding the 25 areas of further growth and development should be 26 addressed in a separate motion. 27 28 CHAIRMAN DEMIENTIEFF: There is a motion, 29 is there a second. 30 MR. EDWARDS: Just for clarification, 31 32 what would that leave out? 33 34 DR. KESSLER: Okay, I think we 35 potentially have three things going on. 36 37 Is a possibility that Mr. 1. Littlefield's surfaced of whether 38 Ketchikan should be added to 39 40 examine the question of its 41 potential rural status. 42 43 That's one. 44 45 Whether we should advance 2. 46 analysis on the question looking 47 at the relationship of Saxman to 48 Ketchikan. 49 That's the second one. And that's the 50

1 one my motion addresses. I think a third idea here is advancing analysis to look at areas of further growth and 2 3 development in the Ketchikan vicinity outside the current 4 nonrural boundary. i think that's sufficiently distinct 5 from the very important question about Saxman that I would suggest that that is dealt with separately. 6 7 8 CHAIRMAN DEMIENTIEFF: What I was asking 9 for in terms of the motion is just to leave Saxman as it 10 is and then deal with the situation of Ketchikan. Is 11 there a second to her motion. 12 13 MR. OVIATT: To further discussion I'll 14 second the motion. 15 16 MS. GOTTLIEB: Mr. Chair. 17 18 CHAIRMAN DEMIENTIEFF: Yes. 19 20 MS. GOTTLIEB: Could we repeat the motion 21 one more time, please? 22 DR. KESSLER: I move to advance the 23 24 Ketchikan area for further analysis of whether to include 25 Mr. Chairman, in the Ketchikan nonrural area. 26 27 CHAIRMAN DEMIENTIEFF: Gary, go ahead. 28 29 MR. EDWARDS: Mr. Chairman. I certainly 30 concur with the motion and I am going to plan to vote in 31 favor of the motion. I just don't see how we cannot, 32 given the situation. I certainly listened to all the 33 testimony yesterday and there were obviously some 34 persuasive arguments but I think the nature and the 35 relationship between the Saxman community and Ketchikan 36 needs to be looked at and reminded that every time the 37 DeNaina folks come in here I always leave with a, not 38 necessarily heart, but a concern that if, you know, 39 there's one group of Native people at least in my mind 40 that have ties to the subsistence lifestyle that goes way 41 back to prehistoric times it's those folks and we're not 42 able to sort of kind of reach down and separate that out 43 from the bigger community that they're in and I just 44 don't think that -- in this case, I think, we, at a least 45 a minimum need to take a look at this. 46 47 CHAIRMAN DEMIENTIEFF: Niles. 48 49 MR. CESAR: Mr. Chairman. I believe 50 Saxman's rural. You know, I believe that, I think it's

1 demonstrated it. But I am troubled by the very thing that Gary talks about, which is, you have a community 2 which has another community who has grown up and kind of 3 4 like growing. And those familiar with that area know 5 that there really -- you know there's two ways to go, 6 either you further encroach on Saxman or you go back the 7 other way. 8 I think that in the final analysis I 9 10 would still vote for Saxman to be rural, but it would 11 help, I think, to get a clarification on whether, in 12 fact, there are some reasons -- I don't see them, that 13 they should be grouped in with Ketchikan. I don't know. 14 So I'm going to support the motion. 15 16 MS. GOTTLIEB: Mr. Chair. 17 18 CHAIRMAN DEMIENTIEFF: Judy. 19 20 MS. GOTTLIEB: There's just a few things 21 we have in our documents as well as things that we've 22 heard over the last few days, Saxman's population has 23 increased since 1990, but it's certainly well below the 24 2,500 threshold and we haven't had a lot put on the 25 record of sort of what's changed for Saxman itself. 26 27 We've got a lot of letters and testimony 28 that, Saxman, who kind of self-identified as being very 29 separate from Ketchikan, that they're not integrated very 30 much with Ketchikan except for some of the aspects as in 31 schools and work that they pretty much have to be, I 32 suppose. But to me that means they are very separate and 33 I also heard them say they have a separate city 34 government, separate medical services, separate, you 35 know, infrastructure, water, sewer those kinds of things. 36 And even though the school is shared, it doesn't sound 37 like it was kind of socially shared. 38 And I also guess, didn't hear, that --39 40 from the Ketchikan testimony that they felt Saxman was 41 part of Ketchikan. 42 43 So those are just a few of the 44 observations from what we have in our written materials 45 and the information we gathered yesterday and today. 46 47 CHAIRMAN DEMIENTIEFF: Well, certainly I 48 intend to vote against the motion as is it's presented. 49 If there was an amending motion to delete Saxman I could 50 certainly support that and would vote the motion to go

