FEDERAL SUBSISTENCE BOARD
PUBLIC MEETING
VOLUME II
MARRIOTT HOTEL
Anchorage, Alaska
December 7, 2005
8:30 o'clock a.m.

MEMBERS PRESENT:
Mitch Demientieff, Chair
Judy Gottlieb, National Park Service
Niles Cesar, Bureau of Indian Affairs
Dr. Wini Kessler, U.S. Forest Service
George Oviatt, Bureau of Land Management
Gary Edwards, U.S. Fish and Wildlife Service
Keith Goltz, Solicitor

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PROCEEDINGS

(Anchorage, Alaska - 12/7/2005)

(On record)

CHAIRMAN DEMIENTIEFF: We're going to ask everybody to please excuse themselves for a little while, we're going to go into executive with the Board, Staff Committee and our attorney. So if everybody else could please excuse themselves we'll get started and get to work.

(Off record - 8:30 a.m.)

(Executive Session)

(On record - 9:30 a.m.)

CHAIRMAN DEMIENTIEFF: Okay, we're going to call the meeting to order. I just want to explain to people what we were doing. And procedurally we had to be clear on how we're going to proceed, it's not like we were discussing the merits of the issues in our executive session, we were actually going through a little bit of Board training of how we're going to go ahead with dealing with this because we want to make sure that we're doing the issue justice and we're considering it in a fair manner, so trust me we weren't conspiring as far as, you know, as discussing merits of the issue, we were discussing procedure and how we're going to get these issues discussed and there will be ample opportunity for everybody to participate in terms of Council members and what not.

And so I'm going to call these names that were not here yesterday, it doesn't look like I see any of them here.

Mike Williams.

(No comments)

CHAIRMAN DEMIENTIEFF: Ray Sensmeier.

(No comments)

CHAIRMAN DEMIENTIEFF: Harold Napoleon.

(No comments)
CHAIRMAN DEMIENTIEFF: And Art Ivanoff.
(No comments)
CHAIRMAN DEMIENTIEFF: Okay, I declare that public testimony is over, okay, so we're ready to move on in the agenda.

State comments.

MR. REGELIN: Thank you, Mr. Chairman.
The State of Alaska is pleased that the Federal Subsistence Board is undertaking this review.
We realize that communities are not static and their characteristics can change over time.
We believe that a detailed analysis of all of the communities that were preliminary identified is warranted and recommend that we go through and complete all 10 of these communities and areas on for further analysis and will make specific comments on individual areas at a later date.
Thank you.

CHAIRMAN DEMIENTIEFF: Of course, you will have the opportunity to discuss them, case by case, which is where we're trying to go, that you will have opportunity to participate in that discussion.
Okay, thank you.

Council recommendations. Mary.

MS. GREGORY: Yeah, I just want to thank the people who came and testified on their own behalf and also that I agree with them.
That being a Yup'ik person from my Yup'ik community, the community of Bethel, because we do a lot of hunting and fishing right in the Bethel city and surrounding villages. What they said is what I'm living. Like I told you, I eat mostly Yup'ik foods, I had two breakfasts here and then tired of the food already so.....

(Laughter)

MS. GREGORY: I would urge you to
consider the testimonies very carefully before you make
the decision in, what, a year or six months, and I will
continue to advocate for the rights of my people,
especially my elders and those young people that will
take over when we're gone.

Thank you.

CHAIRMAN DEMIENTIEFF: Grace, do you have
a comment.

MS. CROSS: I do. What I don't hear, I
think is coming from the Staff Committee, is the reasons
why some communities grew.

I think it's very important that the
Board will seriously take into consideration why have
some of those communities grown substantially. I could
just see Nome being part of the agenda 10 years from now
because we're getting a new hospital, which means a whole
bunch of new people are going to come in, there'll be
doctors, nurses and other professionals that will be
coming in with their families and start residing in Nome
increasing the population of Nome. However, the most
important thing is having a new hospital in Nome is not
going to change the status of our subsistence users.

Those are the people who are not going to be hired as
doctors, those are the people who are not going to be
hired as X-ray technicians, these are the people that are
not going to be hired as nurses. The people that we're
talking about that are subsistence users are not going to
be hired by the new hospital. They will remain
subsistence users, and there will be other people that
will grow up that will remain subsistence users.

So the change in number doesn't
necessarily mean anything. So I think it's very
important that the Board remembers that.

To me, it's very important for you to
look into why has a certain community grown so much. And
does that growth impact subsistence users or are the
subsistence users remaining in the same condition they
were despite of the new growth.

The new school in Nome brought an influx
of people but it didn't change many of us subsistence
users. There weren't no more new jobs. Because most of
the people that I know that are subsistence users are
seasonal workers to begin with and a lot of seasonal jobs
are ending because of lower construction, because there's no more monies coming from anywhere.

But I just wanted to point that out. So to me one of the most important things you need to look at is the reason for growth and how that is impacting the subsistence community, if any.

Thank you.

CHAIRMAN DEMIENTIEFF: Yes, of course, and we have to remind ourselves that these are just opening comments, and we can engage in terms of when we discuss the individual communities.

Gerald.

MR. NICHOLIA: Yeah, thank you. I have a few concerns considered in the Fairbanks North Star Borough and the Delta area.

First off, at our meeting, we would like to see the whole Fairbanks North Star Borough stay nonrural but if it expands to include Tok, Eagle and those other areas, we'd like to see those areas stay rural because of their location.

And concerning Delta, we pretty much wanted to leave Deltana, Healy Lake, Dot Lake and those other outlying areas out of that grouping.

And from what we did, we tried to put Big Delta and Delta Junction and Ft. Greely together but I have these two documents here, one from Nat Good and one from Rick Johnson, they're saying that Delta and Ft. Greely ain't the same as Big Delta and Delta Junction, so if this one from Nat Good could be taken into consideration on that i'll be good enough for me.

CHAIRMAN DEMIENTIEFF: Thank you, Gerald. I don't know if we have those on the record but you just brought those?

MR. NICHOLIA: I got this one from email from Vince. But I emailed Nat Good and then he emailed me back with his comments right here.

CHAIRMAN DEMIENTIEFF: Is that new material?
1 MR. BOYD: Yes.

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

The Secretary may choose not to follow any recommendations which he determines is not supported by substantial evidence; violates recognized principles of fish and wildlife conservation or would be detrimental to the satisfaction of subsistence needs.

If a recommendation is not adopted by the Secretary he shall set forth a factual basis and reasons for his decision.

In our opinion, the Council, the classification of a community as rural or urban determines whether any of those community's residents are eligible to undertake subsistence in any manner.

Excuse me a second here.

In essence a rural determination is an issue of taking. If you have no rural classification you cannot take any fish or wildlife under the Federal Subsistence Regulations. With a rural classification, a community may be authorized to engage in subsistence harvesting, i.e., the taking referenced in .805(c). For these reasons the Council believes that the Section .805(c) deference is due to the Council recommendations concerning the Decennial Review rural determinations and requests that the Section .805(c) procedures be followed as they are with other Council proposals on regulatory proposals concerning taking.

In many respects the Council recommendations concerning rural determinations which is Section 1.5 -- 36 CFR 242.15 is rural determinations are very similar to the Council recommendations that we make on customary and traditional use which is .6 [sic], they're both in the same section, Part B. As with rural determinations, customary and traditional findings allow or disallow a possibility that subsistence taking may occur.

Recommendations for positive C&T findings means that a community's residence may be authorized to engage in subsistence harvesting under Federal regulations. Negative C&T findings mean that no Federally-authorizes subsistence harvesting will take
place.

That's one of the points that I'd like to make in the general statements.

And the other was, perhaps just to set the tone a little bit, is I think we need to, again, look at the definition and everybody should be clear, it was mentioned in the Decennial Review that the definition in .803 as listed, and I'm not going to read all of it, but the key part is in the first sentence where it says:

Subsistence uses mean the customary and traditional use by rural Alaska residents.

And to me that's the standard of that. We're talking about customary and traditional use, which is also determination, and we're talking about rural residents; that's what we're talking about. And how we define those is in your regulations and we're going to follow those and they're defined, I don't have any problem with that. But I just wanted to say for the record that those are the standards that we should operate by. As other Council Chairs have indicated, that they had support for their speakers, I have to say that personally I agreed with most of them, too, but we have a job to do here as Council Chairs to represent the Council's will and also operate within those regulations, so that's what I'll try to do.

Even though I sympathize with Native issues, I'm a Native, I know where I'm from, I know my history, I'm going to try to confine my comments on all of these communities within the regulations and so that's what I'd ask -- I guess it's my bureaucrat speech, I wanted to make it. I felt sorry for some of those people and I really emphasize with them and I'd like to make them know that, I do, but I'm going to try to make my comments confined to the regs.

So with that, that's it, Mr. Chair.

CHAIRMAN DEMIENTIEFF: And we appreciate that because we have to stay focused, it's just too important. So appreciate your comments, John.

With that, we're going to go on to the Staff Committee recommendation and Pete will give that.
MR. PROBASCO: Mr. Chair. If you will, before we go to Staff Committee recommendation, we did have some Chairs that could not make it due to travel and weather and so our coordinators want to read the Council's recommendation into the record and so they're ready to do that, Mr. Chair.

CHAIRMAN DEMIENTIEFF: Okay, who do we go to first?

MR. PROBASCO: Let's go with Michelle.

CHAIRMAN DEMIENTIEFF: Okay.

MS. CHIVERS: Thank you, Mr. Chair. The Chair of my Council was unable to make it due to weather, so I will go ahead and read into the record what the Council recommendation was for Kodiak/Aleutians.

CHAIRMAN DEMIENTIEFF: You're going to have to get a little bit closer to that mic and speak up.

MS. CHIVERS: Sorry. The Kodiak Aleutian's Council heard public testimony from seven people and formed the following two recommendations for the Board to consider.

The first recommendation is the Council recommends withdrawal of Kodiak from the list for further analysis. The actual population does not meet the threshold for consideration. The present population is 300 persons fewer than when the census was taken. The Council also noted that a change in the numbers of people or other change in demographics does not change the moral need for subsistence for Kodiak.

The second recommendation is for Adak. The Council recommends that because of the recent tremendous changes in the population, Adak be given rural status without further study.

Thank you, Mr. Chair.

CHAIRMAN DEMIENTIEFF: Thank you. Who else do we have Pete.

MR. PROBASCO: Donald.

CHAIRMAN DEMIENTIEFF: Donald.
MR. MIKE: Thank you, Mr. Chair. Donald Mike. I'm the Regional Council Coordinator for the Southcentral region.

The Southcentral Regional Council met October 25th through the 27th in Kenai and developed their recommendations on the rural determination review. The Southcentral Council's recommendation endorses further analysis of the communities listed as proposed by the Board.

Thank you, Mr. Chair.

Anybody else.

CHAIRMAN DEMIENTIEFF: Thank you.

Anybody else.

MR. PROBASCO: And Barbara.

CHAIRMAN DEMIENTIEFF: Okay.

MS. ARMSTRONG: Thank you. For the North Slope Council.

It recommends that Prudhoe Bay be analyzed as part of the rural determinations review process and further recommends a nonrural determination. Prudhoe Bay is an industrial complex which does not have a school, store or family homes and should not be considered rural. A few people live there year-round, but virtually all of the people there are oil company employees who work at Prudhoe Bay, but reside elsewhere. The Council noted that some outsiders claim residency in one of the villages during the summer because of the benefits associated with that.

Thank you, sir.

Anybody else.

MR. PROBASCO: I believe that's it, Mr. Chair.

CHAIRMAN DEMIENTIEFF: Okay.

MR. PROBASCO: I'll go to the.....

CHAIRMAN DEMIENTIEFF: Thank you, all. And thank you for helping us out with that Pete, so go ahead with the Staff Committee.
MR. PROBASCO: Thank you, Mr. Chair. In your folders, Board Members, is the Interagency Staff Committee recommendation. I will not go through it in detail, but just highlight the majority/minority opinion.

The majority recommendation of the Staff Committee recommends that the Federal Subsistence Board approve for further analysis the 10 communities and areas proposed by the Board on July 18th of 2005. With the addition of an evaluation of the rural/nonrural characteristics of the Ketchikan area and of Prudhoe Bay.

The majority believes these communities should be advanced for further analysis rather than limiting further review. If these communities do not warrant a change in status they should be determined through a full analysis and Board consideration.

The minority recommendation was there is agreement on inclusion of most of the 10 communities and areas that were proposed for analysis by the Board. The minority of the Staff Committee recommends that the Board remove Kodiak, Sitka, Saxman from the Ketchikan area being included in No. 9, and Deltana from the group being described in 10 from the list of communities that will be further analyzed during the review of rural determinations.

Along with the majority, the minority also concurs and recommends that the communities and areas of Ketchikan, but excluding Saxman and Prudhoe Bay be added to the review list.

Both the majority/minority opinion, Mr. Chair, provide justifications for the recommendations as noted in your folders.

Mr. Chair.

CHAIRMAN DEMIENTIEFF: Thank you, very much. At this point we're ready to move on to Board deliberations.

Niles.

MR. CESAR: Mr. Chairman. In order to get the process on the table for discussion, I move to add the communities listed in the Staff report dated 11/21/05, which were approved in July by the Board and found on Pages 2 and 3, numbered 1 through 10 and to
consider those items paragraph by paragraph.

CHAIRMAN DEMIENTIEFF: There's a motion, is there a second.

MR. EDWARDS: Second.

CHAIRMAN DEMIENTIEFF: Moved and seconded. Tom, can we go through those communities based on the motion? I just want to list them so we know the order that we're going to go.

(Pause)

CHAIRMAN DEMIENTIEFF: I'm going to ask Tom if he'd list the communities that are in this motion and please understand that these are not -- that we still can bring up other communities by separate motion, but these are the ones that we are going to start with and we'll discuss and if we have additional requests for other communities we will deal with those separate, case by case, but these are the communities that we are going to deal with.

MR. BOYD: Mr. Chair. I will go through these items one through 10 in order.

1. Kodiak.
2. Sitka.
3. Adak.

These three communities have changed in population, and, therefore, were included as recommended for further analysis.

5. Kenai area.
6. Seward area.

These three were listed for further analysis to examine -- or to determine whether to exclude places and to examine the rural/nonrural status of those places independently.

7. Wasilla area.
8. Homer area.
10. Delta Junction, Big Delta, Deltana
    and Ft. Greely as an aggregate.
Mr. Chair.
CHAIRMAN DEMIENTIEFF: Okay. So we will
begin our discussion with Kodiak and we're open for Board
discussion at this time.

MS. GOTTLIEB: Mr. Chair.
CHAIRMAN DEMIENTIEFF: Judy.
MS. GOTTLIEB: I was wondering if we
could ask Larry to be available for specific questions
about analysis.
CHAIRMAN DEMIENTIEFF: I arranged that
yesterday.

MS. GOTTLIEB: Okay, thanks.
CHAIRMAN DEMIENTIEFF: Okay. I mean I
already spoke it on the record that he's going to be
available and so that's why he's here and then we
confirmed it before we adjourned last night, or yesterday
afternoon.

MS. GOTTLIEB: I have one general
question for him.

CHAIRMAN DEMIENTIEFF: Go ahead.

MR. BUKLIS: Mr. Chairman.

MS. GOTTLIEB: Thank you. Larry, I was
wondering when we talk about further analysis, if we need
more information on any of these communities, what kind
of monetary resources or Staff resources, or what kind do
we have available and what further information might we
be looking at to be available to us for the Proposed
Rule?

MR. BUKLIS: Mr. Chairman. We would be
using the team of people that have worked in support of
the Board to this point. And that team of Staff from OSM
and one BIA anthropologist would, for communities proposed for further analysis that were approved by the Board for rural/nonrural analysis, we would be looking at community characteristics; information on economic development; infrastructure; use of fish and wildlife; educational institutions; transportation, those characteristics that were mentioned in the regulations on communities.

For communities that are proposed and then approved by the Board on some of the grouping issues, we would be looking at the guidelines -- we would be applying the guidelines the Board has charged us with for the review. Those being proximity and road-connectedness of the proposed places; whether they share a high school attendance area; and the commuting information of workers between places from the Year 2000 census information. That would be the set of guidelines we'd apply to look at the grouping questions. We've been not able to do that completely to this point in the preliminary review because the commuting data was not yet available from the Census Bureau.