1 revisit Ketchikan itself, but they have truly identified 2 themselves to be an independent community. So I intend to vote against the motion. But I do want to go to 3 4 Ketchikan, I want to look at Ketchikan but I don't want 5 to worry the folks in Saxman, they just demonstrated б strongly that they're separate. 7 8 And that's all I can say. 9 10 DR. KESSLER: Mr. Chairman. Just to 11 clarify, I've already done the separation that you're 12 looking for. So that this motion only speaks to the 13 Saxman question, and then the further consideration of 14 the more Ketchikan questions would be done separately, so 15 I've already made that separation. 16 17 I'd like to speak to my motion. I really 18 believe we need to proceed with analysis to fully 19 understand and substantiate the question here at hand 20 which is the degree to which Saxman is or is not 21 integrated with the Ketchikan community. I mean that's 22 the question at hand or more specifically, in what ways 23 has that situation changed or very importantly not 24 changed from before. 25 26 I think that unlike some other cases 27 we're addressing in this review, this one does not have 28 the simplicity of a numbers threshold. It's more complex 29 that that. It requires an examination of a variety of 30 relationships within and between the Saxman and Ketchikan 31 communities. Those relationships will be an important 32 part of the analysis. But as Ms. Gottlieb pointed out, 33 we have been shown a lot of information that speaks to 34 Saxman's identity as a separate community. I think it's 35 very important, though, that that information be allowed 36 to carry the day and have the light of examination 37 through the process that is integral to this review. 38 CHAIRMAN DEMIENTIEFF: John. 39 40 MR. LITTLEFIELD: Thank you, Mr. Chair. 41 42 Of course, some of those comments I don't agree with. 43 44 I think Saxman is kind of a unique 45 community that's on any road system or anywhere where 46 it's surrounded by a rural area because it is an Indian 47 Tribe, it's unique. It has its own government. And they 48 made a request, which I did not get a response on that 49 Staff support that I thought was fair because there is a 50 trust responsibility to that village that is different to 1 Clam Gulch or Moose Pass or any of these other communities. 2 2 4 You're a Federal Board and you're charged 5 with doing things in behalf of Indian Tribes. And I б think that you owe some deference to them, either if you were to include them that you need to help them as they 7 asked, because they are a different entity than any 8 other. They area an Indian village that sits by 9 10 themselves, they're recognized by the BIA, this is a 11 different entity than what you're talking about. 12 13 So I fully support Saxman being rural. I 14 think it's rural. I think that they demonstrated that by 15 the evidence and you said what has changed, nothing's 16 changed. But if you do the analysis of Ketchikan for a 17 group, you kind of look at it anyway. But I think Saxman 18 should stand on its own as it is and recognizing those, I 19 would ask that you not include them. But if you should, 20 I would also ask that you review the question of Staff 21 support because it's kind of a unique question in 22 Saxman's case. And if the BIA, or the Forest Service or 23 other agencies specifically can help them then I would 24 ask that you give that help. But I think that this Board 25 could give them that help through Staff support because 26 they are unique too. 27 28 That's my perception on that. Thank you. 29 30 CHAIRMAN DEMIENTIEFF: Gerald. 31 MR. NICHOLIA: Yeah, I kind of back up 32 33 John a little, too, but another thing that this Board 34 doesn't consider is the cost involved of going out there, 35 and where is all the money going to come from, and do 36 these Board members just sit here and take testimony and 37 take what the Staff gives you without really 38 understanding the livelihood of the people. 39 40 And like I said before, is that if you do 41 the wrong determination and declare them nonrural, are 42 you really doing a service to the Federally-qualified 43 users. 44 45 MR. EDWARDS: Mr. Chairman. 46 47 CHAIRMAN DEMIENTIEFF: Gary. 48 49 MR. EDWARDS: I think I want to clarify 50 we're not making any determination as to whether Saxman

is rural or nonrural, the motion as I understand it is 1 that we would look to see whether it should be included 2 as part of the vicinity of Ketchikan, and at this point 3 4 that's only what we're doing. 5 б CHAIRMAN DEMIENTIEFF: Niles. 7 8 MR. CESAR: Mr. Chairman. I agree with 9 Gary, I don't think and nor would I support moving 10 towards making Saxman nonrural. I think, if that, in 11 fact, were to happen it's a long ways away. And the 12 reason that I support this particular motion is I think 13 there are questions raised and questions that I don't 14 think that have been a examined enough to satisfy me in a 15 final analysis as a Board member. I mean I'm the guy 16 that's got to make this vote and I want to be satisfied 17 in my mind. 18 19 I believe that it is not -- my mind will 20 not change and I will still vote Saxman rural. I am very 21 familiar with my trust responsibility and Saxman is not 22 unique. Saxman is a tribe, there are many tribes who are 23 separate and apart from everybody else, you know, it is 24 unique in one factor and it's really not unique in that 25 factor. Eklutna, as Gary has pointed out to me before, 26 is Anchorage, you know, pretty much. And yet they are, 27 in fact, a separate unique Indian community. 28 29 We have others, is all I'm saying. 30 31 And I think that, at least, I do, review 32 these things in my mind as we go and I don't reach a 33 conclusion that they are or not being served their trust 34 responsibility in terms -- because the trust 35 responsibility for Native people in Alaska centers on the 36 land, I mean that's what we're about is the land. The 37 tribes will exist, have existed forever, will continue to 38 exist, but the trust responsibility lies with the 39 property. 40 41 CHAIRMAN DEMIENTIEFF: John. 42 43 MR. LITTLEFIELD: Thank you. I just had 44 one follow up and something got glossed over, no one gave 45 me the answer, and that was to the very first thing that 46 I brought up in the Regional Council recommendations that 47 I still think is very important, it's important for the 48 other Councils as well, and hopefully they would take a 49 position on it, and it's the position of our Council. 50

216

When you consider take you need to give 1 deference to the Councils. We have not got a decision 2 from anybody on this Board whether that is good, bad, 3 4 ugly or whatever except the two statements that were in 5 the Decennial Reviews, and I would like to get a feeling 6 of what the Board thinks on that because certainly it is our belief that take is what due deference and 7 8 urban/rural is a take. So if you can answer that question for me before it gets lost in the other things, 9 10 I would appreciate that. 11 12 MR. GOLTZ: .805 requires that the Board 13 give deference to the Councils on matters of take. The 14 common understanding of take is seasons and bag limits, 15 methods and means. What you're referring to, the issue 16 of rural is really a precondition for take. 17 18 So our conclusion has been that deference 19 is, in fact, due for taking recommendations but not for 20 the primary questions of rural determinations. And 21 that's the way the Board has been advised and that's why 22 you see that statement in the Staff analysis. 23 24 DR. KESSLER: Mr. Chair. 25 26 CHAIRMAN DEMIENTIEFF: Yes. 27 28 DR. KESSLER: There's one more concern I 29 wanted to address, and Mr. Nicholia raised this and Mr. 30 Littlefield, not just on this point but earlier in the 31 day, and that is the concern that communities that are 32 advanced to further study will incur a huge and costly 33 effort to search out new information, and I don't 34 envision that to be the case. 35 Rather, the review process so far has 36 37 uncovered a great amount of information that has bearing 38 on the questions at hand. There's a wealth of 39 information there. The problem is that information is, 40 at this point, some of it pretty raw, some of it still 41 disjointed. It takes many different forms. So the 42 purpose of an analysis is to bring order out of the 43 chaos, so to speak, to give structure to this wealth of 44 information so that a clear picture emerges of Saxman's 45 situation. 46 47 So I don't envision that there'd be a big 48 information seeking need that would be a significant 49 burden, rather it would be a service in bringing clarity 50 to Saxman's situation.