CHAIRMAN DEMIENTIEFF: Okay, and Larry and Pete are both going to be real handy to us because if we do have questions such as this.

Gary.

MR. EDWARDS: I'm just going to start the discussion.

CHAIRMAN DEMIENTIEFF: Carry on.

MR. EDWARDS: In effort to get the discussion started I'm going to make a motion, Mr. Chairman, that with regards to Kodiak that we proceed with further analysis of its rural and nonrural status.

CHAIRMAN DEMIENTIEFF: There is a motion.

MR. OVIATT: I'll second that motion.

CHAIRMAN DEMIENTIEFF: Okay, good. Yes, John.

MR. LITTLEFIELD: Thank you, Mr. Chair. I also have a question for Mr. Buklis that has to do with the latest report that was given out, distributed yesterday, and it has a statement on the first page, Page
About three-quarters of the way down and the paragraph starts with regulations.

MR. EDWARDS: John, which report are you referring to?

MR. LITTLEFIELD: I'm referring to the one that we're discussing right now, so if you're on Page 2, just flip back to Page 1, the November 21st, 2005 report that we received yesterday.

Anyway, it says the regulations require that the Board periodically review rural determinations and so forth and then the sentence there that gets to me is, it says, this review makes use of population data from the Year 2000 U.S. Census, but not any changes that may have since occurred. Changes after 2000 will be captured in the next Decennial Review using data from the 2010 U.S. Census. And my reading of the regulations under 36 CFR 242.15(a)(4), specifically contradicts that statement.

The statement says, and I'll look at that, it says, the population data from the most recent census conducted by the United States Bureau of Census as updated by the Alaska Department of Labor shall be utilized in this process.

So I think it's important that we address this question and say we're going to use the most available data because I believe that's what the regulations say.

Mr. Chair.

CHAIRMAN DEMIENTIEFF: Thank you, Larry.

MR. BUKLIS: Yes, Mr. Chair, I think that was a question for me and -- if I may?

CHAIRMAN DEMIENTIEFF: Proceed.

MR. BUKLIS: I took it as a question for me.

I understand, Mr. Littlefield, what you're saying there, that Part B talks about rural determinations and that Subpart 4 talks about utilized in
this process, and then when you go to Part B it talks about the periodic review, and that's what we're about now. And in Part B, it talks about a 10 year review cycle commencing with publication of Year 2000 U.S. Census. The U.S. Census has been published, and, in fact, we've been waiting and waiting for the census data that comes -- I'm sorry, the commuting data that comes out of that census. And there's a research agency which compiles census data into commuting code data, which, even this summer wasn't available to us yet, in 2005, and so we are now ready to move forward with the analysis, including the grouping questions but we did not propose in our development of method to use interim population data from Department of Labor Statistics somehow coupled with census data from five years ago on commuting patterns.

We're trying to take a standard base, which is Year 2000 U.S. Decennial Census for the Part B review.

CHAIRMAN DEMIENTIEFF: John.

MR. LITTLEFIELD: Thank you, Mr. Chair. And I understand that, but if any community was submitted for review then it would have to use the updated data, and throughout your report you flop back and forth.

You use some 2004 figures that are listed in the report, the Decennial Review, some 2000, and I think there needs to be consistency there. If you're going to use some of those numbers in the report to justify something then you need to use -- they should all be the same. And if we look at the -- oh, let me see if I can find an example real quick here, perhaps on Page 18 of the first Decennial Review, we talk about using ADCA data from 2005 in the middle of the page and then we're also talking about using figures that are from the 1980 census, 1990; so I think there needs to be some uniformity here and we need a statement from the Board that we will either use the latest data or not or take it out of our analysis, and I think that's only prudent.

Mr. Chair.

CHAIRMAN DEMIENTIEFF: Thank you. And I just want to explain the process, if the motion fails, that means that Kodiak comes off the list for further review, so we have to understand that. I just want to make sure everybody's clear.
Yes, Larry.

MR. BUKLIS: Mr. Chairman. Regarding that July report on Page 18, the reference source is a Year 2005 publication, but the statistics are rates and numbers and percentages from Year 2000.

Mr. Chairman.


MR. LITTLEFIELD: Mr. Chair. I distributed a graph that had to do mostly with Sitka but I was asked by the residents of Kodiak if I could include them but I did not have my program with me that I did this on, and I'm wondering if it's appropriate now to go over this graph because the Kodiak people asked me to do it and I think it shows some statistics that you may want to look at.

CHAIRMAN DEMIENTIEFF: Kodiak is on the table, go ahead.

MR. LITTLEFIELD: Okay, thank you, Mr. Chair.

You have 10 sheets in front of you, you should have, that were originally graphs, a spreadsheet that I started to put together for a PowerPoint and I heard we weren't going to have PowerPoint presentations, and then subsequently to that I put it in the wrong computer so I couldn't make the changes to Kodiak. So what I'd like to do is kind of just briefly go through these and it's going to concern Sitka, too, because it's one of these communities. The original graphing was from Sitka and all the communities below, from 2,500 because I'll explain why I think 2,500 is a key number to you folks.

So if you were looking at -- and I misspelled communities, I know, so somebody doesn't have to tell me that. But on Page 1, if you'll look at those communities, those are the communities above 2,500 residents up to Sitka. I was asked to include Kodiak, which is the next community above that, in other words, it would fit right into that little slot there where there's nothing there and if you could graph that right now, what you would enter right there, the number for Kodiak would be above the 10,000 number, it would be
12,855. And while you're doing that you can move immediately to the left and put Ketchikan as 13,639.

Now, these figures come from Appendix 1 in the first Decennial Review, so they're the numbers that you've all been acquainted with before. I haven't changed them in this particular instance.

This just shows the population of those communities. And if we do a line graph here, you'll easily see that Ketchikan starting way up at the top and it goes way down. And the average amount is on the right-hand side of all these graphs. So the average is 4,673 residents and you can see that it dips down a little bit to the smallest community of Kotzebue and then heads upward to the largest community of Ketchikan which is 16,369.

Now, on the next page, Page 2, I show the population changes from 1990 to 2004, and this is what we talked about earlier, I included the latest data, and this population data comes off the web page that's referenced in the book on Page 18, it's the community database on line, and it's easily available and all it takes is a click of a mouse to get this information. And if you will add for Kodiak to the left of Sitka, and I only had the 2000 data because I don't have that on line access, but they were plus 625, so your little bar graph would be 625 immediately to the left of Sitka. Immediately to the left of that below the zero line would be Ketchikan at minus 429. And, again, if you look at this you see that there was an average population change for these communities, and, again, they're all above 2,500, an average gain of 694, that's what it says on the right-hand side.

Okay, let's go to graph three. Graph three is those numbers in the form of a percentage in relationship to the percentage of the community residents that they had in 1990, how much have those communities grown. So immediately to the left of Sitka on Kodiak, you can put 5.1 percent, because that's the growth of Kodiak. Immediately to the left of that in the Ketchikan column, which would be a little off the screen, it's minus 3.2 percent. And, again, you'll see the average growth of all of these communities was 20.5 percent.

I reference an ISER number here but it's simply a number that you're probably not going to use but it's just for comparison, and it shows the 30 square mile
rated density. And if you would add Kodiak to the left
of Sitka, the density for Kodiak is 174 on this graph,
and the density of Ketchikan would be 207 immediately to
the left of that. And there was no data that I could
find on the communities of Nome and Bethel. And, again,
the average density is about 130 persons per square mile.
Yesterday you heard lots of testimony about Sitka being
two, but this was just to show some previous report.

If you look at the next graph, Page 5,
Kodiak city to the left, and this is similar information
in a different format, Kodiak city and Kodiak Road would
be 2.21, just below Sitka to the left of Sitka. And the
Ketchikan log value would be 2.32.

And Page No. 6 is the use of fish and
wildlife. And the amounts for Kodiak city/Kodiak Road is
160, 160 pounds per capita. And the amount in Ketchikan
is 34 pounds per capita, but I have a little note there
that Saxman is 211, in your considering your groupings so
that may be -- but we'll talk about that later in
Ketchikan. So the Kodiak value is 160, the average for
all of the communities above 2,500 is 224.

The next one is a food production log
which basically shows you that these are going to track
the same no matter which analysis you look at, whatever,
the use of food and fish and wildlife is similar. Kodiak
city is 2.20, and -- city and road, I lumped them
according to what you guys had described in your
analysis, 2.20. The Ketchikan is 1.54. And I might add
later that -- maybe I should do it now. If we were
looking at Girdwood, and the reason I picked Girdwood --
let me go back one screen, excuse me, or not a screen,
but one -- let's go back to No. 5. What I did is I
picked Girdwood because it just happened to be at the
very top of the list of nonrural areas. For no other
reason. There's communities that are not rural that have
higher and lower values, but I just picked Girdwood. So
if you were looking at five, if you want to note on the
top of Page 5 is where I put it, that Girdwood is 2.56
and it gives you some relationship to where this graph
is.

On the top of Page 6 you can put Girdwood
at 18 pounds per person. In other words, we're looking
at rural area right now and including Girdwood, which is
not, and you will see that Girdwood is 18 pounds compared
to the others.
The next chart seven, Girdwood has a country food production of 1.26, again, way below the average.

Some other data that was on Page 18 of the Decennial Review concerned poverty line data and this information is on the web page but it does concern 2000 so it's the latest data on eight. You would add Kodiak at 6.6 percent and Ketchikan at 6.5 percent. And the average of all these communities is nine percent.

The next graph is per capita income as shown on Page 9. Kodiak is 22,195, and Ketchikan is 23,994. And the average of those communities is 23,511.

Graph No. 10 is the unemployment percentages in these communities. Kodiak is 5.2 percent and Ketchikan is 7.6 percent. Again, the average unemployment is 10.6 percent.

So without dwelling on them too much, what I did was tried to give you some information on the characteristics of the communities that were referenced on Page 18 of the Decennial Review because they did quite a -- they did a full paragraph on Unalaska, and they talked about all these community characteristics and at the end of the paragraph they made a statement, that, in summary, Unalaska continues to be a regional hub community that is rural in character and further analysis does not appear necessary. So I got to wondering, well, why couldn't we have done a paragraph on every one of these communities above 2,500 similar to what we did with Unalaska and then make a statement to the Board that, based in summary, Valdez continues to be a regional hub that is not rural in character -- in other words, one paragraph could have been prepared for each of these communities. It could have been done for Sitka and Kodiak and Ketchikan as well, and that would have given the Board the information that's easily available, it's nothing new, it's out there, it's on the internet, it's on the ISER pages, the State use of fish and wildlife, it's not a secret. We could have used this.

If you'll look on Page 18 of the original Decennial Review, it talked about transportation, and as Mr. Buklis talked about the ADCA 2005, it says, transportation to and from Unalaska is by air, barge and bimonthly ferry. Well, I did the -- I looked on the web page and you find out that in Kodiak they also have one airport, a barge line and a ferry line, it's exactly the
same. So on Page 1 underneath all of these communities I went into a little further analysis trying to address all the things that were listed on Page 18.

So for Kodiak you would put A, B and F, they have air service, they have barge service, and they have ferry service.

If you look at Ketchikan, they're the same, they have one airport, a barge service, a ferry service.

So let's go to the right now. Sitka is the same, one airport, one barge, one ferry.

Bethel has two airports, two runways and barge service.

Seward, a nonrural area is a little different. They have two runways, they have barge service, ferry service, railroad and truck. They're distinctively different and they're a nonrural area.

Barrow has one airport, barge service -- seasonal barge service.

Unalaska as listed on Page 18 has one airport, a barge, and ferry service.

Nome has two airports with barge service.

Petersburg has an airport, a barge and a ferry, just like all these other communities.

Kotzebue has two airports, and a barge service. Two airports being runways, different sized paved runways.

Valdez, again, another nonrural is a little bit different. It has an airport, barge, ferry, but it also has trucking. There's trucking companies running in there.

So what I'm saying is this information was easily available, we could have made a paragraph on each of these communities that could have included the transportation just like it did here. This is good information on Unalaska for you to make your decision, it could have well been done for all the other communities.

There was some other information in here that was
mentioned about school facilities and the poverty -- the reason I brought up the poverty in all these others, is those are characteristics that were mentioned on this page. I was unable to find on the State web page a lot of those, but I think most of you will realize that we have University of Alaska systems in most places with distance learning in most of these areas. I was able to find out that like in Seward they have AV-TECH, but generally almost all of these communities have a university. Sitka is a little different, they have SUA.

And another criteria that I looked at in here was whether they had roads.

If you'll look at these communities starting with the far left, Ketchikan it has no road.

Kodiak, no road. 140 miles of road on the island.

Sitka has no road system, no road access, 14 miles of road in the community.

Bethel, again, no road access, 22 miles of road.

Seward is on the road, has truck access.

Barrow, they have, again, no road access.

Unalaska, no road access, it's in the analysis.

Nome, no road access.

Petersburg, no road access.

Kotzebue, no road, but they do have 26 miles of gravel road.

And then you get to another nonrural area, Valdez, which is on the road system and has truck access.

Another comparison had to do with the number of people who had commercial fishing licenses.

Again, starting on the left, Ketchikan had 401 fishing permits owned by the residents.
Sitka 767 -- excuse me, Kodiak 767.
Sitka 586.
Bethel 200.
Seward 80.
Barrow 7.
Unalaska 50.
Nome 60.
Petersburg 469.
Petersburg 469.
Kotzebue, I didn't have any data for
them.
Valdez was 49.
The point I'm trying to make here, Mr.
Chair, and sorry for taking all this time but hopefully
we won't have to go through this again on Sitka and the
others, is, there was a paragraph on Page 18 of the
Decennial Review which was the Staff's attempt to give
the Board enough information to make a reasonable
decision, and it only included the communities of Barrow,
Unalaska, Petersburg and Valdez and Kotzebue. It did not
include any information on the rest of the communities,
so based upon that they're making a recommendation that
the Board, at the end of the sentence, in summary,
Unalaska continues to be a regional hub community that is
rural in character and further analysis did not appear
necessary.

In the case of Kodiak, and I'm going to
argue as in Sitka, that very same statement could have
been read to the Board as support for Kodiak maintaining
their rural status. It's sufficient in my reading for
you to -- and the information is there, it's nothing new,
I'm not showing you something that's not available, you
could make that statement and then if there was problems
later in the proposal stage that somebody wanted to
contest this or something, Kodiak would join forces with
you in supporting their rural characteristics.

And that's my point here. That perhaps
the initial review would have had a different outcome had
we done a little further analysis. I think a paragraph
for each community above 2,500 was all that was required
and to make a statement at the bottom for all of the
communities other than Unalaska. And I think that's
missing in this discussion. And the reason I bring this
up is you had people here from Kodiak yesterday, as well
as Sitka and Saxman who are under great stress, they
think their rural status is going to be taken away and
they see it as being threatened.

A little bit more work on the Staff's
part, because you guys get paid for this, quite frankly,
we don't, could save thousands of dollars for these
people to travel here to town to testify. And you're
telling them that you're going to put Kodiak on the list,
which means that they're going to have to spend 10's of
thousands of dollars in their behalf of time and
volunteer, they don't get paid for this, to defend
themselves in the proposal stage and I think that's
something that the Board needs to be reasonable about.
You need to decide whether it's reasonable, given the
information that's presented, and the people from Kodiak
brought this forward, they haven't changed. There's been
no information to the Board from anybody that says Kodiak
has changed in its nature, and Sitka as well. So there's
no information to the contrary. Your review can stand as
it is. You can say I reviewed it and I like it just as
it is for every community and that's defensible.

But only a paragraph.

And that's what I'm saying, Mr. Chair, it
would have been much easier for Staff to do this, present
this, it would have been cheaper, less stressful for
everybody involved, and perhaps could have drawn some
different conclusions.

So I'm going to have a similar
presentation on Sitka that, you know, this data is out
there, and other than graph No. 1, the only one that
shows any kind of divergence at all, and if you look at
that it goes immediately up to the left in kind of a
linear scale because we're talking about one factor,
population, which you can graph like this, but in every
other respect, these communities are very similar to one
another; they're rural in nature, they haven't changed.
Or in the case of Valdez and Seward, they're nonrural,
you can see that the trucking and all these others that
are mentioned on Page 18, they are different. And these
growth, you know, we're talking about a growth in the
community of Seward of 2,000 residents as compared to 625
in Kodiak which is a far bigger area, 217 in Sitka.

I mean you need to look at these in perspective. So I guess that's all I have for now, Mr. Chair, thank you very much for accommodating me.

CHAIRMAN DEMIENTIEFF: I appreciate your work you've done and Larry may have some response to it, but rather than go through -- it's clearly apparent that the work that you've done in terms of your analysis, but as we go through these other areas, this is a matter of record, we can apply your logic to other issues upon your request and the text of that will go into the discussion and then you can just tailor your remarks specific to, in the case of Sitka, so we don't have to go through this again, we'll just apply is what we can do, okay.

I mean we'll just note that on the record and it will go into the record and then you can tailor your remarks to other areas of concern.

MR. LITTLEFIELD: Okay, thank you, Mr. Chair, that was my request that you simply consider this as well as consider the testimony.

CHAIRMAN DEMIENTIEFF: It is.

MR. LITTLEFIELD: And we're hoping that the Board will use that to make a reasonable decision. That's all my request is.

Thank you, Mr. Chair.

CHAIRMAN DEMIENTIEFF: Larry, did you have something.

MR. BUKLIS: Mr. Chairman. All I would say is that I don't think that what we've heard is in conflict with the review process at all and I respect Mr. Littlefield's testimony, it was very helpful. And this is the kind of information and maybe, additional, we would pursue in further analysis.

The issue I would speak to briefly is that it's an issue of whether and when to involve the public and the Councils. The charge from the Board as they launched this method, and the method was to review and comment, earlier this year actually, but once under way the method was for communities that are nonrural but decrease in size on down below 2,500, that's the kind of
a situation we would propose for further analysis, and then hear back before we pursue the further analysis, hear back if there's something we need to know about that situation. That's the case for Adak.

For communities that are rural in classification currently but grow, grow over 7,000 for the first time, or go further over 7,000 if they already were, that's a situation that the Board had set in their guidelines to us, bring that to our attention, we will propose that situation for review, but we won't engage the Staff on that until we've heard back from the Councils and the public, and that's what this is about.

And what you're hearing here is the kind of thing we would do if we were so charged to do it.

The other approach would be to have us go fully into the analysis unchecked and then report back fully. The Board implemented this checkpoint on the process, and it does come with a cost of time and effort and money, we understand that, but it's meant to be a public process.

And then secondly the discussion on Page 17 and Page 18 of the July report dealing with those intermediate size communities, there's a paragraph on Adak, it was intermediate size and dropped below 2,500, well below it. Then there's those six you've mentioned several times, the six rural places, Bethel, Barrow, Unalaska, Nome, Petersburg, Kotzebue that were intermediate and remained intermediate size, and the charge from the Board was is there something about those communities that we need to know about and propose for further analysis or is it sufficient as it is, and our assessment for review, which is what this is about, was we know of no reason to pursue further analysis on those. And on Unalaska, because of its significant population change, the other things that we've heard, we gave more treatment to that in our review, should the Board or the public want to add it to the list, we didn't think it warranted it but we gave it fuller treatment to get more information out on that because it did stand out as having had some changes there which you've pointed out. And then Valdez was intermediate, remains intermediate, was nonrural and we're not proposing to review it further.

Thank you, Mr. Chairman.
Mr. Nicholia: Yeah, I just had one comment here is that to rely on the State Community Database for information, even in Tanana and the 42 villages in the TCC region, it's very inaccurate. It doesn't portray the population, transportation, infrastructure or nothing. I wouldn't rely on that community database because I had a tough time just changing it for our transportation program in Tanana. It's very inaccurate.

Chairman Demientieff: Very good information. To get the ball rolling, I'll just say where I'm going to go and I'm going to vote against the motion. And my reason is because of the excellent testimony that we had, that they are a subsistence community. And we had previous discussion, some years back, I think that -- and I explained to the Board what happened to us, that people moved in on top of us.

Nenana at one time was Fairbanks before that bridge was built. 20,000 people lived there, in a little Indian village until they got the bridge built and then they moved -- you know, the railhead on into Fairbanks and people moved on in to Fairbanks because it was closer to the gold fields.

In this case, the Coast Guard Base, you know, there are things that have moved in on Kodiak, but from the strong testimony that was presented, there is no doubt in my mind that there has been any change in terms of the core community, that they are a subsistence community. There's no reason for a biological concern that I'm aware of. And I just feel very strongly that by nature it is still the same community and for that reason I intend to vote against the motion.

Mr. Edwards: Mr. Chairman.

Chairman Demientieff: Yes, Gary.

Mr. Edwards: Yesterday we heard a lot of very articulate and often times passionate testimony from folks that have come a long distance to bring to us why they feel their communities ought to remain rural or why they should become rural, and I guess what I'm wrestling with is, is as we go through this, you know, what is the relevancy of a lot we heard.
You know, a year and a half or so ago when we went down this direction to take on this review, we hired some folks which I think we spent way over $100,000 to take a look at this issue, and these were people who were trained in this and they spent a lot of time wrestling with that in trying to figure out how best we could go about doing this. And they reached the same conclusion that we heard yesterday, that subsistence is not about how big or how small your subsistence is or where your kids go to school, or where you drive to work or who you interact with or what's your rate of employment or unemployment, they came to the conclusion that it's about, and, again, what we heard is the importance of subsistence to the community, how much the dependency the community has for their subsistence needs.

And the reality -- we rejected that information and we went down a different path and said, mainly for legal reasons, that we were not able to look at that. And now it seems to me is, because I heard very little about population yesterday, I heard some about concerns that Kodiak, you know, has the Coast Guard Base and some others, but the essence of what we heard and Mary certainly echoed it, too, is the dependency and the importance of subsistence. I think the report used the expression country home food production or something like which is more of an agriculture term. But I guess maybe I would ask our legal counsel, you know, to address that issue so we don't, maybe, get more caught up in the emotion of it but try to look at this and try to look at it from a consistent standpoint.

CHAIRMAN DEMIENTIEFF: Keith.

MR. GOLTZ: The statute plainly says rural. And that means that the gateway to subsistence is geography, not history. Historic patterns can be accommodated, but only after this Board has determined that an area is rural.

And in making that determination, the theater of our concerns is defined by regulation. And that regulation focuses on numbers. And to some, such an approach is going to seem remote and frankly unresponsive to what we heard yesterday but ours is a government of limited powers and until the rules are changed, the latitude of this Board is going to be limited.

CHAIRMAN DEMIENTIEFF: Thank you.

Further discussion. Judy.
MS. GOTTLIEB: Mr. Chair, maybe a question for Keith then. But the regulation and talking about characteristics does include use of fish and wildlife.

MR. GOLTZ: It's a factor. And it can be folded into the analysis, but the focus and the parameters are set by numbers, that's our starting point.

CHAIRMAN DEMIENTIEFF: You're talking about population?

MR. GOLTZ: Population. Area. Density. The historic concerns, the ones that motivated much of the testimony that we heard yesterday are important, but most of that importance has an impact later, after the area considerations have been considered.

This may mean that much of the testimony has little relevance to our consideration. But many of the arguments that we heard are better directed to the legislators, and not to the Board.

John made a pretty good statement on that, and I concur with his introductory remarks.

CHAIRMAN DEMIENTIEFF: John.

MR. LITTLEFIELD: Thank you, Mr. Chair, and thank you Mr. Goltz.

I guess what I'd like to do then is to refer the Board to that section, .15, and you're well aware, Mr. Goltz, certainly more than I am, this whole regulation, from Part A to Part C needs to be read in whole, together and in context.

Now, when you get down to it, if you -- well, let me go through this a little bit, let's start with No. A, it says the Board shall, you don't have any deference there, the Board shall determine if an area or a community in Alaska is rural; that's your job, you're going to do that. You've already done that, so we're just reviewing that. But it says you shall.

And you shall use the following guidelines and they spell them out, one through six, that's the guidelines you will use. And it's not discretionary so you have to follow those guidelines. But let's look at those guidelines.
1. Community of 2,500 or less shall be deemed rural; shall be deemed rural unless it -- and those are key words, these things are -- you need to key in on the key words, unless they possess significant characteristics of a nonrural nature or is considered to be socially or economically part of an urbanized area.

So you have this number of 2,500 and the regulations say every community below 2,500 is rural unless the community possesses significant characteristics of a rural nature or is considered -- and that's a key number.

The next statement, No. 2 says, communities or areas with populations above 2,500, but not more than 7,000 will, again, a word you can't debate what it says, will be determined to be rural or nonrural; go back to A, the Board shall determine, so it's telling you that anything above 2,500 you shall determine that.

Go down, and before we go to 3, which I'll talk about in a minute, let's go down to 5, as was just mentioned by Ms. Gottlieb, it says, a community or area characteristics shall be considered, it doesn't say maybe or the population is the most -- or the number 1, it says shall, you have to include the community characteristics, of which population is but one factor.

This sets a key here, this 2,500 number, everything below is presumed rural, the 2,500 above shall be determined, you're presumed rural, you're presumed nonrural if you're above 7,000 but you're no different at 2,501, 6,999 or 7,002, you're still, the Board must determine those, they've made the determination.

So if we're looking at this, I think that the Board is clearly directed in No. 5, community or area characteristics shall be considered, so the information that was given on community characteristics, I have to disagree with Mr. Goltz, I think is very relevant and population is relevant too but it is only one part of the mix here.

CHAIRMAN DEMIENIEFF: Keith.

MR. GOLTZ: We're getting in deep waters here and I wish the State Attorney General was here because we've chased a curious squirrel around the tree.
they started with a definition which is very much like a lot of people seem to be arguing for now and that's that they would study the landscape in historic terms, see where subsistence is taking place and then make their determination on that basis. The precepts that the State was using were tested in the Ninth Circuit in the Kenaitze Decision, and the Ninth Circuit Court of Appeals basically said, no, you're not supposed to run your program about how people are using the landscape, you're supposed to run your program based on the nature of the landscape itself.

So that's the basis. That's the motivating impulse behind the regulations.

I don't know how useful it is to parse out to exact quantity how much these characteristics are going to influence our analysis of the numbers. I think the important thing is that the record be complete and that we not focus on subsistence uses as the basis for our decision. The basis for our decision is the geography of the land, what are the areas, how many people are in that area. The way the Ninth Circuit approached it is to say that the term rural is a word of common understanding, look at the dictionary and proceed from there. Well, we know it's not going to be quite that simple, but our focus unfortunately at this point is not on common human concerns.

I think in all of us we would like to respond positively to much of what we heard yesterday but that is not our focal point here. We're setting the thresholds, we're setting the path to Title VIII subsistence, we are not allocating that subsistence unit now.

CHAIRMAN DEMIENTIEFF: Thank you, John.

MR. LITTLEFIELD: Thank you, Mr. Goltz for mentioning a point that I was hoping you would bring up, and that's the Kenaitze Decision, it said rural is rural and you don't need to tie numbers to it or anything like that. And so I did look in the dictionary, I have Webster's Third New International Dictionary and I popped all these numbers out, what does rural mean, and you're going to find that it means something of what was said yesterday.

1. Definition of rural is living in country areas and engaged in
agriculture pursuits

2. Characterized by simplicity and lacking in sophistication. We're a rustic people

3. Of or relating to characteristics of people who live in the country

4. Of or relating to associated with typical lives in the country

5. Of or relating to or constituting a tenement and land adapted for agriculture, pastoral purposes as opposed to urban.

Three of these talk about country, so I said, well, what does country mean.

Country says:

1. It's an expansive land that's undefined but usually considered a region or district or area marked by some distinguishing feature

In the case of Kodiak they're on an island surrounded by water, distinguishable.

2. The land of a person or origin's birth or residence or citizenship

Many of these people yesterday talked about being born there. I know you had a member here that said he was born in the '30s and talking about this is my country, I can speak best about it.

3. The people of a state or a district, country people.

In other words, those are people from Kodiak as well as Sitka.

4. Rural regions as distinguished from a city or town or other thickly inhabited or built up area; like taking a walk in the country. A region of the ocean;
country rock.

We won't get into that one. But I would say yesterday there was a testifier that said in the form of Jeff Foxworthy, I guess, he was asking you some rhetorical questions and I can't remember all of them, I started to write them down and one of them, I think, was way of life, whether I spent all my time dreaming about hunting or something like that, how much my gas was and how long had it been since I'd been to the food to get stores [sic], well, I remember the exact day I had beef the last time, I remember that day, I went to a fundraiser.

I'm sure many of these people can say the same thing. The statistics from the Tribe were 97 percent of the communities eat subsistence foods.

I spend most of my money on gas commuting back and forth to my camp.

And I'm going to go hunting tomorrow if I get back tonight.

So, yes, I'm a country boy, I'm a rural person in Sitka, and I think those people that talked yesterday said the same thing. That relates to the definition of rural, that's the standard; customary and traditional of rural.

Thank you, Mr. Chair.

CHAIRMAN DEMIENTIEFF: You had follow up.

MR. GOLTZ: I don't know how long we want to continue this exchange. But let me hopefully summarize by telling the Board this.

To the extent that you rely on numbers and data as they relate to the landscape and to population density you're defensible. To the extent you relate to how people use that land we become less and less defensible. I'm not saying you can't fold other things into the record, but the Ninth Circuit points me in the direction of numbers.

CHAIRMAN DEMIENTIEFF: Okay. I think it's not necessarily declaring but I think some Board members need to come forward and discuss the issues that Keith was talking about and let's just kind of focus on that
right now. I feel like we have all the information, all
the tools to make a decision, and that's what I was
hoping to start because I want to get John home tomorrow,
and I want to go home tomorrow. We're going to have to
meet out on the street if we continue this tomorrow
because we need to get this done.

MR. CESAR: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Go ahead.

MR. CESAR: If our Chairman will quit
speaking the Board members will start to engage.

(Laughter)

MR. CESAR: I was paying very close
attention to what Keith was saying in terms of focusing
on the geography. I mean not the uses, necessarily, but
location, isolation, those kinds of things that typically
you would find in a rural setting, and all of them, when
you begin to think about it, apply to Kodiak. I mean it's
isolated, I mean it is very difficult to get in and out of, it's population growth or decline is in somewhat
related to both the geography out there, that it's hard to get in and out of. Some people, because it's so
isolated leave there.

So those kinds of things lead me to
believe that, in fact, is a rural area. And I wonder to
myself what benefit we gain from examining the geography
again. I mean if we're looking at not the use but where,
the geography, I don't know, maybe there is some benefit.
But I am not clear that I see the benefit of reviewing
that geography again.

MR. EDWARDS: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Go ahead.

MR. EDWARDS: As one who argued very
strongly for using another method to try to get us to
where we're going and also spending numerous hours of
arguing the Ninth Court Decision with our good Counselor,
is why I thought it was severely flawed, and also after
doing what Mr. Littlefield did, spending hours and hours
trying to look up rural on the internet and finding that
it's a very elusive terms and it varies throughout the
country, and under very legal laws, it's a very elusive
thing to do.
But saying all of that, it still seems to -- where I get concerned about, I guess, is that we set ourself down on a course, I guess to some extent to use my grandmother's saying, we've made our bed, so to speak, and now we have to sleep in it, but it seems like we don't want to sleep in it, I guess that bothers me. I think that we need to be consistent with the direction that we said. I do, hopefully, that as we add these things to the list, we're not making any final decisions. I recognize there's costs associated with that but I think that will allow us to be in a much better place.

Again, I think rural is an elusive term. I just came back a couple weeks ago from pheasant hunting with some friends that I have in Nebraska whose closest neighbor is a mile away, their closest airport they want to fly is 100 some miles drive, if they want to go to the store it's 35 miles, my sense is if they were in Kodiak they would not think, Kodiak, for example, was rural. So in many ways, rural is in the eyes of the beholder, I don't think that's what we're arguing here. But I just think we set a course and I think we need to follow that.