1 Thank you. 2 3 CHAIRMAN DEMIENTIEFF: Anybody else have 4 anything. 5 б (No comments) 7 CHAIRMAN DEMIENTIEFF: Again, I realize 8 this train has also left the station but, you know, I'm 9 10 going to vote in the other direction just because I 11 believe Saxman doesn't need looking at and I've already 12 said that. 13 14 So all those in favor say aye. 15 16 IN UNISON: Aye. 17 18 CHAIRMAN DEMIENTIEFF: Those opposed, say 19 nay. 20 21 Nay. 22 23 (No opposing votes - other than Mr. 24 Chairman) 25 26 CHAIRMAN DEMIENTIEFF: It's one of those 27 I knew I was going to lose and I don't really mind losing 28 it because I want to go to Ketchikan to -- I want to look 29 at Ketchikan, a lot of things have changed there. But I 30 didn't want to revisit Saxman, that's all. 31 32 It can be done administratively also 33 before we ever go to a Proposed Rule, and it very well 34 likely because we've all heard the testimony and 35 understand that nothing's changed. 36 37 MR. CESAR: Mr. Chairman. This is one of 38 these votes that I hated to win, quite frankly, you know. 39 I didn't want to be on the prevailing side. But I think 40 the reason we're doing it is correct so that's what I 41 did. 42 43 CHAIRMAN DEMIENTIEFF: What else we got, 44 Tom. 45 46 MR. BOYD: Mr. Chair. I believe that Ms. 47 Kessler -- Dr. Kessler's motion was one part of perhaps 48 another and another, so I think it's a work in progress, 49 if you will, Mr. Chair. 50

1 DR. KESSLER: I have two more to propose. 2 3 CHAIRMAN DEMIENTIEFF: Go ahead. 4 5 DR. KESSLER: So let's take the second 6 one. I make a motion to advance the Ketchikan area for further analysis of whether to include areas of further 7 8 growth and development outside of the current nonrural 9 boundary. 10 11 So it's analysis of whether, given the 12 growth and development occurring in that area, whether 13 additional areas need to be examined. 14 15 CHAIRMAN DEMIENTIEFF: Is there a second. 16 17 DR. KESSLER: It was the second part of 18 our.... 19 CHAIRMAN DEMIENTIEFF: Right. Is there a 20 21 second to that motion. 22 23 MS. GOTTLIEB: I'll second. 24 25 CHAIRMAN DEMIENTIEFF: Discussion. 26 27 MR. EDWARDS: Mr. Chairman. Again, Dr. 28 Kessler, I'm unclear exactly what that means and what 29 that would include so I'm trying to -- because, at least 30 it's my understanding that currently the whole area down 31 there, except for Saxman is currently nonrural; isn't 32 that correct? 33 34 CHAIRMAN DEMIENTIEFF: Larry. 35 36 MR. EDWARDS: I mean as rural -- no, 37 nonrural, excuse me, so I'm not sure what else gets 38 included in that or would that actually allow us to 39 exclude some other areas; I'm not sure what it means? 40 CHAIRMAN DEMIENTIEFF: Well, Staff has 41 42 looked at it, let's go ahead and call on Larry. 43 44 MR. BUKLIS: Thank you, Mr. Chairman. 45 The Figure 6 in your November report shows the Ketchikan 46 area as we currently define it and you've spoken to the 47 Saxman area, which, as Mr. Littlefield referred to as an 48 enclave, this second portion of the motion, this second 49 motion speaks to the boundary line that currently exists 50 along the North Tongass Highway and the South Tongass

Highway and whether the current boundary should be 1 expanded further along that road system to the north and 2 3 to the southeast from the current boundary. 4 5 That would be what we would look at. 6 7 MR. EDWARDS: And assuming then that 8 there are people that live out there? 9 10 MR. BUKLIS: Yes, Mr. Chairman. 11 12 DR. KESSLER: Mr. Chairman. 13 14 CHAIRMAN DEMIENTIEFF: Yes. 15 16 DR. KESSLER: I understand that there's 17 considerable growth going on there and expansion and 18 that's why this question came up. 19 20 MR. OVIATT: Mr. Chairman. 21 22 MS. GOTTLIEB: Mr. Chair. 23 24 CHAIRMAN DEMIENTIEFF: Yes. 25 26 MR. OVIATT: I'm going to support Dr. 27 Kessler's motion because I think that we do need to look 28 at those outlying communities further north and further 29 south or at least the people who live there and determine 30 if they're a part of Ketchikan or not, so I'm going to 31 support it, I believe we do need to have this study. 32 33 CHAIRMAN DEMIENTIEFF: Thank you. Judy. 34 35 MS. GOTTLIEB: I guess my question would 36 be, and not knowing the exact geography north or south 37 there, but if we reexamine the area currently nonrural we 38 would hopefully look at either expanding it or 39 contracting it or leaving it the same. 40 41 MR. BUKLIS: Mr. Chairman. 42 43 CHAIRMAN DEMIENTIEFF: Larry. 44 45 MR. BUKLIS: I know there's a third part 46 of the motion coming, but as it stands, the proposed work 47 in the report and the motion as I understood it, would 48 be, the Staff assignment would be to look at a grouping 49 issue of those areas outside of the current nonrural 50 boundary, and whether they should be included within the

1 nonrural boundary. I know the rural/nonrural status of the whole area is another issue. But the issue, as I 2 3 understand this piece of it is, should the nonrural 4 boundary be examined to the north and to the southeast. 5 6 It wouldn't be a contraction. It's 7 whether these areas, not in the group now, are, in fact, integrated and should be part of the group. 8 9 10 CHAIRMAN DEMIENTIEFF: Further 11 discussion. 12 13 MR. EDWARDS: Mr. Chairman. 14 15 CHAIRMAN DEMIENTIEFF: Gary. 16 17 MR. EDWARDS: I guess on that I'd say is 18 that, you know, being consistent -- trying to be 19 consistent with how we have addressed some of these 20 others, I plan to vote in favor of the motion. 21 CHAIRMAN DEMIENTIEFF: Yeah, I tend to 22 23 agree because we did get some evidence there are some 24 changes. I lost on Saxman, that's going to get included 25 somewhere in the mix, but I understand there are some 26 changes in the other areas that this is intended to 27 question so I intend to support the motion. 28 29 MS. GOTTLIEB: Mr. Chair. 30 31 CHAIRMAN DEMIENTIEFF: Judy. 32 33 MS. GOTTLIEB: I'm in agreement, it does 34 look like the population in the outlying areas from 35 Ketchikan has increased between 1990 and 2000 and so I 36 think that would be worth taking a look at. 37 38 CHAIRMAN DEMIENTIEFF: Anybody else. 39 40 (No comments) 41 42 CHAIRMAN DEMIENTIEFF: Hearing none, all 43 those in favor signify by saying aye. 44 45 IN UNISON: Aye. 46 47 CHAIRMAN DEMIENTIEFF: Those opposed, 48 same sign. 49 50 (No opposing votes)

1 CHAIRMAN DEMIENTIEFF: Motion carries. 2 3 Wini. 4 DR. KESSLER: Ready to move on. 5 б 7 CHAIRMAN DEMIENTIEFF: Please. 8 9 DR. KESSLER: Okay. My third motion is I 10 move that Ketchikan be added to the list for analysis of 11 its nonrural status. 12 13 CHAIRMAN DEMIENTIEFF: There's a motion, 14 is there a second. 15 16 MR. EDWARDS: Could you restate your 17 motion. 18 19 DR. KESSLER: I move that Ketchikan be 20 added to the list to undergo further analysis, to undergo 21 analysis of its nonrural status. 22 23 CHAIRMAN DEMIENTIEFF: Is there a second. 24 25 MR. CESAR: I'll second. 26 27 CHAIRMAN DEMIENTIEFF: It's been 28 seconded. 29 30 Discussion. 31 32 MR. CESAR: Because it has been declared 33 nonrural and has been declared nonrural for, you know, a 34 lengthy time, it was mentioned in the legislation, in my 35 mind I'm trying to grapple with the change that's 36 precipitating our review of it again. 37 38 I'm just unsure. And what do we hope to 39 gain? Do we hope that this analysis will, like the other 40 analysis, show dramatic change or what is it that we're 41 looking at Larry? 42 43 CHAIRMAN DEMIENTIEFF: Larry. 44 45 MR. BUKLIS: Mr. Chairman. This wasn't 46 an analysis that was in your proposed package that went 47 out in July. Comment came back about the proposed 48 package and that comment included public comment and a 49 Council recommendation saying that -- or recommending or 50 asking that the Board reexamine the rural/nonrural status

of Ketchikan, but it's not something that's come out of 1 your initial proposed package. It's grown out of the 2 3 public comment, the Council recommendation and the Staff 4 Committee recommendation that Mr. Probasco summarized 5 recommended Ketchikan for further analysis. 6 7 MR. CESAR: Thank you. 8 9 MR. EDWARDS: Mr. Chairman. 10 11 CHAIRMAN DEMIENTIEFF: Thank you. Gary. 12 13 MR. EDWARDS: Mr. Chairman. You know, 14 this was a community that, if I'm correct, was 15 specifically identified by Congress as characteristic of 16 a community of being nonrural. I recognize there has 17 been a population drop there but it is significantly 18 higher, as far as its existing population, than any of 19 the communities that we have looked at. Even using some 20 of the Chairman's -- RAC Chairman's own data in areas 21 such as wildlife use, it's only 34, which is just 22 slightly above Seward and way below the average of 224. I 23 just don't see any basis to proceeding to add that to the 24 list. So I'd vote against the motion. 25 26 CHAIRMAN DEMIENTIEFF: Anybody else. 27 John. 28 MR. LITTLEFIELD: Thank you, Mr. Chair. 29 30 31 In response to that a little bit, I think 32 one of the things that we talked about was the specific 33 lack of data which is in the State archives on Juneau, 34 Ketchikan, Fairbanks, Anchorage and all those other rural 35 [sic] areas, and we've gone on record before that we 36 believe that studies should be undertaken to look at 37 those because the 34 pounds is probably very light. 38 We held two meetings, I participated in 39 40 the focus group for the ISER study, we held two meetings 41 in Saxman and Ketchikan and only one person in any of 42 those meetings felt they weren't rural. And they were 43 all able to justify the criteria that are used in 16. 44 They all had characteristics of a rural community, and 45 given that the area is changing, I mean ANILCA 46 specifically talks about increasing pressure, well, I 47 think it deserves a look. I understand as well as you 48 do, that it has a tough fight, but it's something that 49 should be looked at. Are the characteristics worth 50 taking a look at this and asking whether it can be

included, and nothing precludes you from adding one, you 1 were considering adding Sitka to a nonrural area even 2 though it wasn't in there and no one has taken Barrow 3 4 out. I don't think it's static, it has a much tougher 5 threshold, I do agree to that. 6 7 But we need some better numbers, and I 8 think that those fish and wildlife use would increase. 9 That's my personal perception. 10 11 The Ketchikan Gateway Borough number 12 includes all of these areas. It includes the areas out 13 the road and everything so it's pretty expansive. We're 14 talking about Ketchikan and I think it's worth the 15 analysis to go ahead and take a look at it. And as the 16 six members of the Interagency Staff Committee, I'd like 17 to say, I'm happy to agree with them for once, they did 18 recommend that you take a look at this and I think it's 19 worthwhile use of government funds. 20 21 MR. EDWARDS: Mr. Chairman, if I may ask 22 Mr. Littlefield. 23 24 CHAIRMAN DEMIENTIEFF: Gary. 25 26 MR. EDWARDS: Was your Regional Advisory 27 Council, was it unanimous on this? 28 29 MR. LITTLEFIELD: Through the Chair, yes, 30 Mr. Edwards, we were unanimous on all of these 31 recommendations on Ketchikan, Sitka and Saxman, 32 unanimous, as well as the deference, and as well as 33 requesting support. If I remember right they were all 34 unanimous votes. I'll check the record here. 35 36 MR. CESAR: Mr. Chairman. 37 38 CHAIRMAN DEMIENTIEFF: Yes. 39 40 MR. CESAR: Ketchikan's a large area and 41 in as much as we don't have data, would you comment, 42 Larry, Pete on what's entailed with doing an analysis of 43 Ketchikan? 44 45 MR. BUKLIS: Mr. Chairman. Our approach 46 would be to gather, compile, analyze and report to you 47 available information that provides a profile of the 48 characteristics of the community, in this case, 49 Ketchikan, if you move in this direction, consistent with 50 the regulations. And we've talked about those elements