CHAIRMAN DEMIENTIEFF: Niles, is it all right if I acknowledge other Board members, I mean I hate to dominate the mic.

(Laughter)

CHAIRMAN DEMIENTIEFF: Go ahead.

MR. OVIATT: Well, I, too, have struggled with this and I stand kind of in the cord with Gary, that we have, I think, made our bed and I think these are guidelines that we need to put these things forward and hopefully in that further study it will help us understand and better define, especially in the Kodiak area, we may be able to better define that whole area.

So I guess I'm probably going to vote in favor of the motion.

Anybody else.

DR. KESSLER: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

DR. KESSLER: Yes, I plan to vote in
favor of the motion, too. Everything I've heard the last two days shows me that these are very complex matters and there are sources of information that, for example, that Mr. Littlefield's brought to our attention that we need to look at. There's all to be gained, I think, by taking a careful look, setting a solid record and allowing ourselves to draw a conclusion that has the benefit of the full light of analysis and information, so I am inclined to vote in favor of the motion.

CHAIRMAN DEMIENTIEFF: Thank you. Does the State have comment?

MR. REGELIN: (Shakes head negatively)

CHAIRMAN DEMIENTIEFF: Okay, I assumed you'd let me know if you did.

MR. REGELIN: Yes.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: In the case of Kodiak, I thought we heard excellent and relevant testimony yesterday particularly on the changes in the economy since 1990, some of the persisting Exxon Valdez impacts, changing in population. I'm hoping that with further analysis, looking at Appendix 7 we have Kodiak city at about 6,300 or maybe less now, I don't know, and then other breakdowns, that we could have more information before us to make perhaps the final decision.

I think it would also be interesting and we're not sure if these population numbers reflect people who are citizens of the U.S. or not and whether that would or would not have a bearing on our program. I think we have heard about reduced transportation opportunities and I think that's one of the aspects we ought to look at as well.

So I understand what Keith is saying about numbers. If we are only using population numbers, that's why Kodiak is on the list. But I think that's a starting point for this discussion only and other characteristics do need to be looked at as well. And I think we did hear quite a few characteristics and information including figures on the amount of use and some of the infrastructure challenges an island
community, such as Kodiak and its outlying areas have and
the Coast Guard Station

CHAIRMAN DEMIENTIEFF: Thank you.

Anybody else.

(No comments)

CHAIRMAN DEMIENTIEFF: If not, we're
going to proceed on with a vote. I think we've discussed
this as far as we can go. Tom, let's just go roll call.

Go ahead and repeat the motion.

MR. BOYD: Mr. Chair. Mr. Edwards moved
to add Kodiak to the list for further review and it was
seconded by Mr. Oviatt.

MR. OVIATT: I vote in favor.

MR. BOYD: Mr. Edwards.

MR. EDWARDS: I vote yea.

MR. BOYD: Ms. Gottlieb.

MS. GOTTLIEB: I vote in favor.

MR. BOYD: Mr. Cesar.

MR. CESAR: I vote no.

MR. BOYD: Ms. Kessler.

DR. KESSLER: Yes.

MR. BOYD: And Mr. Chair.

CHAIRMAN DEMIENTIEFF: I vote no. Motion
carries, four to two, Kodiak will advance.

Okay, who do we have next, Tom.

MR. BOYD: Sitka.

CHAIRMAN DEMIENTIEFF: Sitka.

DR. KESSLER: Mr. Chair. To get the
discussion going I move to advance Sitka for further
analysis.
CHAIRMAN DEMIENIEFF: There is a motion, is there a second.

MR. EDWARDS: Second.

CHAIRMAN DEMIENIEFF: Discussion. John.

MR. LITTLEFIELD: Mr. Chair. I'd like to go over the Council recommendations concerning Sitka.

The Council recommends that Sitka be removed from the list of communities to receive further analysis in the rural determination process. The Council believes that Sitka's rural status and the community's dependence on subsistence are clearly established and that further analysis is not needed. The Council requests that a rural determination be held in the community to facilitate community's understanding of this issue and participation in the decision-making process.

The Council considered the following information in developing its recommendation.

1. Sitka was considered to be a rural place by Congress in 1860 [sic] at the passage of ANILCA. Sitka was not one of the communities, Anchorage, Juneau, Fairbanks and Ketchikan identified as an urban place.

2. Sitka's census was 7,803 in 1980, above the 7,000 threshold when ANILCA was passed.

3. In 1986, the Joint Board of Fish and Game determined Sitka was a rural place. The Joint Boards considered community data and public testimony at that time, and the majority membership of each Board was required to make this determination.

4. Sitka continued to be a rural community by the State of Alaska when the State fell out of compliance after the State Supreme Court and the McDowell Decision. This classification
was accepted by the Federal program at the inception of the Federal management of wildlife in '91 and fisheries in 2000.

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.

6. 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.

And I won't go over this, read this completely, but it certainly shows that Sitka's subsistence harvest provides a higher than average American consumption of food. In other words, we eat more food than most people normally get, and it's all wild foods, and the data is stable.

7. Sitka residents are unified in the support of the rural classification. City and Borough resolutions and letters, Sitka Tribe of Alaska letter, Alaska Native Brotherhood and Sisterhood resolutions, State of Alaska Fish and Game Advisory Committee recommendations, and as noted by the testimony yesterday.

8. 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.

9. Sitka was the center for industrial logging at the time ANILCA was passed, and this is an economic activity continued
through the mid-1990s. An industry presence in Sitka included large scale logging operations and some management activities, a major pulp mill and small timber milling operations. These industrial businesses have been closed with the loss of hundreds of well paying industrial jobs. Sitka also lost many of the Federal government jobs that managed timber harvest in the Tongass National Forest. Sitka has become more of a rural community since closure of the pulp mill and virtual elimination of logging activities staged from Sitka. Seasonal engagement with tourism has increased, particularly with the rapid post-1985 increase in cruise ship visitation in Southeast. Charter boat fishing has also increased, and both of these endeavors compliment the subsistence activities.

For those reasons, Mr. Chair, the Board supported not adding Sitka to the list because Sitka meets the definition of rural which is a remote and isolated place.

Mr. Chair.

CHAIRMAN DEMIENTIEFF: Thank you.

Further discussion.

DR. KESSLER: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Wini.

DR. KESSLER: I'd like an opportunity. I just really appreciate all the information Mr. Littlefield is providing. But to me it speaks more strongly of the need to proceed because it will put Sitka and this information in a much stronger position in my view.

The presentations we've heard these last two days and the written submissions as well have brought
forward many points that have important bearing on this review process, and I'd like to commend and recognize the committed effort of everybody who helped to assemble this information and bring it to our attention for use in this process. And I truly am confident that these perspectives we heard in the case of Sitka will be well supported and substantiated as the full body of information is objectively examined in the analysis that is central, in my view, to this review process.

It's very important, I think, that all the relevant facts be afforded a chance to be systematically examined and documented in the record as this will provide the strongest possible basis for conclusions to be drawn and defended and decisions to be made. And, again, clearly as Mr. Littlefield's demonstrated, in my view, there are many sources of information that merit consideration, but this needs to be done in a comprehensive systematic method instead of piecemeal. It needs to be done systematically.

So with that in mind I'm simply not comfortable with dropping Sitka at this juncture because it would require drawing conclusions without the benefit of that systematic consideration of the full body of information which is clearly substantial.

I think it would be contrary to the principle and spirit of informed decision-making and if we were to diminish Board's access to the full and complete information and I also think in a way it would do a disservice to those who have labored to assemble the information which deserves to be examined carefully.

Moreover, I think there's an element of risk associated with the notion of dropping Sitka at this early juncture. When the Proposed Rule is issued next year it's very possible that Sitka, as a community over 7,000, that that threshold, like it or not it is a threshold, will be a target of intense interest and scrutiny, so I think it's better to have the advantage of a solid record of information that will come from an analysis.

Thank you.

CHAIRMAN DEMIENTIEFF: Thank you. Gary.

MR. EDWARDS: Mr. Chairman. Dr. Kessler 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 -- from everything we have heard, from what I know of it and all I think, can make a very compelling argument, but I do think that the process is important and I think we need to go through the steps.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: Thank you. I appreciate everybody's comments and I certainly appreciate all the testimony and the work that's gone into this particular issue.

Sitka's population was and has been over 7,000 but from the extensive information I think we've already received, I don't believe that there's been changes other than that small, I think it's three-tenths of one percent increase per year in population. So previously this Board determined it to be rural and it sounds like the numbers, the characteristics have not changed very much in that case.

The infrastructure, as we heard has changed tremendously over the years because of the closure of the mill, cruise ships coming in, that changes the economy significantly and the price of fish have gone down quite a bit too. I think it was interesting, as was pointed out that, not only the Mayor, as well as the tribal government has come in very unified, that the whole town is very unified that it's rural in their minds per our definition or perhaps most of the definitions, and the RAC has supported this.

They have limited services. We've heard about the transportation issues and infrastructure and the road system. Also the Coast Guard Base.

I think, while it's on the list, again, because of its population, we also have the opportunity through our regulation to look at the unless clause; and I'm not sure what further information we would be collecting with further analysis and maybe we need to speak to that more specifically but I know the Mayor had already provided some density information and some information on the decline on school attendance and so on and so forth and the ferry service.

So I think with respect to Keith's
guidance, geography and nature of landscape, while, people in Sitka are really fortunate by virtue of geography to have an abundance of resources, and the same could be said of the landscape that's happened to provide a great variety of resources and people have made use of it.

CHAIRMAN DEMIENTIEFF: Thank you. John, you had something.

MR. LITTLEFIELD: Thank you, Mr. Chair.

I was just listening to Dr. Kessler's comments, and she said we would clearly subst -- you know, we clearly have substantial data, which is the standard here, substantial evidence to support our case. Apparently she said we've got lots of it and she thinks we'll probably do okay, but to be -- and we appreciate that.

We think we will win if this goes there.

But you've just dismissed the fact of causing these communities thousands and thousands of dollars, and that's why I appealed to your reasonableness here that you're causing the communities to spend a lot of money that the Federal program should be absorbing, not the communities of Sitka, Saxman, Ketchikan and Kodiak. And so I'm just saying that we asked -- one of the things that the Council did was to ask this Board, and it was in the letter, and I have a response to that, to ask this Board to provide and identify relevant data to help those communities out. Like Saxman has two people. And we got a response back from OSM, I don't want to read it, but basically said you can't help us because you're ruling on us. But that doesn't solve the question of Saxman and Sitka, that, where are they going to get the money to do this. And I think if you can reasonably say to anybody in a court, it's clearly substantial, that's what you said, and we'll be able to do it and you said, ditto, that's cool, you can defend that, and so I just asked you to be reasonable, you're causing a great amount of grief to people here by the decision to include Sitka and I hope that it does not succeed.

CHAIRMAN DEMIENTIEFF: Niles.

MR. CESAR: Thank you, Mr. Chair. I agree with Judy.

I think that for those reasons, of
economy, of change in the economy and how that money is earned, I believe that there is not a substantial increase in anything or a difference in anything except the population in terms of numbers. I believe that a lot of the new jobs that are in Sitka are, in fact, at the hospital. They're a different types of jobs. Although we heard yesterday that brings in a lot of new people, or people who change the dynamic of it, I believe in Sitka's case, a lot of those people, in fact, are other Native Alaskans who come in and take over those kind of jobs and I hope where we're headed with this new schools and new hospitals, and I was struck yesterday by that, that our own people are getting educated and we will not be hiring folks, we will have our own doctors like we're getting, our own teachers will come in, and I believe that's where we should be headed. And I think that's really what I support.

I believe that Sitka has made its case for remaining rural. I don't believe that further analysis is going to discover anything new and I maintain that -- or at least it's my opinion that we don't want to get stuck in an analysis paralysis. You know, how much analysis is enough analysis, and who's going to pay for it.

I believe that Sitka's made its case and I intend to make a motion, if it's appropriate at this moment, to remove Sitka from the list.

CHAIRMAN DEMIENTIEFF: We already have a motion on the table, if it fails Sitka's off.

MR. CESAR: I hear you, you're right, I'm sorry.

CHAIRMAN DEMIENTIEFF: Okay. Now, if you'd just get off the microphone we could proceed on.

(Laughter)

CHAIRMAN DEMIENTIEFF: Gerald.

MR. NICHOLIA: Yeah, thank you, Mitch. I was just wondering if there's a Coast Guard Base there, if you do include that Coast Guard Base, do you guys offer the military subsistence priorities?

MR. BOYD: Mr. Chair.
CHAIRMAN DEMIENTIEFF: Tom.

MR. BOYD: I think the short answer is that the members of the military are citizens of the community, they are included, and if a community is rural where military personnel reside, they are afforded the subsistence priority along with their neighbors.

CHAIRMAN DEMIENTIEFF: We do have precedence in that area, though. Both in the State system in the past, where we have segregated out, segregated, that's not a real good word, we have separated like in the case of Nenana. Clear Air Force Base, they do not have -- they did not have subsistence use of the resources in that area.

And I think probably Terry could speak better to this or....

MR. HAYNES: Mr. Chairman. I was just going to remind everyone that even if military bases are included with the rural community, the individuals have to be residents of Alaska before they qualify for the subsistence qualify. So they would have to have been a resident there for 12 months in order to qualify.

That's an important distinction.

MR. BOYD: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Tom.

MR. BOYD: Terry's correct. I didn't elaborate but there are some situations where military members of a particular base or facility have not been granted a customary and traditional use determination. So I mean there are variations on this theme.

But I think the principle here is that when dealing with the question of whether or not a community is rural, we include all residents of the community in that consideration.

CHAIRMAN DEMIENTIEFF: I was not doing my duty. I need to get on the record that I ruled Niles' motion out of order because we do have -- I mean it just needs to officially go on.

Gerald, you had something.
MR. NICHOLIA: Yeah, I was just kind of going to say if you include military to the rural priority, it will be like a disservice to the real Federally-qualified user that's living in that area.

CHAIRMAN DEMIENTIEFF: Okay, again, we ought to probably focus on Sitka which is a little different. I think we're going back to Kodiak is what we're doing -- oh, yeah, go ahead, John.

MR. LITTLEFIELD: Mr. Chair. Just some history there. I did propose a couple years ago, I put a proposal in to remove the people in the Sitka Coast Guard Base from the program and it was based upon the history of this program, which has, I believe, Tatalina Air Force Base, some others that are not -- there are some listed where rural determinations, that I saw at the time, it may be different now, but I got so much flack over that that I had to pull that because I got called every name in the book and I had to tell that Commander there that, you know, I was a Vietnam Veteran, American Legion member, VFW post commander, but there was a lot of strife over there.

But the way the regulations read, or as Mr. Haynes said, you need to qualify as a rural resident, which is under the dictionary, and I still don't believe they qualify then, because the rural residence says you're going to come back and you plan to be here, your domicile, but that's a really iffy point. So we'd like to not see those numbers used against us and you've recognized them, I think, as other searches, but I don't think we want to go there.

CHAIRMAN DEMIENTIEFF: Okay. Are we prepared to vote now?

MR. CESAR: I'll for the question on the motion.

CHAIRMAN DEMIENTIEFF: Great. Okay.

MR. REGELIN: Thank you, Mr. Chairman. I feel like very strongly that we've started a process and I'm not sure why we would want to stop and not have a full analysis of Sitka and I guess I just feel like it's smart business to do a full analysis and do the job that we started out to do rather than curtail it right now.
I don't understand -- I understand we had a lot of testimony, but when you look at the law, I don't understand how we can not go through a full analysis.

Thank you.

CHAIRMAN DEMIENTIEFF: Go ahead.

MR. OVIATT: Mr. Chairman. I think Dr. Kessler explained my views very well and I support what she has said. And I think we have an opportunity to address the changes in Sitka that have happened and through this analysis put this to bed once and for all, otherwise, because of the threshold it could come back before this Board in 10 years from now. And I just think we have an opportunity to really put this to bed through this analysis and so I'm going to vote in favor of the motion.