1 of the characteristics; economic development, infrastructure, fish and wildlife use, et cetera. If 2 3 data aren't available to us we don't have a system in 4 place to mount a study to gather the data. It's a 5 compilation of best available information. 6 7 MR. CESAR: I guess that's where I was kind of headed. I mean unlike a review of some other 8 places, it would seem to me, and, at least, from my 9 10 uninformed position, it would take a little more -- maybe 11 a lot more effort and resources to do this and can you 12 accomplish it in some time certain? 13 14 MR. BUKLIS: Mr. Chairman. Not within 15 the timeframe of this review process that we have laid 16 out. Our intent is to report back in the spring of the 17 coming year for a June Board work session, at which you 18 would develop a Proposed Rule for fall Council window 19 comment period and public comment for a December '06 20 decision meeting. I don't think we could plan, mount and 21 report on a subsistence use study in Ketchikan even if we 22 had the funds. 23 24 MR. CESAR: Again, Mr. Chairman, just to 25 follow up, I mean I guess that's where I'm going. I 26 don't want to have people in Ketchikan thinking that this 27 is going to be a quick deal and then we're going to come 28 to some decision on it. And I think in this particular 29 case it's going to take some time and resources and 30 everybody needs to understand that if we head in this 31 direction that that's what's called for. 32 33 MR. EDWARDS: Mr. Chairman. 34 35 CHAIRMAN DEMIENTIEFF: Gary. 36 37 MR. EDWARDS: I mean not knowing at which 38 direction this vote may go, I guess what I'm trying to 39 understand, assuming let's say that the motion passed, 40 then that doesn't make our other two things we voted on 41 somewhat moot because certainly if you would ultimately 42 reach the decision that Ketchikan was rural, then it 43 seems by assumption that the outlying areas, as well as 44 Saxman be also rural. I mean I can't imagine a situation 45 where we would find Ketchikan to be rural and Saxman 46 being nonrural, so I'm just trying to understand what the 47 implications and then what might -- again, not knowing 48 how the vote's coming out, and how we would proceed. 49 50 CHAIRMAN DEMIENTIEFF: Larry, and then

Pete. 1 2 3 MR. BUKLIS: Mr. Chairman. The sequence 4 would be to assess the recommended grouping and then the 5 characteristics of that group. The regulations call for us to consider communities in the aggregate so we would б have to identify what the aggregate is, and then assess 7 8 its characteristics. 9 10 CHAIRMAN DEMIENTIEFF: Pete, did you have 11 something. 12 13 MR. PROBASCO: (Shakes head negatively) 14 15 MR. LITTLEFIELD: Mr. Chair. 16 17 CHAIRMAN DEMIENTIEFF: John. 18 19 MS. GOTTLIEB: Mr. Chair. 20 21 MR. LITTLEFIELD: Just a short comment. 22 Mr. Edwards asked the question whether the votes were 23 unanimous, I looked it up and, yes, they were all 24 unanimous on all of those recommendations. 25 26 CHAIRMAN DEMIENTIEFF: Thank you. Judy. 27 28 MS. GOTTLIEB: I had a question to the 29 maker of the motion, when you say add Ketchikan to the 30 list, do you mean the CDP area or the entire area that is 31 outlined as nonrural right now? 32 33 DR. KESSLER: The concerns I heard 34 expressed, people were feeling -- expressing the view, 35 brought forth information that the Ketchikan unit that is 36 now nonrural has changed in some ways that would merit an 37 examination to identify whether those changes were 38 sufficient to merit a possible change in status. So it 39 would be the current nonrural unit, examine its pertinent 40 information to inform ourselves on whether that change 41 has occurred and whether it might be a consideration. 42 43 And I would certainly not want to 44 presuppose any conclusions or outcomes here. I think 45 that we heard from people who thought that there were 46 things going on in the community that merited a closer 47 look. And, again, I think there's, as I've said before, 48 there's everything to be gained and nothing to be lost by 49 examining the full array of information. And I think, 50 therefore, that we should take that look. If there's one

1 pattern to my voting here, you might have noticed, is to be inclusive. So, again, I think that by being inclusive 2 3 you allow the scrutiny, you allow the facts to be 4 brought, you allow the picture to be formed on which 5 conclusions can be drawn and then an informed decision-6 process. 7 8 CHAIRMAN DEMIENTIEFF: Niles. 9 10 MR. CESAR: Mr. Chairman. It's my 11 understanding that Ketchikan being named in the 12 Legislation was not examined. I mean we did not do a 13 review of Ketchikan at all; is that correct? 14 MR. BUKLIS: Mr. Chairman. The reference 15 16 was that -- I think it's the Legislative history, 17 Ketchikan was mentioned or named as an example of a 18 nonrural place. And in terms of the program, the initial 19 rural/nonrural determinations in 1990 included Ketchikan, 20 we didn't skip it because it was -- we didn't skip any 21 review of its characteristics because it had been so 22 named. It was part of the assessment. 23 24 CHAIRMAN DEMIENTIEFF: So we all do 25 understand the one thing and we've heard Staff say that 26 this can't be done in this cycle, that it's going to be 27 taken care of independently, isn't that what I heard you 28 say Larry, I'm sorry? 29 30 MR. BUKLIS: Mr. Chairman. Of course we 31 stand at the direction of the Board, but what I was 32 trying to say is, the review that we are in the midst of 33 uses best available data to compile information and 34 report back to you. So if there's an expectation that 35 this program would mount a study to provide better 36 information than currently best available, that's not 37 part of the plan. Unless directed otherwise, our plan is 38 to stay on the calendar we're on and use best available 39 data to work through the review. If the best available 40 isn't as good as we would like, our direction is still to 41 work with the best available. 42 43 MR. CESAR: Mr. Chairman. It just seems 44 to me like we are building expectations here that may or 45 may not be realized and I'm concerned about that. That 46 if we're not really -- we're going to use the best 47 available data that we have and I guess I'm troubled by 48 that that we're not going to do up to date stuff to give 49 us some direction why we should be changing off of this 50 and I just don't know. I'm just troubled by that.

227

1 MS. GOTTLIEB: Mr. Chair. 2 3 CHAIRMAN DEMIENTIEFF: Yes. 4 5 MS. GOTTLIEB: I know I did hear an offer 6 by Ketchikan Indian Community that they would try to do a 7 study, which would hopefully be timely for our process so 8 maybe there's a way we can keep track of that. 9 10 MR. CESAR: Mr. Chairman. 11 12 CHAIRMAN DEMIENTIEFF: Yes. 13 MR. CESAR: Again, I would assume then 14 15 that any study that brings current information has to 16 include the community because we're talking about the 17 community as a whole, we're not talking about the Native 18 community only, we're talking about the community. 19 Because if we make a move in that direction it includes 20 the community. 21 22 CHAIRMAN DEMIENTIEFF: Yes. Gary. 23 24 MR. EDWARDS: Mr. Chairman. I'm still 25 trying to kind of work through this order. On the motion 26 that we made, or that was approved on Saxman, the motion 27 was that it be considered for whether it should be 28 aggregated or included with Ketchikan. Now, assuming we 29 do nothing with Ketchikan, if we act upon that motion in 30 the affirmative and say yes, then does that automatically 31 make Saxman nonrural because Ketchikan is nonrural or 32 would that actually automatically force us to look at, 33 then the broader question now, what does this new 34 aggregate look like? Because certainly if the decision 35 was to include Saxman then just by its consumption of 36 food changes the dynamics of Ketchikan because you're 37 going to be now dividing X amount of -- more pounds into 38 a larger number of people, so some things will change, so 39 I'm still trying to understand how this thing would 40 proceed. And that's why, I guess, I'm not totally 41 convinced if you do the aggregation first, make that 42 decision, and then I guess if this motion does pass, then 43 you would take a look at the whole thing, including 44 Saxman or what? I mean it seems to me maybe the more 45 logical thing to do first is to make the decision whether 46 Ketchikan is rural or nonrural and if you make the 47 decision that it's rural, then you don't have to do the 48 other two. 49 50 I mean I don't know, I'm just trying to

1 think through the whole process. 2 3 CHAIRMAN DEMIENTIEFF: I would think that 4 what we'd do is deal with it the way the Board has dealt 5 with the issue already, you know, we've established a 6 pattern of how we're going to deal with it. You have the one rule that gives us the opportunity to move Saxman out 7 and then consider whether or not, and I -- I think this 8 is one of those that can be done administratively, you 9 10 know, prior to advancing the Proposed Rule. And I think 11 the request for information is certainly there and we 12 need to see if there's anything different. 13 14 So I guess I support the motion. But 15 we'll talk about that and find out how we're going to 16 deal with it, but my recommendation is that we deal with 17 it the same way we dealt with this now when we get to 18 that decision point on the Proposed Rule. 19 20 DR. KESSLER: Mr. Chair. 21 22 CHAIRMAN DEMIENTIEFF: Wini and then 23 Niles. 24 25 DR. KESSLER: I'm not struggling quite 26 the degree you are there Gary because my view we're 27 simply today deciding whether to study things or not. 28 And the questions that need to be studied are quite 29 different. I mean on the Saxman question, the basic 30 question is, one of the degree of integration or 31 nonintegration between two communities. That's a pretty 32 straightforward question. 33 34 The one on Ketchikan is, has there been 35 significant change in Ketchikan's situation that would 36 suggest that it, even though it's a community over a 37 major threshold, that you would have sufficient rural 38 characteristics to be considered as a possible rural 39 community, so it's quite a different kind of thing. 40 41 But the important thing being that what 42 we're doing is just deciding whether to study something 43 or not. 44 45 CHAIRMAN DEMIENTIEFF: Larry. 46 47 MR. BUKLIS: Thank you, Mr. Chairman. A 48 couple of comments that I'd like to respond to. One is 49 on the study component. While community partners may be 50 interested and prepared to join with resource agencies in

1 conducting studies, and that's a good thing, my understanding and maybe the State could speak to it from 2 their experience as well, but a well planned, a well 3 4 conducted and well reported community harvest study for a 5 community as large as Ketchikan takes some time. And the 6 timeline that we are on with this review is ambitious and 7 full as it is, simply using best available data available 8 readily to us already. Q 10 We're coming upon the December/January 11 season, in the new year to get this draft report ready 12 for the Staff Committee review, we're looking at 13 March/April time period to wrap this up. We're looking 14 at just a few months in the new year and then we need to 15 be moving towards the draft report process, so I don't 16 think a community study, even with willing partners could 17 be completed well and be, you know, reliably reported in 18 these periods of weeks and months ahead. I think it's a 19 longer timeline for that kind of thing. And I don't want 20 to put a one year, two year, three year estimate on it, 21 but I think it's many months to a year or two and not 22 weeks. 23 24 And then secondly, the sequence of the 25 process, I think we would look at the grouping issues. 26 And for these grouping issues that we're talking about 27 and that you spoke to already on Saxman and the roaded 28 areas north and south of Ketchikan, like other areas you 29 spoke to, like Wasilla area, we're not -- your proposed 30 package to this point didn't raise questions about the 31 rural/nonrural status of Wasilla area as it exists, for 32 example, the question was should outlying areas like 33 Willow be included. We wouldn't reanalyze the Wasilla 34 area's rural/nonrural status. So using that as a 35 parallel, the Wasilla area is currently considered 36 nonrural. The question is a specific and small one. 37 Should that boundary now include an outlying area, that 38 inclusion would make that area nonrural, it would join 39 the nonrural area. 40 The Saxman and north and south roaded 41 42 areas of Ketchikan are parallel. The situation is, 43 should we analyze whether they should be included in that 44 nonrural area. It's not our decision, but that's the 45 analysis charge. To look at the criteria you've given 46 us, proximity, connectedness, high school attendance and 47 commuting patterns as to whether those indicators point 48 towards an aggregated area or not. To this point we had 49 not been questioning the rural/nonrural status of that 50 existing area or additional aggregations to it.