CHAIRMAN DEMIENTIEFF: Yeah, I think, really we know a lot about Sitka, I think that analysis work, as it's been pointing out in testimony, has been done, and as I've said before that I know more about Sitka from 35 years ago is the first time I ever went there and it's the same community, it's the same community that it was 35 years ago. A little difference in the dynamics but we've gone all through that, the economic dynamics I'm talking about. But we've gone all through that.

But every time I go to Sitka, when I go to a public function I'm eating the same foods I was eating 35 years ago. When I go to my friend's homes, I'm eating the same foods I was eating 35 years ago. When I go to the restaurants I'm eating, even though it's in the commercial market, I'm eating the same foods that I was eating 35 years ago. The fact of the matter is, is that, they haven't changed so I really agree that there's no reason to go back and take these people through all this at tremendous expense when we know that Sitka is the same Sitka that we've always known it to be.

Just a little bit of change in income, but that's a progressive community, and in losing a source of income, you know, the economics has to diversify and that's exactly what the community of Sitka did, and I think it's very important that we keep those things in mind.

And so with that I think if there's no
more comments, is somebody ready to call the question.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: I'd just like to make one more comment and that is to remind us that the Interagency Staff Committee did also bring out several very relevant factors particular the geographic isolation of Sitka that also leads me to believe that we have a solid record for making a decision right now.

CHAIRMAN DEMIENTIEFF: Are we ready to go to a vote?

(Board nods affirmatively)

CHAIRMAN DEMIENTIEFF: I see head's nodding.

Tom, would you call the roll.

MR. BOYD: Yes. Dr. Kessler.

DR. KESSLER: Yes.

MR. BOYD: Mr. Cesar.

MR. CESAR: No.

MR. BOYD: Ms. Gottlieb.

MS. GOTTLIEB: No.

MR. BOYD: Mr. Edwards.

MR. EDWARDS: Yes.

MR. BOYD: Mr. Oviatt.

MR. OVIATT: Yes.

MR. BOYD: Mr. Chair.

CHAIRMAN DEMIENTIEFF: I vote no. Motion fails, three to three and Sitka's off the list. Next community. We're going to press on as long as we can here, we're not going to take a break. If somebody needs to step outside for a minute, just go and do it because
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, so I'm going to press on as far as we can.

Go ahead.

MR. BOYD: Mr. Chair. The next community is Adak. Mr. Chair, the recommendation, Adak was proposed for further analysis because it's population decrease is now below the 2,500 threshold.

CHAIRMAN DEMIENTIEFF: Thank you. Is there a motion.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: I move that we remove Adak from further discussion.

CHAIRMAN DEMIENTIEFF: Is there a second to that.

MR. CESAR: I second.

CHAIRMAN DEMIENTIEFF: It's been moved and seconded, discussion on the motion.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: I guess I should have said from further analysis. But I think it's clear and we've discussed for years informally how the population has declined significantly because of the withdrawal of the Naval Base, so I think it would not warrant any more population numbers analysis. I think we have the current and the 200 data.

CHAIRMAN DEMIENTIEFF: Thank you. Niles, if you could direct traffic for me, I've got to step out for just a minute.

MR. CESAR: Yes, sir. Further comment.

MR. EDWARDS: Well, I mean certainly if you look at Adak and what's taken place with the population, I think that one can certainly make a
reasonable argument that it's reduced significantly, I think, from over 5,000 people to probably less than 100 now, but as I have said on the previous two ones, I think we have started down -- we originally started down a road, I'm concerned already with our inconsistency of our approaches to things, and I think that Adak, that we ought to consider it for further consideration and further review. I think by the very nature of it and the subsistence requirements out there, I don't think that there's anything to be gained or lost by not going forward.

As I mentioned to people on the Board, right now the caribou season on Adak is seven days a week, 24 hours a day, 360 days a year, shoot as many as you want. The others, the marine mammals have certain restrictions with their subsistence foods, and we do have, I think, migratory birds, subsistence out there, so I don't think it's a big issue one way or the other, but for consistency and to try to keep us going down the direction that I think we should be going I'm going to vote no on the motion.

MR. CESAR: Further comment.

DR. KESSLER: I'll just apply the same principle I did in my previous comments. That I think there's everything to be gained by looking at the information and coming to the conclusion. I think the conclusion is going to be pretty straightforward in this case but nonetheless I think it's important to follow through with process and examine the information and draw the conclusion based on that.

So I'd prefer to keep it on the list.

Thanks.

MR. CESAR: Further comment.

MS. GOTTLIEB: Mr. Chair.

MR. CESAR: George first.

MR. OVIATT: Thank you, Mr. Chair. I, too, think that we ought to follow the process and we ought to keep it on the list. The analysis would be short. I don't think it would be too detrimental to the community either.
MR. CESAR: Judy.

MS. GOTTLIEB: Thanks. Well, I was just wondering, and maybe Larry could fill us in. I mean what other analysis would we do on Adak, for example, besides what already has been done?

MR. BUKLIS: Mr. Chairman. The population change is the most significant feature, and beyond that we might describe the characteristics of the community as it had been as a middle-sized -- in that middle strata of population size, but I think it would be, as was mentioned by the Board member, a very brief and straightforward analysis.

I'm not sure at this point what we would do beyond verifying the population change numbers and perhaps describing the characteristics somewhat. But it would be a very brief analysis.

MR. CESAR: Further comment.

(No comments)

MR. CESAR: I don't think we can go to a vote until our Chair comes back.

I support Judy's motion to remove Adak from the list for the very reasons she talked about. That the most significant thing, as Larry has said is the population, if that is not a dramatic population drop then there is no such thing, and I think the analysis, as Larry has talked about will not demonstrate anything.

And to me, they have made the case, and I think it should be removed from the list and so that's how I intend to vote.

MS. GREGORY: Mr. Chair.

MR. CESAR: Yes.

MS. GREGORY: If the population was filled by somebody that came from outside of the area and they left, the people who live there have done their subsistence gathering all this time, before, during and after whoever populated it, it never changed.

I know, I'm from a village. Our village life never changes. Every year we go and get our own
food, whether there's lots of people in our village or not, and I think that's what Adak is. I don't know, it's a remote area. It qualifies already because it's in a remote area, no access to it, no road system.

CHAIRMAN DEMIENTIEFF: Thank you. Larry.

MR. CESAR: No, I'm sorry, I just wanted to comment. I think I'm the only one that has any experience on Adak that means anything. I was there 30 months from '64 to '67, and if that doesn't fit rural with the leaving of the military, nothing does.

CHAIRMAN DEMIENTIEFF: Larry.

MR. BUKLIS: Thank you, Mr. Chairman. I wanted to follow up on my response of a moment ago. The way the process is laid out, further analysis is sort of the route to the Proposed Rule stage for change items. So I wanted to make clear for the record that, as I understand the motion that's on the table, remove it from the list for further analysis, and implicit would be to advance it to the Proposed Rule stage for change in status. Because if we simply remove it from analysis, we need to make explicit you meant, also that the status would be changed without further analysis and moved to Proposed Rule as rural.

Thank you.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: Thank you for that clarification, Larry. Yes, that was my intent and maybe I need to amend the motion and would move that we remove this from further analysis because of the clear data we have on population right now and put it on the list as being a rural community because of its geographic isolation.

CHAIRMAN DEMIENTIEFF: We have an amending motion, is there a second.

MR. CESAR: I guess I viewed that as a clarification to the motion as opposed to an amendment.

CHAIRMAN DEMIENTIEFF: A clarification.
MS. GOTTLIEB: Yes.

MR. CESAR: Yes.

CHAIRMAN DEMIENTIEFF: Okay. That was your intent?

MS. GOTTLIEB: Yes.

CHAIRMAN DEMIENTIEFF: And the consent of the second, we all have that understanding, okay, so we do have that -- just the main motion in front of us.

John.

MR. LITTLEFIELD: Mr. Chair. I have to apologize I had to leave the room and it's my understanding you're putting a motion on the floor in some kind of a negative or something like that, it sounds to me like that.

It was my understanding when we started this morning that the process was going to be we were going to, number 1, we were going to recommend that Kodiak is on the list, and I think that you should do that in every case even though you may want to oppose it, then you vote against it so the record is real clear, and I think that's what Mr. Buklis is trying to say. If you make the motion to put Kodiak on the list, if you're in favor of it, you would vote yes, if you're opposed you vote no, it's not trying to figure out the vice-versa. So I would think that a motion in the positive method would be helpful.

MR. EDWARDS: I think what Larry was saying is that I don't think that that applies in this case given that, depending on how the motion would go, because Adak currently is identified as nonrural, and I think by doing what you suggested won't get, I mean where Judy wants to go.

MR. LITTLEFIELD: She wants to remove it.

MR. EDWARDS: No, she doesn't.

CHAIRMAN DEMIENTIEFF: No, she wants the status changed right here, so that is a positive motion.

Okay, that is the motion before us.
Any further discussion.

(No comments)

CHAIRMAN DEMIENTIEFF: Hearing none, roll call.

MR. BOYD: Dr. Kessler.

DR. KESSLER: No.

MR. BOYD: Mr. Cesar.

MR. CESAR: Yes.

MR. BOYD: Ms. Gottlieb.

MS. GOTTLIEB: Yes.

MR. BOYD: Mr. Edwards.

MR. EDWARDS: No.

MR. BOYD: Mr. Oviatt.

MR. OVIATT: No.

MR. BOYD: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes. Motion fails, three, three so it will remain on the list for further review, okay, move on.

MR. BOYD: Mr. Chair. The next several six items deal with generally and area and whether or not to exclude or include particular communities within a grouping in that area. So the first set of that is the Fairbanks North Star Borough, and the question is whether to continue using the entire Borough as a nonrural area or separate some outlying areas for further analysis.

Mr. Chair.

CHAIRMAN DEMIENTIEFF: Thank you. Is there a Board motion.

(No comments)

CHAIRMAN DEMIENTIEFF: I guess the first question I would have is do we have any requests from
outlying areas of Fairbanks for a change or comments from
the area?

Larry.

MR. BUKLIS: Mr. Chairman. I think you
had a Council recommendation from the Eastern Interior
Council. But in terms of the origin of this, it was
advanced by the Staff in our initial review and brought
forward by the Board as proposed because we, in looking
at the groupings we had, we realized it's not so much
that there was a substantial change in the North Star
Borough, rather we wondered if the current use of the
Borough boundary, while an easily recognized boundary and
well established and well defined is overreaching what
was necessary to define a nonrural area, and whether some
of the outlying areas could be defined as separate and
thereby be separate from the nonrural rural.

So it was more a matter of analytical
detail rather than people coming forward and requesting
it. But the Eastern Interior Council did have a
recommendation on your proposed review.

CHAIRMAN DEMIENTIEFF: Having clarified
that, is somebody prepared to make a motion.

MR. EDWARDS: Mr. Chairman. I am
concerned that we have set up a process that is going to
make it very difficult from this point on for people to
make motions. Because the way we have it with the three
to three vote, there's no advantage for one to make a
motion, given sort of the direction that Board members
appear to be going on this, so I'm just suggesting we may
want to look at another approach.

CHAIRMAN DEMIENTIEFF: It's a matter of
process. We have a process we have to go by it.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: May I make a motion,
please.

CHAIRMAN DEMIENTIEFF: Sure.

MS. GOTTLIEB: I would propose that we
would keep Fairbanks North Star Borough on the list for
further analysis because I don't think we've heard enough
information to make a decision at this point in time.

CHAIRMAN DEMIENTIEFF: Thank you. Is
there a second to the motion.

DR. KESSLER: I'll second.

CHAIRMAN DEMIENTIEFF: Okay. Discussion.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: I did have a couple of
comments that I hope we can find out more information on
and that had to do with some of the school information
that we heard -- I'm sorry, I'm getting mixed up with the
other one, sorry, no, sorry.

CHAIRMAN DEMIENTIEFF: Okay, so we're
clarified again that a vote in favor of the motion, we
vote in favor of the motion, if it turns out against the
motion then the motion fails -- or, yeah, they get
removed for further analysis, yes.

No further discussion.

Oh, I'm sorry, Gerald.

MR. NICHOLIA: Yeah, thank you, Mitch.
One of our main concerns is that if the Borough expands
and it encompasses the other surrounding villages that we
wouldn't like that. But another thing is, too, is that
you got to consider the access to other resources that
the Borough has compared to subsistence resources,
because they have stores right down the road there and if
they're considered nonrural it will affect other outlying
areas that are considered rural.

I wouldn't want to impose -- I wouldn't
want to see you guys impose so much hardships on the
outlying areas like in Delta, Deltana, and other areas
that was -- that they're trying to encompass that whole
area as a group, so I'd be very careful.

MR. EDWARDS: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Gary.
MR. EDWARDS: I mean regardless of what the Borough does, that will have no -- isn't that true, it will have no bearing on what our ultimate decision might be, whether they want to annex the whole northern part of the state or not? That won't have any bearing on our decision; is that correct?

CHAIRMAN DEMIENTIEFF: That's correct.

Go ahead, Keith, you had something?

MR. GOLTZ: It won't determine the decision but it could be a factor.

CHAIRMAN DEMIENTIEFF: Okay. You know since Fairbanks is a suburb of Nenana I know quite a bit about it and the area. And they do -- those people in that area are strictly sport, and I'm talking about the satellite communities that this motion would affect, and I do know that for a fact.

I think if some of the smaller of the communities wanted to appeal, which we don't have requests from them, I think I would be inclined to look at that, but I know most of those people, when they're out hunting or gathering, they don't do it in their own area, they go -- except for maybe berries, they go to outlying areas, Nenana, towards Minto, you know, those are areas that they use for gathering their resources. So in other words, nothing has really changed. And unless we get a specific request from the outlying area, outside of Fairbanks, I mean we get them all the time, so I mean nothing has changed. So I just don't know why we would want to exhaust our resources without a request from the area and why would we want to do that. We know nothing has changed.

So anyway I intend to vote against the motion for that reason and not waste our resources to ask questions, do work for something that's not even being requested by the locals.

MR. CESAR: Pete, could I get a clarification, have we had any requests for study in that area?

MR. PROBASCO: Mr. Chair. Mr. Cesar.

The request to include North Star Borough was forwarded from the Board when we met with you in July. As far as public comments, I don't believe we had any Fairbanks specific.
DR. KESSLER: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

DR. KESSLER: Could I have a little explanation of the need for analysis that caused the Board to put this forward on the list? There must be some specific questions there that we need to address?

CHAIRMAN DEMIENTIEFF: Larry.

MR. BUKLIS: Mr. Chairman. Did you have a specific question of me regarding the need for analysis?

DR. KESSLER: I'm trying to get a better feel for why the Borough is on the list for further analysis, what are the particular needs for that analysis? I'm trying to get a better handle on that.

MR. BUKLIS: Thank you, Mr. Chairman. The Fairbanks North Star Borough is on the list because it is a grouping, and back when the initial determinations were made the North Star Borough boundary was used as the area boundary. That is a boundary of convenience. It's well defined, well established independent of this program, but we note that it is a very large Borough and encompasses a lot of geography.

And in our initial review, we simply raised the question of whether it would be worthwhile to apply your guidelines of proximity and road connectedness, shared high school attendance, and commuting patterns to examine whether, in fact, the whole Borough forms an aggregated area that is nonrural or whether, in fact, some of the outlying areas, while part of the Borough, politically and geographically are not part of the aggregate for the purposes of this program.

And so not knowing now how that would go, it's simply the question of whether that warrants further examination.

DR. KESSLER: So at the time it was put forward, the thought was people who were affected or had opinions or needs on this would step forward and speak to it and we have not had those folks step forward, correct?

MR. BUKLIS: That's correct. To the best
of my knowledge, unless there are some late comments I
haven't seen but to the best of my knowledge we have not
had public comment focused on this issue. We have had an
Eastern Interior Regional Council recommendation, and
I'll paraphrase it as I understand it, but Mr. Nicholia
can speak to it better than I, that we not further
examine the North Star Borough, we continue to use the
Borough boundary as the nonrural boundary, but, in fact,
the Council is concerned that if the Borough expand for
other reasons that we be careful not to necessarily
expand with it in our nonrural boundary definition.

Thank you.

CHAIRMAN DEMIENTIEFF: Gerald.

MR. NICHOLIA: Yeah, that's correct,
Larry. And another thing I'd like to back up to is what
Mitch said, that whole area, even the Lake, Two Rivers,
Pleasant Valley there, they're all sport. They affect my
area in Tanana, they affect my area down Novi to go moose
hunting and everything, they adversely affect other
users. So I know for a fact they're all sport people.

CHAIRMAN DEMIENTIEFF: I think part of my
interest in going back to our decision to advance was to
see if there would be something put forward and so am
going to vote against the motion because of the fact that
we didn't generate any interest. So if nobody stepped
forward, then what's the use of taking our resources, and
that's the point I made a little bit earlier.

But that's what I was really interested
in. Because there are some little small areas in the
area but we tossed it out there and there was no
interest, so I'm ready to drop it out and vote against
the motion for that reason.

Anybody have anything else.

(No comments)

CHAIRMAN DEMIENTIEFF: Roll call.

MR. BOYD: Mr. Oviatt.

MR. OVIATT: I'm going to vote in favor
of the motion just for the sake of the process that we
have in place.
MR. BOYD: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Tom.

MR. BOYD: So I can clarify, I should have done this earlier, just to repeat, the motion was to move to maintain Fairbanks or add Fairbanks to the list for further review, and I just wanted to clarify that that was Mr. Oviatt -- okay -- Mr. Edwards.

MR. EDWARDS: I vote in the affirmative.

MR. BOYD: Ms. Gottlieb.

MS. GOTTLIEB: Yes.

MR. BOYD: Mr. Cesar.

MR. CESAR: Yes.

MR. BOYD: Dr. Kessler.

DR. KESSLER: Yes.

MR. BOYD: Mr. Chair.

CHAIRMAN DEMIENTIEFF: No. Motion carries.

It's about a quarter of 12:00 right now and we got to do Kenai, I probably just ought to break right now and go and get some lunch. We got to try to be prompt getting back here because we really do have a lot of work yet to do, but I don't want to get into Kenai and then run into the lunch hour, plus that we can get a jump on the restaurants if we get out right now.

Okay, so we'll recess until 1:15.

(Off record)

(On record)

CHAIRMAN DEMIENTIEFF: We've got a request from one of our members as we reconvened, one of our Regional Council members who has pressing business in Fairbanks and he needs to get on the first available -- his last issue will be Delta, so we're going to take that out of sequence and go right into Delta in order to accommodate.
So maybe you could introduce the issue, Tom.

MR. BOYD: Mr. Chair. The next item, which would be Item No. 10 on Page 3 of the Staff report that I referenced earlier deals with Delta Junction, Big Delta, Deltana and Ft. Greely. And these were brought into question to evaluate whether some or all of these places, currently considered rural and not grouped, should be grouped and their rural/nonrural status evaluated collectively.

Mr. Chair.

CHAIRMAN DEMIENTIEFF: Okay, thank you. Okay, is there any discussion on the issue that we need to get in.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: Could I ask a question, perhaps of Larry or others, just as a reminder, as to sort of how did these particular communities come to be grouped?

CHAIRMAN DEMIENTIEFF: Larry.

MR. BUKLIS: Mr. Chairman. As we did our initial review for the Board, this was an area that came to our attention that these communities are proximal, connected by road, share a high school in Delta Junction and we weren't certain of the level of commuting among communities, but given the Board's guidance on how grouping's are to be conducted, this area looked like it may warrant further analysis as to whether it should be considered a group or not, and so it's an open question.

And the further analysis would look at whether it warrants being considered a group. If grouped the four places that were mentioned would total a population of over 3,600 using the Year 2000 census and that would put it up in a range of not presumed rural, nor presumed nonrural but we'd have to look at the characteristics of that grouping to make an assessment as to what the characteristics most look like.

CHAIRMAN DEMIENTIEFF: Gerald.
MR. NICHOLIA: Yeah, was there any request specifically from any one of those four communities to do this?

MR. BUKLIS: No, there wasn't a request to do it. It was part of the initial Staff review that the Board then endorsed and made a proposed area for further analysis. And then this comment period was a time for collecting that public comment. And as to the public comment, we did receive, I believe, one public comment in writing about that and then the Eastern Interior Council recommendation and we've had testimony at this meeting.

Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Thank you. Any other discussion or is somebody prepared to make a motion.

MR. EDWARDS: Mr. Chairman. For purposes of discussion, I move that the communities of Delta Junction, Big Delta, Deltana and Ft. Greely be evaluated for the purpose of looking at whether they should be grouped or not grouped for the purpose of determining whether their rural or nonrural status.

CHAIRMAN DEMIENTIEFF: Thank you. We have a motion, is there a second.

MR. OVIATT: For point of discussion I'll second the motion.

CHAIRMAN DEMIENTIEFF: Gerald.

MR. NICHOLIA: Yeah, thank you, Mr. Chair. I'd just like to mention from looking at this map here, is that, it may be wise to not group Deltana with Delta Junction and Big Delta and Ft. Greely because from what I've been hearing is that Deltana is just the same as Healy Lake, Dot Lake and they don't have -- maybe besides the road there, they don't have access, good access to Delta Junction as Big Delta or Ft. Greely. And to say something else, too, Dry Creek has better access to the road than the people of Deltana.

So it would be very unwise to group Deltana with these other three deals because of the difference in the remoteness that they're in.
CHAIRMAN DEMIENTIEFF: Yeah, Gerald, I think that that's probably why it's up for further review so we can do that.

And also being familiar with the area, and when we did Fairbanks I voted against that, but I do know there are pockets of people there that are resource dependent and we need to give them another opportunity. There are people that live across the river from Delta, and you know there's two times a year when they're not going to be able to get access to town, so what are they doing, what are they eating those two times a year during break up and freeze up? You know they're using the resource, so that's worth looking at from my point of view.

And like I said, even though I voted against Fairbanks, I am going to support the motion, and then I've got agreement from the representative from Delta, wherever he's at, we had a conversation and talked further about it and they're willing to do more work to help us to collect those paperworks.

And like I said, clearly the people across the river, we know they're dependent upon the resource, we know that. And so there may be other areas in that area, but that's just further evaluation.

Go ahead, Judy.

MS. GOTTLIEB: Thank you, Mr. Chair. I guess two quick comments.

I do know there is another high school in that area, another school so I hope that would come out in any further analysis.

And secondly, maybe just in the particular wording of the recommendation, further analysis of whether those four communities should be grouped and the rural/nonrural status evaluated collectively. I mean should the wording be, should be grouped or not be grouped and their status evaluated, whether it's as a group or then individually. You know, it's almost, the way we have it as a recommendation, it's almost concluding that the group would have to be evaluated versus maybe it's not a group.

CHAIRMAN DEMIENTIEFF: Gerald.
MR. NICHOLIA: Yeah, I'd be very carefully to -- like Deltana, they're really resource dependent and then if you group these people together and then you declare them nonrural, I think you'll be hurting those people more than helping them out.

Thank you.

DR. KESSLER: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

DR. KESSLER: Well, I think this is the type of information that would become clear during an analysis and that the effect of doing an analysis would clearly be beneficial then, that type of information will come to light and be taken into consideration.

MR. EDWARDS: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Yes.

MR. EDWARDS: Larry, all right, so on the map in the Delta Junction vicinity, all eight of these communities currently are rural, that's correct, right?

MR. BUKLIS: Yes, Mr. Chairman.

MR. EDWARDS: And then we're suggesting that we're only looking at four out of the eight, and so I guess maybe you explained but I just missed it, why, for example, were only four looked at as opposed to all eight? I mean what separates, you know, Delta Junction, Healy, Dot Lake village and Dot Lake from the other four?

MR. BUKLIS: Mr. Chairman. I think because the issue is centered on Delta Junction as the center of an area there.

The proposed analysis would look at those communities in immediate proximity to Delta Junction. And the map you're looking at, Figure 10, in that November report, those are census designated places covering some geography, and it's not meant to say that the population is uniformly distributed through those grey scale areas, this is the census' way of drawing boundaries on geography and attributing population to it. But the center of the focus is Delta Junction, and the proposal is that Big Delta, Ft. Greely and Deltana in immediate proximity to Delta Junction be looked at in
their relation to Delta Junction and whether that should be considered a group.

You're right, currently they're all individual and rural. If we found some rationale for grouping and if that put us into a population category that was presumptively rural, then we would look further at the rural/nonrural characteristics.

So in going back to the other Board member's comment, it would hinge on the grouping analysis and whether that put us at a population level where rural/nonrural characteristics were called into the question.

MR. EDWARDS: All right, I'm trying to follow all that. But once we grouped them and if we added up their population it's still going to be way below the -- it's going to then be between the 2,500 and the 7,000 threshold, right?

MR. BUKLIS: That's correct. And we wouldn't presume rural or nonrural, it would hinge on their characteristics.

MR. EDWARDS: But there are other communities that have fallen within that character that we have not taken a look at, right, you know, I mean Valdez falls within the 2,500 to 7,000 but we started out by really not considering anything in that threshold, right?

Am I making sense?

(No comments)

MR. EDWARDS: I guess let me rephrase it. So the fact that we group on their population then becomes 3,500 or 4,000, whatever it is, then it's going to require even another step and then another step after that?

MR. BUKLIS: Mr. Chairman. There are communities in that midsized range now that aren't being proposed for further analysis, you're right. You mentioned Valdez. It's in that range of 2,500 to 7,000, it has a determination, that determination is nonrural. And in our initial review and your proposed package that led us to this meeting, there isn't a proposal to revisit the nonrural status of Valdez. And we've heard no
testimony urging us to rethink that.

On the question of the grouping in and around Delta Junction, the Staff work and the Board work to this point indicates there may be reason for that area to be considered a group now, and so the charge would be to look at the proximity, the high schools, the commuting patterns and report back as to whether it warrants consideration as a group now to be added to the list of communities that are groups in this program. If that runs us up to a total up over 2,500 people, we wouldn't presume that it's a rural group, but we'd have to look at the characteristics of that group. That phase of the work would be done at the same time as the grouping analysis and we'd report to you the outcome of the grouping and if it led us to that nonpresumptive size, we'd also report what characteristics we found.

CHAIRMAN DEMIENTIEFF: Gerald.

MR. NICHOLIA: Yeah, thank you, Mitch. From that email from Nat Good that you have before you, you can see clearly -- he was on this Eastern Interior Council before and he's on that Delta Advisory Committee, and he clearly states in here that Deltana is way different than Delta Junction and Big Delta and Ft. Greely, and if you could get Rick up here to state that, too, I believe he'll say the same thing, so I think you'll be making a big mistake to include Deltana with those other three groups.

CHAIRMAN DEMIENTIEFF: Okay, got it.

MR. CESAR: Mr. Chairman. If we chose to remove Deltana from the grouping, the other three would go forward and would be subject to that review; is that correct, Larry?

MR. BUKLIS: Yes, Mr. Chairman. In terms of procedure, the Board has proposed that Staff further analyze a grouping including four places. If your direction is to -- if the motion is to proceed with analysis, but of only three places, that would be our charge. I would note that Deltana alone had a population of over, I think, 1,500. So the remaining pieces would be below 2,500 from the start.

MR. CESAR: And I guess that's where I was headed, would that then change the dynamic of the
population to begin with, would that then have them fall out, would it make sense to review the remaining three, I guess.

MR. BUKLIS: Mr. Chairman. Purely on a technical basis, you have given us guidelines on the grouping of places, and the regulations say the communities will be considered in the aggregate, and so just on that part of the regulations we are to consider communities in the aggregate. We have guidelines on how to report to you on integration. Within that realm, there's some basis for analysis, but if it gives us a population total that's under 2,500, it would be presumed rural unless there's something about the characteristics that would indicate a nonrural nature.

For example, Prudhoe Bay is being proposed for analysis and it's population is five people, so a place can be small but have characteristics that are nonrural. So I don't want to speculate in advance of the analysis.

CHAIRMAN DEMIENTIEFF: Thank you.

MR. NICHOLIA: Yeah, I'm just wondering where you get all your data from saying that Deltana has a population of 1,300 [sic], because what I heard from Nat Good is that it's mostly sparse and mostly farmers out there. And like I said if you got that data from the Alaska State Community Database, like I said before, it ain't very accurate.

CHAIRMAN DEMIENTIEFF: Larry.

MR. BUKLIS: Mr. Chairman. Yes, the estimate is from the U.S. Census Bureau Year 2000, the decade census and the census designated place they call Deltana had a population of 1,570. And that population is attributed to the geography shown on Figure 10 called Deltana.

MR. NICHOLIA: Excuse me, but that's 2000 and this is 2005, and what Nat has been telling me is that Rick is right, that there's been a lot of out migration from the deal.

MR. EDWARDS: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Gary.
MR. EDWARDS: I guess I'm somewhat now totally confused and I don't know enough about the characteristic one way or another to know whether it should be included or not so maybe that leads me to the conclusion is that maybe it makes sense to do the evaluation and then we'll at least -- at least I'll feel more informed in making a decision, so I'm going to vote in favor of my motion.

CHAIRMAN DEMIENTIEFF: No further motions, then if we go ahead with this then Deltana's going to be reviewed as well.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: So could I ask a question again about an actual evaluation. The evaluation would be whether these four communities should be grouped, if the conclusion is that they should not be grouped then each community would fall under population guidelines for determination if it's rural or nonrural?

MR. BUKLIS: Yes, Mr. Chairman. That would be the first step in the two-step process, would be the grouping assessment, and then that may lead to an evaluation of characteristics of a grouped set of communities.

MR. EDWARDS: Then, I guess, Mr. Chairman, I'm not sure exactly what you said was exactly correct. I don't think that this vote will necessarily mean Deltana would be reviewed per se, the decision is going to make it be grouping, then that group would be reviewed, not each one of these individually would be reviewed; is that correct?

MR. BUKLIS: Yes, Mr. Chairman. My understanding of the charge would be -- I'm not sure of the exact motion, but Page 2 and 3 of the Staff report, Deltana, Delta Junction area is on Page 3, if that moved forward as proposed by you and shown on Page 3, the Staff would look at those four named places, evaluate the merit, the technical merit of grouping them, given your guidelines to us, and if that put us in a nonpresumptive zone of population size, then we would look at community characteristics of that grouped place, like we do for other groupings and report back to you on both components.
The grouping assessment and the community characteristics, if warranted.

CHAIRMAN DEMIENTIEFF: For the group?

MR. BUKLIS: For the group.

CHAIRMAN DEMIENTIEFF: Niles.

MR. CESAR: Mr. Chairman. If the first step is to review whether they should be viewed as a group and when you have that information, do you come back to the Board at that point or do you move ahead based on your evaluation and look at the community characteristics then?

MR. BUKLIS: Mr. Chairman. The Staff would report with an analysis of the whole package for your Proposed Rule process. That's the process we're on.

CHAIRMAN DEMIENTIEFF: Gerald.

MR. NICHOLIA: Yeah, thank you. I'll tell you right now is that Deltana is way different than those other three because I've been out there and I've visited those people. One is like a little community, Delta -- Big Delta and Ft. Greely, and Deltana is just a farming area with a bunch of people out there farming, scattered out, in a remote area, they're not together compared to Delta and Big Delta, it's different. It's way different. I don't see how you could group them together.

CHAIRMAN DEMIENTIEFF: You know, at some point in time we are going to have to look at Delta because we all know with the closing of Greely that that economy is changing, and that's going to change the way those people get their food, you know, that whole base closure is there. And that is something that, you know, we have to keep in mind.

But I agree with Gerald as far as Deltana, that's not even, to run them through the process, they are separate and distinct communities, even though they're, you know, in the same area.

Gerald.

MR. NICHOLIA: My biggest worry in this situation if Ft. Greely and Big Delta and Delta Junction
get declared nonrural with the inclusion of Deltana, is
that we'd be hurting Federally-qualified subsistence
users, and I'd very careful on this thing.

I know it's going to be reviewed and
stuff but they didn't put their trust in me to come up
here and have them excluded from the priority of
subsistence or being able to go out there and hunt and
stuff.