1 Mr. Chair. 2 3 CHAIRMAN DEMIENTIEFF: Anyway, getting 4 back to Gary's point and my earlier comment that that's 5 something that the Staff will look at in addition to б gathering that information, but we need to map out the 7 way we're going to proceed with it because Gary's points 8 are well taken. 9 10 So as part of your charge, if this motion 11 carries, then, you know, we would expect part of the 12 Staff recommendation to include mapping out the order of 13 dealing with the issues if this is approved, and even 14 with the other two as well. 15 16 Okay, Wini. 17 18 DR. KESSLER: I just have a question for 19 Mr. Buklis. The whole point of proceeding with further 20 analysis is to illuminate the situation, and, yet, what 21 I'm hearing suggested, if I'm understanding it right, is 22 that the question, if we move ahead to further analysis 23 on Ketchikan it's nonrural status, the timeline doesn't 24 allow that analysis to be done adequately; am I hearing 25 that, which would defeat the purpose of illumination, I 26 think, and that concerns me? 27 MR. BUKLIS: Mr. Chairman. 28 29 CHAIRMAN DEMIENTIEFF: Go ahead. 30 31 MR. BUKLIS: There are multiple 32 33 characteristics for communities in terms of rural and 34 nonrural. The one I'm hearing concern about is the 35 currently available and I haven't researched it myself, 36 but the per capita pounds of fish and wildlife use in the 37 community, and that that isn't a complete or current or 38 reliable survey and that situation is attributed to the 39 fact that it's been considered a nonrural area so it 40 hasn't been well studied. There are other 41 characteristics of communities, infrastructure, economic 42 development, educational institutions, we've talked about 43 those other features and I believe there are current data 44 on those dimensions for Ketchikan as there are for other 45 communities in Alaska, rural or nonrural. But the 46 component that is fish and wildlife use may be deficient 47 and I didn't want the Board, however they vote, to think 48 that we would mount a study to address that deficiency in 49 coming weeks, that's a longer timeline, and we didn't 50 have a plan to do it nor funding.

1 DR. KESSLER: May I continue then? 2 3 CHAIRMAN DEMIENTIEFF: Yes. 4 5 DR. KESSLER: So can you feel that given 6 the other parameters of interest and the information that 7 you will be able to provide to the Board a clear picture 8 on Ketchikan's situation with respect to meeting rural or 9 nonrural characteristics? 10 MR. BUKLIS: Mr. Chairman. The Staff 11 12 could take up the assignment and could conduct an 13 analysis and we can try our best to be timely with it. 14 What I can't predict at this point is whether the 15 component, which would rest on fish and wildlife use 16 characteristics would be satisfying to you, it might be 17 dated and might be widely recognized as a poor estimate 18 of the likely true level and I can't address that 19 shortcoming with our current program or timeline. But we 20 can deliver an analysis with what we have, and that's the 21 only aspect of the analysis that I understand there is 22 likely a deficiency to expect. 23 24 MR. CESAR: Mr. Chairman. 25 26 CHAIRMAN DEMIENTIEFF: Niles. 27 28 MR. CESAR: And I guess, you know, I mean 29 I intend to vote for the motion to have it studied, but I 30 just want to bring a dose of reality to this thing, that 31 if we're looking at a change, then we're going to have to 32 have that kind of data that Larry's talking about, and 33 that data does not come from a quick review. It's got to 34 have some kind of a study done. So the reality is, this 35 is not going to happen in a short period of time and I 36 just want the Board, at least in my opinion, that if we 37 head down this road we're headed down longer down than 38 this review cycle. 39 40 CHAIRMAN DEMIENTIEFF: Tom. 41 42 MR. BOYD: Mr. Chair. I don't want to 43 mislead here, but I'm concerned about the emphasis that 44 Mr. Cesar puts on the fact that we won't have sufficient 45 information in the category of fish and wildlife use. I 46 think what I'm hearing is there's some question about it. 47 We're going to look at it. It may be sufficient for 48 purposes of this analysis or it may not be. So I'm not 49 convinced in my mind from what I've heard today that it's 50 insufficient. But I'm not going to pronounce that it is,

1 either. It's just, you know, one of those things that's 2 been raised, we need to take a hard look at it. And I 3 don't want the Board to be misled that we absolutely need 4 this information now, we don't know that, that's all I'm 5 saying. 6 7 MR. CESAR: Yeah, fair enough and I accept that. I mean I don't want to prejudge this thing 8 either. Let's see what it is, and what it is is what it 9 10 is. 11 12 CHAIRMAN DEMIENTIEFF: Judy. 13 14 MS. GOTTLIEB: Mr. Chair, thank you. I 15 guess what we've been looking at in almost all of these 16 circumstances is what's different since the last time the 17 Board faced these kinds of questions, and we did hear 18 testimony and we have some data on changes in Ketchikan 19 and so I think the issue is worthy of further study and 20 we'll make the best decision we can with the data we have 21 at the time, or do something else, but we'll make the 22 best decision we can at the time. 23 CHAIRMAN DEMIENTIEFF: Okay, are we ready 24 25 to vote. This one is a little bit more unclear, we're 26 going to go ahead, Tom, take a roll call. 27 28 MR. BOYD: Dr. Kessler. 29 30 DR. KESSLER: Yes. 31 32 MR. BOYD: Mr. Cesar. 33 34 MR. CESAR: Yes. 35 36 MR. BOYD: Ms. Gottlieb. 37 38 MS. GOTTLIEB: Yes. 39 40 MR. BOYD: Mr. Edwards. 41 42 MR. EDWARDS: No. 43 44 MR. BOYD: Mr. Oviatt. 45 46 MR. OVIATT: Yes. 47 48 MR. BOYD: Mr. Chair. 49

CHAIRMAN DEMIENTIEFF: Yes.