CHAIRMAN DEMIENTIEFF: Wini.

DR. KESSLER: Well, again, this question
about the grouping is exactly the one that needs to be
examined so that the information can come forward and we
can have clarity because at this juncture I would be very
uncomfortable with being asked to draw conclusions about
this one or that one without having the light of that
examination of the information.

So, again, I think there's just benefits
to be gained by proceeding and looking at, and letting
the facts that are being brought forward carry the day
through examination.

CHAIRMAN DEMIENTIEFF: Niles.

MR. CESAR: Unlike the other votes that
we've taken where I believe there is a preponderance of
evidence to guide my vote in the last ones, I don't have
that same level of confidence in this one and I believe
it's probably a wise idea to examine those four.

CHAIRMAN DEMIENTIEFF: Further
discussion.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: I think Gerald's done an
excellent job certainly of representing what the RAC has
said and from his own knowledge. I guess I just want to
make sure as we vote on this, that we're considering
whether some or all should be grouped, it's not sort of
an all or none, all four have to be grouped and all four
have to be decided upon. But maybe after further
analysis, maybe only two or three or none of the
communities get grouped, that all those options be -- is
that part of the motion?
MR. EDWARDS: Yeah, Mr. Chairman, at least from standing, and maybe to Gerald. See, my view is that, one, we're a long ways from making the decision whether Deltana should even be in the group, and then we're even a further longer away determining whether the group status could change or not. So I think this is just the very beginning of the process so I don't think that in any way this sends a signal about anything about what ultimately what will happen to Deltana in my mind.

MR. CESAR: Mr. Chairman. I agree with Gary. I mean, you know, again, unlike some of the others, this is a very preliminary evaluation for us to see what are those -- or should they be grouped together because it certainly wouldn't be my intent -- I would not vote to declare them nonrural after just a review of the grouping, that just wouldn't make any sense.

MR. NICHOLIA: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Gerald.

MR. NICHOLIA: Mr. Chair, could you just please clarify your motion for me.

CHAIRMAN DEMIENTIEFF: Gary.

MR. EDWARDS: I guess my motion was that we would proceed with further analysis of whether the communities of Delta Junction, Big Delta, Deltana and Ft. Greely should be grouped for further evaluation of their status as rural or nonrural.

MR. CESAR: I'd like to call for the question.

CHAIRMAN DEMIENTIEFF: The question has been called for. Tom, do you want to call the roll.

MR. BOYD: Mr. Oviatt.

MR. OVIATT: In favor.

MR. BOYD: Mr. Edwards.

MR. EDWARDS: I vote in favor of the motion.

MR. BOYD: Ms. Gottlieb.
MS. GOTTLIEB: Yes.

MR. BOYD: Mr. Cesar.

MR. CESAR: Yes.

MR. BOYD: Ms. Kessler.

DR. KESSLER: Yes.

MR. BOYD: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Yes. Motion carries.

MR. CESAR: Gee, even when we agree it takes us a long time.

CHAIRMAN DEMIENTIEFF: Yeah. I think the thing about it is, too, because I do know the nature of those people just like all the other people, have paid great expenses to be here and I do agree with that that we have to go there. We don't all have to go there, but I will go and whoever else is available because we need to learn as much as we can and the best way we're going to do that is on the ground. I mean we'll just -- I mean whoever's available whenever it's scheduled.

MR. NICOLIA: Yeah, that's what I was going to come to is that if you guys are going to do this, I'd like for those four communities, I'd like to request a public hearing there.

CHAIRMAN DEMIENTIEFF: Yeah, that's my intent anyway. You know, I'm going to go everywhere we have additional work to save the expense for those communities. And, you know, we can just get a team of us to go and whoever is available at the particular time because I know all you folks are busy, whereas I have nothing else to do but go to meetings -- no, that's a joke. So we will go there to make sure that we get the maximum from the people, people who would not otherwise be available to go.

Okay, we're done with that and we're ready to move on.

MR. BOYD: Mr. Chair. The next item is
No. 5, Kenai area, and by that we mean this area was placed -- concluded to be placed in the list for further evaluation to evaluate whether to exclude Clam Gulch and other similarly situated places.

I should point out that the Kenai area is a complex of communities surrounding Kenai/Soldotna so it's already nonrural and Clam Gulch is currently grouped with that. And the evaluation would be whether to exclude Clam Gulch from that grouping.

Mr. Chair.

MR. CESAR: Tom, if I could ask....

MR. BOYD: I'm sorry.

CHAIRMAN DEMIENTIEFF: Go ahead.

MR. CESAR: Maybe I should just go back to Larry, when you say other similarly situated places, maybe Larry would go into that -- I'm sorry.

MR. BOYD: I would ask Larry to respond. Thank you.

MR. BUKLIS: Mr. Chairman. For the Kenai Peninsula communities groupings, Kenai area, which you are on now, and upcoming the Seward area and then later Homer area, the specific communities or areas that are being proposed for further analysis, the circumstances for potential merit and them being analyzed further grew out of your out of cycle review for the Kenai Peninsula in the late 1990s.

But in proposing them for further analysis here, as we take up that analysis and look at commuting levels in proximity, in high school patterns, attendance areas, we didn't want to cut off what we might uncover in doing that. So that phrase is meant to keep open the options for bringing back to you what we find for other similarly situated places in the margins of these areas.

Clam Gulch is in that outer southern end of the Kenai area, and as we examine its pattern we wouldn't just stop there if we were finding something of merit there, so it provides some flexibility.

CHAIRMAN DEMIENTIEFF: Further
discussion.

(No comments)

CHAIRMAN DEMIENTIEFF: Is somebody ready to advance a motion.

MR. CESAR: Mr. Chairman, I move that we move forward to evaluate whether Clam Gulch and other similarly situated places should be excluded.

CHAIRMAN DEMIENTIEFF: There is a motion, is there a second.

DR. KESSLER: Second.

CHAIRMAN DEMIENTIEFF: Discussion.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: I'd say specifically on this Calm Gulch, we did not hear a lot of testimony during the last couple of days so I think it would be good to have some further analysis.

CHAIRMAN DEMIENTIEFF: Yes. I agree. I do know a lot of the people that live there in Clam Gulch, like I know a lot of people on the whole Peninsula and, you know, I think they could make the argument if they chose to so I would support the motion to take another look at that.

MR. CESAR: Mr. Chairman, I think for all the reasons that you've laid out there as well as Judy I would support this motion.

CHAIRMAN DEMIENTIEFF: Good. Is there any discussion.

(No comments)

CHAIRMAN DEMIENTIEFF: If not, we'll go ahead with the vote, Tom.

MR. BOYD: Mr. Chair, I'll start with Dr. Kessler.

DR. KESSLER: I vote yes.
MR. BOYD: Mr. Cesar.

MR. CESAR: Yes.

MR. BOYD: Ms. Gottlieb.

MS. GOTTlieB: Yes.

MR. BOYD: Mr. Edwards.

MR. EDWARDS: Yes.

MR. BOYD: Mr. Oviatt.

MR. OVIATT: Yes.

MR. BOYD: Mr. Chair.

CHAIRMAN DEMENTIEFF: Yes.

MR. BOYD: Unanimous, Mr. Chair.

CHAIRMAN DEMENTIEFF: It must have been a nice lunch.

(Laughter)

CHAIRMAN DEMENTIEFF: We're not all quite touchy feely but.....

(Laughter)

CHAIRMAN DEMENTIEFF: Okay, let's move on.

The next one.

MR. BOYD: Mr. Chair. Item No. 6, is the Seward area, and by that we mean this was included in order to evaluate whether to exclude Moose Pass and other similarly situated places.

Just to remind the Board, in the current determinations, Moose Pass is aggregated with Seward and this is called the Seward area with other communities, and currently that would mean that Moose Pass is nonrural, and the question that we would be looking at in terms of whether Moose Pass should have been aggregated ... considered on its own.
Mr. Chair.

MR. CESAR: Mr. Chairman. We heard from someone from Moose Pass yesterday raise the issue and talk about their belief that they are separate from them. And so I believe on the strength of that, we probably -- and at least his telling us that he represents and has talked to a number of people in there, that it's probably worthy of an evaluation.

CHAIRMAN DEMIENTIEFF: Do we have a motion.

MR. OVIATT: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Yes.

MR. OVIATT: I move that the Seward area be evaluated as to whether to exclude Moose Pass and other similarly situated places.

CHAIRMAN DEMIENTIEFF: Yes.

MR. EDWARDS: Second.

CHAIRMAN DEMIENTIEFF: It's been moved and seconded. And I think part of the testimony was they're coming into Anchorage for bulk shopping. And I don't know of anybody in any village that doesn't go to, you know, Anchorage, Fairbanks, you know, we go there -- especially with today's prices we go there for bulk shopping whereas before we used to do all of our shopping at home, but I mean it's changed everybody. I mean people fly in from the villages, they're carrying cases and cases of groceries back to their village just because it's -- even with air freight it's still cheaper for them. So that's just one of the changes that we've had in recent times and I agree, you know, we need to take a look at that.

So I intend to vote for the motion as well.

MR. OVIATT: Mr. Chairman. I believe, I heard in the testimony, I agree with Niles that there's enough concern, and the testimony he talked about, the community of Moose Pass having their own arts and crafts and those types of things, and I just think it warrants this study and I'm going to vote in favor of it.
CHAIRMAN DEMIENTIEFF: Gary.

MR. EDWARDS: Mr. Chairman, every time I drive through Moose Pass I always question, I ask myself why is this not a rural community and hopefully this additional work will either answer that question one way or the other, so I intend to vote yes.

CHAIRMAN DEMIENTIEFF: Besides that, we're going to be in the neighborhood on the other one that we just voted on so we might as well drop in.

(Laughter)

CHAIRMAN DEMIENTIEFF: Okay, any further discussion.

(Laughter)

CHAIRMAN DEMIENTIEFF: Hearing none, all those in favor say aye.

IN UNISON: Aye.

CHAIRMAN DEMIENTIEFF: Those opposed, same sign.

(No opposing votes)

CHAIRMAN DEMIENTIEFF: I think that train had already left the station.

Okay, Tom.

MR. BOYD: Mr. Chair. The next item, Item No. 7 is titled the Wasilla area, and the reason it's on the list is to evaluate whether to include Willow, Pt. MacKenzie and other similarly situated places. In short, the specific communities I mentioned are currently rural. So if we included them in the aggregate of the Wasilla area in this case, they would probably end up nonrural so that's -- it's going in a different direction than the previous couple of motions that you just considered.

CHAIRMAN DEMIENTIEFF: And the recommendation is to.....

MR. BOYD: The recommendation is to include the Wasilla area, to evaluate whether to include
Willow, Pt. MacKenzie and other similarly situated places.

CHAIRMAN DEMIENTIEFF: And, again, the outlying communities are rural at this time, right?

MR. BOYD: That's correct. The ones I mentioned, that's correct, yes.

MR. EDWARDS: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Gary.

MR. EDWARDS: You know, the Mat-Su Valley is probably -- and I think there's no question that it's growing faster than any place in the state. The other day coming into the meeting I was hearing on public radio that it had the highest job increases in any of place in the state, the new hospital's going out there now, so I just think given all of that that it would really behoove us to take a broader look at that.

And so I would move that we proceed with further analysis of whether to include Willow, Pt. MacKenzie and other similarly situations with that.

And I guess the other thing I should mention if the bridge ultimately ever gets build, I mean all those things are going to change so I think it would be timely to do this now.

MR. CESAR: What bridge is that?

(Laughter)

CHAIRMAN DEMIENTIEFF: We do have a motion, is there a second.

MR. CESAR: Second.

CHAIRMAN DEMIENTIEFF: Okay.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: I think this would be a good example of where we certainly have a lot of questions and probably a lack of data about these, at least these two communities and possibly others so I
1 think it would be worthwhile to do more analysis.
2
3 CHAIRMAN DEMIENTIEFF: Thank you.
4
5 MR. CESAR: Mr. Chairman.
6
7 CHAIRMAN DEMIENTIEFF: Yes.
8
9 MR. CEDAR: Mr. Chairman, I feel the same way Gary does when he goes past Moose Pass, every time I go through those areas up in the Mat-Su I wonder how could they be rural, so for the same reason we're looking at one, I think we have good reason to look at these.
10
11 CHAIRMAN DEMIENTIEFF: Thank you.
12
13 Anybody else.
14
15 (No comments)
16
17 CHAIRMAN DEMIENTIEFF: Well, I do know that there are the different communities in Mat-Su, and to lump them, but we do need to take a look at it, I agree with that. I, of course, travel through there all the time and have family and friends and all over in there and spend a lot of time with them. So I'll agree that let's take a look.
18
19 MR. CESAR: Mr. Chairman, if you had as many friends and as many friends as you say you have all over the state, you wouldn't have any time to come to these meetings.
20
21 CHAIRMAN DEMIENTIEFF: My daughter says, criminally it's just like you're a Governor or something.
22
23 (Laughter)
24
25 CHAIRMAN DEMIENTIEFF: When we were up in Fort Yukon, Gary was grilling me about naming places all over to the state that came to him, yep, yep, yep. That's what you get for looking a long time. Well, I think this train has also left the station so we're going to go ahead and vote.
26
27 All those in favor signify by saying aye.
28
29 IN UNISON: Aye.
30
31 CHAIRMAN DEMIENTIEFF: Those opposed,
32
33 same sign.
(No opposing votes)

CHAIRMAN DEMIENTIEFF: Motion carries.

MR. BOYD: I think.....

CHAIRMAN DEMIENTIEFF: From now on when we get tough issues, we're just going to open the meeting with lunch.

(Laughter)

MR. BOYD: Mr. Chair. The next item is No. 8, the Homer area. This is included to evaluate whether to include Fox River, Happy Valley and other similarly situated places.

Again, the specific communities I mentioned are currently rural and if they were aggregated with the Homer area they would probably end up nonrural, so just so you know which direction this evaluation would be looking.

Thank you, Mr. Chair.

CHAIRMAN DEMIENTIEFF: Discussion.

(No comments)

CHAIRMAN DEMIENTIEFF: Is there a motion.

MR. EDWARDS: Mr. Chairman, for purposes of discussion I would move that we proceed as proposed to do further analysis of whether to include Fox River, Happy Valley and other similarly situated places in the Homer area.

CHAIRMAN DEMIENTIEFF: There's a motion, is there a second.

DR. KESSLER: Second.

CHAIRMAN DEMIENTIEFF: Okay.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: Could I ask a question. I mean are we considering Ninilchik as a similarly situated
area or we would name it if we were considering it.

CHAIRMAN DEMIENTIEFF: Larry.

MR. BUKLIS: Mr. Chairman. We would name 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 that we haven't brought to your attention so I don't anticipate that being included.

CHAIRMAN DEMIENTIEFF: I guess from my point of view, we've been there and we've done the hard work to get where we are now and we've been there in person. So unless somebody can tell me something that's extenuating change in the area, I would have to oppose going in there.

I mean we did diligence, I'm sorry, but we did.

So my point is, again, I ask the question, is there something, extenuating circumstances that would have us change?

MR. CESAR: Mr. Chairman. I'm a little confused about that area, I don't know very much about it. Currently Homer is considered nonrural, is that correct, and Happy Valley and Deer Valley and all these little valleys, are they rural or nonrural?

CHAIRMAN DEMIENTIEFF: Larry.

MR. BUKLIS: Mr. Chairman. They would be considered -- they are considered rural. And if you look at your figure, Figure 4 in your November report, there's a map of the Homer area, and the crosshatching is the current nonrural boundary recognized by this program, and that's overlaid on to the census designated places with their boundaries and names and so you can see how our nonrural area relates to the census units. And so the question is whether we should look further to the north there along the highway that's known as Happy Valley there and further to the east along Fritz Creek out to Fox River area, whether we should examine the commuting patterns and the high school attendance and the other criteria related to grouping or not.

MR. CESAR: Mr. Chairman.
CHAIRMAN DEMIENTIEFF: Yes.

MR. CESAR: Did I understand your comments, I missed a little bit of it, that life hasn't changed in that area so why are we going in there, is that it?