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MR. BOYD: Mr. Chair. I believe that 1 2 there was additional mention in testimony of Prudhoe Bay 3 and certainly that particular discussion is outside the 4 realm of the paragraph by paragraph motion that you 5 passed earlier. So if the Board wishes to bring that up б it would be in the form of a separate motion. 7 8 Thank you, Mr. Chair. 9 10 CHAIRMAN DEMIENTIEFF: What's the 11 pleasure of the Board. 12 13 MR. EDWARDS: Mr. Chairman, I'm actually 14 willing to make a motion if we could. 15 CHAIRMAN DEMIENTIEFF: Go ahead. 16 17 18 MR. EDWARDS: My motion, I guess will 19 dictate my pleasure. Before I make my motion I did learn 20 something on this, I guess I never realized before, when 21 Staff brought this to me and said that we were going to 22 -- let me see how it went, that Prudhoe Bay would no 23 longer be rural, I says, well, it's certainly not urban, 24 and then I learned that urban is not really in our 25 vocabulary, it's rural or nonrural and so I guess if 26 you're not rural and you're not urban then you're 27 nonrural, but anyway I did learn that. 28 29 So I am going to make a motion that we do 30 add Prudhoe Bay to the list of communities for further 31 analysis of their rural or nonrural status, not their 32 urban status. 33 34 CHAIRMAN DEMIENTIEFF: Is there a second. 35 36 DR. KESSLER: I'll second it. 37 MR. CESAR: Under comment, Mr. Chairman, 38 39 my whole reason for being here, Gary, is to try to get 40 you more educated. 41 42 (Laughter) 43 44 MR. LITTLEFIELD: I think the word is 45 urban. 46 47 (Laughter) 48 49 MS. GOTTLIEB: Mr. Chair. 50

CHAIRMAN DEMIENTIEFF: Judy. 1 2 3 MS. GOTTLIEB: Mr. Chair. I'll note that the Interagency Staff Committee did recommend that we add 4 5 Prudhoe Bay to the list of communities for further 6 analysis as well as the North Slope Regional Advisory 7 Council so I would support that motion. 8 CHAIRMAN DEMIENTIEFF: I also, for that 9 10 reason, support the motion. And it's something, quite 11 frankly, I didn't realize that people actually even lived 12 there. I know a lot of people go there but to live there 13 that's different, that's -- I'm curious. 14 15 A lot of these things are going to be 16 taken care of Staff analysis, you know, just because 17 we've scheduled them for further review, that is further 18 review, then we get a Proposed Rule and then we have to 19 find out a way of how we're going to develop that 20 Proposed Rule, so there we are. 21 22 But I think the issue would be fairly 23 well taken care of as far as it will be done by Staff, I 24 mean we just need to know, I mean that's Niles teaching 25 me also. 26 27 Further discussion. 28 29 (No comments) 30 31 CHAIRMAN DEMIENTIEFF: All those in favor 32 signify by saying aye. 33 34 IN UNISON: Aye. 35 36 CHAIRMAN DEMIENTIEFF: Those opposed, 37 same sign. 38 39 (No opposing votes) 40 41 CHAIRMAN DEMIENTIEFF: Motion carries. 42 What else do we have? 43 MR. BOYD: Mr. Chair, I believe that 44 45 concludes or exhausts all of the items that I'm aware of. 46 47 Thank you, Mr. Chair. 48 49 CHAIRMAN DEMIENTIEFF: Okay. Anybody 50 else got anything.

1 MR. CESAR: Mr. Chairman. 2 3 CHAIRMAN DEMIENTIEFF: Niles. 4 5 MR. CESAR: Mr. Chairman, I know we had a 6 discussion on Adak, and I was in the losing section of 7 that, so I just point that out and didn't know if anybody 8 had a brainstorm. 9 10 CHAIRMAN DEMIENTIEFF: A motion to 11 reconsider? 12 13 MR. EDWARDS: At one point I had a 14 brainstorm but after sort of discussing and reflecting 15 upon it, the storm went away so I'm going to leave it 16 stand as is. 17 18 CHAIRMAN DEMIENTIEFF: If there's no 19 motion on the prevailing party -- it must be what I want 20 to do, get this done and have a good dinner party. John. 21 22 MR. LITTLEFIELD: Mr. Chair. Just a 23 short comment. 24 25 First, I'd like to thank the Board for 26 doing their diligence and being reasonable as they 27 normally are and in this case, were, in my opinion. But. 28 there is one thing that keeps coming up and it's in the 29 back of my head, is that, these regulations are ripe for 30 change, 15 is ripe for change, and because it's Part B, 31 outside of the Regional Council's and you told us you 32 take no deference to us, I'm asking you, where'd our 33 lawyer go, how do we propose that these regulations be 34 looked at so that they may be made simple? How do we put 35 in there that we only want to look at them every 25 years 36 instead of every 10? How do we make changes to this? 37 And I think that's in your area and so we would like some 38 help and maybe we could help you craft a Part 15 because 39 that would be a Regional Council, you know, reviewing 40 policies. But it's something I think that should be 41 looked at and maybe you have some thoughts on that. 42 43 CHAIRMAN DEMIENTIEFF: Do you guys want 44 additional time to review that question? 45 46 (Laughter) 47 48 MR. LORD: Well, as you point out, John, 49 this is a Subpart B regulation, which means that it has 50 to be changed by Secretarial motion, the Board can't do

1 it. There is a process in place for proposals to go to the Secretary for changes to those regulations, it would 2 basically involve a proposal coming to the Board, the 3 4 Board would review it and pass it along to the Secretary. In turn the Secretary's office would then pass it back to 5 the Board for the Staff to develop a full analysis on it. 6 7 It would be a fairly lengthy process, but there is a 8 process in place. 9 10 CHAIRMAN DEMIENTIEFF: John. 11 12 MR. LITTLEFIELD: I submitted a hunting 13 license proposal and they told me it was Part B and 14 kicked it out. So if I was to submit a proposal to say 15 to change Part B, I would then get another letter from 16 OSM and say it's not in your purview and kick it out, I 17 want to get past that. I want to know how we can 18 actually cut to the chase and get that change made 19 because I've submitted, frankly, two proposals, hunting 20 proposals, and they were both kicked out, Part B, so that 21 won't work. 22 23 MR. LORD: Well, there are new policies 24 in place, I don't know when you did that, but we have 25 been working on a process to be able to make it happen. 26 We could talk about that off the record. 27 28 MR. LITTLEFIELD: All right. 29 30 CHAIRMAN DEMIENTIEFF: Okay, anything 31 else. 32 33 (No comments) 34 35 CHAIRMAN DEMIENTIEFF: If not, we are 36 adjourned. 37 38 (Off record) 39 40 (END OF PROCEEDINGS)

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