CHAIRMAN DEMIENTIEFF: That's basically, you know, why I intend to oppose the motion is because life really hasn't changed in those communities and they are not -- they have their own areas that they fish in, they don't go, for example, like a lot of people do, like I have people at home in Nenana that travel down to Homer for fishing, they fish right there in their own little area.

So just life hasn't changed that I know of. And I think to go in there would be basically spinning our wheels. We're going to go spend a lot -- again, it's one of those things we're going to go spend a lot of time in -- maybe I could ask that of Terry, would you feel comfortable in answering that question, is that an area that you work in?

MR. HAYNES: Mr. Chairman. I've been down there, I haven't spent extensive time but it certainly seems like it's a significant shift in status of those outlying areas if they were to lose their rural status, and from my perspective I think you'd want to make sure you had a pretty complete understanding of how their situation resembled or differed from that of the Homer nonrural area.

CHAIRMAN DEMIENTIEFF: But also considering the fact that we've done that work already and made the determinations, I just don't see why, unless somebody has any information on how things have changed.

Larry.

MR. BUKLIS: Mr. Chairman. It's not that I have special information on change, but going back to the July report that led to your proposed package of areas for further analysis, we did note that these -- and as I mentioned a few minutes ago here, the three Kenai Peninsula areas on your proposed list for further analysis were areas that rose up in the Kenai Peninsula out of cycle review process, and the Staff analysis back at that time concluded that determinations should remain unchanged at that time and that some of these questions
that arose in that process should be taken up at the next
Decennial cycle, which is this time.

So it sort of picks up on the Kenai out
of cycle review and picks up some unfinished business
that was put off to the regular Decennial cycle on some
of these boundary and grouping issues.

DR. KESSLER: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Yes.

DR. KESSLER: I feel it is an important
opportunity to bring that information to light and have
it examined and put it to rest, I think we should proceed
with analysis.

MR. OVIATT: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Yes.

MR. OVIATT: I agree with Dr. Kessler,
that it is an opportunity to bring us forward and examine
it, especially the Fox River area, and just put this to
bed under good documentation.

CHAIRMAN DEMIENTIEFF: Okay. Then let me
understand this, now, we can get this done before a
Proposed Rule goes out?

MR. BOYD: Yes, Mr. Chair, that's
correct.

CHAIRMAN DEMIENTIEFF: Okay, so it
doesn't necessarily mean we have to go there for a
hearing, is there anything different, we get that
information and proceed on at that point -- okay,
understand.

Any other discussion.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Judy.

MS. GOTTLIEB: I think compared to some
of the other areas we've been talking about, we really,
at this public hearing or in the analysis have not gained
a lot of information so I think I would be more
comfortable with gathering that information and be better
able to make a decision when we have that in front of us.

CHAIRMAN DEMIENTIEFF: Tom.

MR. BOYD: Mr. Chair. I know we said this earlier, probably much earlier, but just to make it fresh in the minds of the Board members. For several of these items that we've already covered, and this one, in particular, as well, it had been our intent when we started this process to have the evaluations of these aggregations done, however, because we were not able to obtain the census data regarding commuting we had to postpone this until this later step. Anyway, it was our hope that you would have had the information so you could have considered whether these would move forward. We just weren't able to do that.

CHAIRMAN DEMIENTIEFF: Thank you. Do we have any other discussion on the motion.

(No comments)

CHAIRMAN DEMIENTIEFF: Hearing none, all those in favor signify by saying aye.

IN UNISON: Aye.

CHAIRMAN DEMIENTIEFF: Those opposed, same sign.

(No opposing votes)

CHAIRMAN DEMIENTIEFF: Motion carries.

Next.

MR. BOYD: Item No. 9 is entitled the Ketchikan area and the focus of our proposal recommendation would be to evaluate whether to include Saxman in areas of further growth and development outside the current nonrural boundary of Ketchikan. And, again, this would focus on Saxman and these other areas that are currently rural with the question of whether they should be grouped with Ketchikan.

Mr. Chair.

CHAIRMAN DEMIENTIEFF: Okay, discussion.

Go ahead, John.
MR. LITTLEFIELD: Thank you, Mr. Chair.

I'd like to read the Council comments on Ketchikan as well as Saxman at this time.

Ketchikan. The Council recommends adding Ketchikan to the list of communities subject to further analysis. The Council has supported consideration of Ketchikan as a rural community through resolutions passed in previous years. The Council believes that Ketchikan's community characteristics may have changed since the passage of ANILCA, with Ketchikan becoming more of a rural place in recent years.

The Council supports Ketchikan's request for rural determination to be heard in this community. In making our recommendations, the Council considered the following information:

1. Ketchikan is mentioned in the Legislative history of ANILCA as an example of an urban place and the population of Ketchikan Borough is well above 7,000.

2. Overall fish and wildlife harvest levels per capita harvest estimates for Ketchikan are not readily available.

3. Adequate studies of hunting and fishing patterns in Ketchikan have not taken place because Ketchikan has been classified as an urban community.

4. At the time of passage of ANILCA expectations were that Ketchikan would grow as an urban center, timber harvesting, saw mill, pulp mill production and other industrial productions would be developed. These industries have largely disappeared with the loss of hundreds of well paying jobs and Ketchikan's population has not grown as expected.

5. Ketchikan may have more rural characteristics at this time than it did in 1980 when ANILCA was
6. The analysis needs to take place that would closely examine Ketchikan's community characteristics so that the rural classification may be considered. This analysis should consider whether all or portions of the Ketchikan Borough would meet the standards for rural determination. A portion of the Borough is currently classified as rural and these are the out the road areas.

7. There may be geographically district enclaves, or populations, communities definable by interest or affiliation within the Borough that meet rural criteria as well as customary and traditional criteria.

Continuing on with the Saxman recommendations.

The Council confirms Saxman's rural request -- rural status and recommends that Saxman be taken off the list of communities requiring further analysis.

The Council reviewed information concerning Saxman and heard testimony from Lee Wallace representing the Saxman IRA. The Council requests that a rural determination hearing be held in Saxman to allow the community to understand the issue and to participate in the decision-making process.

The issues considered by the Council in developing this recommendation are:

1. Community was founded by Cape Fox Tlingit who moved to the present area over a hundred years ago. Saxman consolidated the Cape Fox population in one community where there was potential access to schools and services.
2. The Cape Fox Tlingit maintain ties to the traditional community territories.

3. Saxman has had a separate community identify from Ketchikan since its foundation.

4. Saxman has become an enclave only as Ketchikan grew around it over the years.


6. Saxman is recognized as a small tribe by the Bureau of Indian Affairs.

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.

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.

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.

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.

11. Saxman's overall harvest levels
on a per capita basis are characteristics of a subsistence community and shows strong dependency on subsistence harvest.

12. Saxman has a mixed subsistence based economy, and the cash portion of the economy compliments the subsistence portion.

13. Saxman's population of 431 is well below the 2,500 person threshold and the population has been stable.

14. Most Saxman residents are from families who have lived there for generations.

15. Some Saxman Native Corporation residents live in Ketchikan and do not qualify for the Federal subsistence provisions at this time.

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.

17. Seasonal tourism jobs have increased in recent years and culture presentations employee some Saxman residents.

18. Seasonal tourism jobs provide some of the cash needed to support subsistence activities.

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.
Mr. Chair.

CHAIRMAN DEMIENTIEFF: I think what we'll do is deal with the two communities separately. It's clear to me from the testimony that we've had, from all the information that's gathered about Saxman, from my point of view, there's no reason to make any changes there. I think in dealing with Ketchikan I'll use my arguments there, but clearly Saxman doesn't need to be reviewed.

So I think we'll just deal with Saxman first.

DR. KESSLER: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

DR. KESSLER: I'd move to advance the Ketchikan area for further analysis of that question, whether to include Saxman. So I want to advance that question for analysis and leave the motion at that.

I think that the question regarding the areas of further growth and development should be addressed in a separate motion.

CHAIRMAN DEMIENTIEFF: There is a motion, is there a second.

MR. EDWARDS: Just for clarification, what would that leave out?

DR. KESSLER: Okay, I think we potentially have three things going on.

1. Is a possibility that Mr. Littlefield's surfaced of whether Ketchikan should be added to examine the question of its potential rural status.

That's one.

2. Whether we should advance analysis on the question looking at the relationship of Saxman to Ketchikan.

That's the second one. And that's the
one my motion addresses. I think a third idea here is advancing analysis to look at areas of further growth and development in the Ketchikan vicinity outside the current nonrural boundary. I think that's sufficiently distinct from the very important question about Saxman that I would suggest that that is dealt with separately.

CHAIRMAN DEMIENTIEFF: What I was asking for in terms of the motion is just to leave Saxman as it is and then deal with the situation of Ketchikan. Is there a second to her motion.

MR. OVIATT: To further discussion I'll second the motion.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: Could we repeat the motion one more time, please?

DR. KESSLER: I move to advance the Ketchikan area for further analysis of whether to include Mr. Chairman, in the Ketchikan nonrural area.

CHAIRMAN DEMIENTIEFF: Gary, go ahead.

MR. EDWARDS: Mr. Chairman. I certainly concur with the motion and I am going to plan to vote in favor of the motion. I just don't see how we cannot, given the situation. I certainly listened to all the testimony yesterday and there were obviously some persuasive arguments but I think the nature and the relationship between the Saxman community and Ketchikan needs to be looked at and reminded that every time the DeNaina folks come in here I always leave with a, not necessarily heart, but a concern that if, you know, there's one group of Native people at least in my mind that have ties to the subsistence lifestyle that goes way back to prehistoric times it's those folks and we're not able to sort of kind of reach down and separate that out from the bigger community that they're in and I just don't think that -- in this case, I think, we, at a least a minimum need to take a look at this.

CHAIRMAN DEMIENTIEFF: Niles.

MR. CESAR: Mr. Chairman. I believe Saxman's rural. You know, I believe that, I think it's
demonstrated it. But I am troubled by the very thing
that Gary talks about, which is, you have a community
which has another community who has grown up and kind of
like growing. And those familiar with that area know
that really -- you know there's two ways to go,
either you further encroach on Saxman or you go back the
other way.

I think that in the final analysis I
would still vote for Saxman to be rural, but it would
help, I think, to get a clarification on whether, in
fact, there are some reasons -- I don't see them, that
they should be grouped in with Ketchikan. I don't know.
So I'm going to support the motion.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Judy.

MS. GOTTLIEB: There's just a few things
we have in our documents as well as things that we've
heard over the last few days, Saxman's population has
increased since 1990, but it's certainly well below the
2,500 threshold and we haven't had a lot put on the
record of sort of what's changed for Saxman itself.

We've got a lot of letters and testimony
that, Saxman, who kind of self-identified as being very
separate from Ketchikan, that they're not integrated very
much with Ketchikan except for some of the aspects as in
schools and work that they pretty much have to be, I
suppose. But to me that means they are very separate and
I also heard them say they have a separate city
government, separate medical services, separate, you
know, infrastructure, water, sewer those kinds of things.
And even though the school is shared, it doesn't sound
like it was kind of socially shared.

And I also guess, didn't hear, that --
from the Ketchikan testimony that they felt Saxman was
part of Ketchikan.

So those are just a few of the
observations from what we have in our written materials
and the information we gathered yesterday and today.

CHAIRMAN DEMIENTIEFF: Well, certainly I
intend to vote against the motion as is it's presented.
If there was an amending motion to delete Saxman I could
certainly support that and would vote the motion to go
revisit Ketchikan itself, but they have truly identified themselves to be an independent community. So I intend to vote against the motion. But I do want to go to Ketchikan, I want to look at Ketchikan but I don't want to worry the folks in Saxman, they just demonstrated strongly that they're separate.

And that's all I can say.

DR. KESSLER: Mr. Chairman. Just to clarify, I've already done the separation that you're looking for. So that this motion only speaks to the Saxman question, and then the further consideration of the more Ketchikan questions would be done separately, so I've already made that separation.

I'd like to speak to my motion. I really believe we need to proceed with analysis to fully understand and substantiate the question here at hand which is the degree to which Saxman is or is not integrated with the Ketchikan community. I mean that's the question at hand or more specifically, in what ways has that situation changed or very importantly not changed from before.

I think that unlike some other cases we're addressing in this review, this one does not have the simplicity of a numbers threshold. It's more complex than that. It requires an examination of a variety of relationships within and between the Saxman and Ketchikan communities. Those relationships will be an important part of the analysis. But as Ms. Gottlieb pointed out, we have been shown a lot of information that speaks to Saxman's identity as a separate community. I think it's very important, though, that that information be allowed to carry the day and have the light of examination through the process that is integral to this review.

CHAIRMAN DEMIENTIEFF: John.

MR. LITTLEFIELD: Thank you, Mr. Chair. Of course, some of those comments I don't agree with.

I think Saxman is kind of a unique community that's on any road system or anywhere where it's surrounded by a rural area because it is an Indian Tribe, it's unique. It has its own government. And they made a request, which I did not get a response on that Staff support that I thought was fair because there is a trust responsibility to that village that is different to
Clam Gulch or Moose Pass or any of these other communities.

You're a Federal Board and you're charged with doing things in behalf of Indian Tribes. And I think that you owe some deference to them, either if you were to include them that you need to help them as they asked, because they are a different entity than any other. They area an Indian village that sits by themselves, they're recognized by the BIA, this is a different entity than what you're talking about.

So I fully support Saxman being rural. I think it's rural. I think that they demonstrated that by the evidence and you said what has changed, nothing's changed. But if you do the analysis of Ketchikan for a group, you kind of look at it anyway. But I think Saxman should stand on its own as it is and recognizing those, I would ask that you not include them. But if you should, I would also ask that you review the question of Staff support because it's kind of a unique question in Saxman's case. And if the BIA, or the Forest Service or other agencies specifically can help them then I would ask that you give that help. But I think that this Board could give them that help through Staff support because they are unique too.

That's my perception on that. Thank you.

CHAIRMAN DEMIENTIEFF: Gerald.

MR. NICHOLIA: Yeah, I kind of back up doesn't consider is the cost involved of going out there, and where is all the money going to come from, and do these Board members just sit here and take testimony and take what the Staff gives you without really understanding the livelihood of the people.

And like I said before, is that if you do the wrong determination and declare them nonrural, are you really doing a service to the Federally-qualified users.

MR. EDWARDS: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Gary.

MR. EDWARDS: I think I want to clarify we're not making any determination as to whether Saxman
is rural or nonrural, the motion as I understand it is
that we would look to see whether it should be included
as part of the vicinity of Ketchikan, and at this point
that's only what we're doing.

CHAIRMAN DEMIENTIEFF: Niles.

MR. CESAR: Mr. Chairman. I agree with
Gary, I don't think and nor would I support moving
towards making Saxman nonrural. I think, if that, in
fact, were to happen it's a long ways away. And the
reason that I support this particular motion is I think
there are questions raised and questions that I don't
think that have been a examined enough to satisfy me in a
final analysis as a Board member. I mean I'm the guy
that's got to make this vote and I want to be satisfied
in my mind.

I believe that it is not -- my mind will
not change and I will still vote Saxman rural. I am very
familiar with my trust responsibility and Saxman is not
unique. Saxman is a tribe, there are many tribes who are
separate and apart from everybody else, you know, it is
unique in one factor and it's really not unique in that
factor. Eklutna, as Gary has pointed out to me before,
is Anchorage, you know, pretty much. And yet they are,
in fact, a separate unique Indian community.

We have others, is all I'm saying.

And I think that, at least, I do, review
these things in my mind as we go and I don't reach a
conclusion that they are or not being served their trust
responsibility in terms -- because the trust
responsibility for Native people in Alaska centers on the
land, I mean that's what we're about is the land. The
tribes will exist, have existed forever, will continue to
exist, but the trust responsibility lies with the
property.

CHAIRMAN DEMIENTIEFF: John.

MR. LITTLEFIELD: Thank you. I just had
one follow up and something got glossed over, no one gave
me the answer, and that was to the very first thing that
I brought up in the Regional Council recommendations that
I still think is very important, it's important for the
other Councils as well, and hopefully they would take a
position on it, and it's the position of our Council.
When you consider take you need to give deference to the Councils. We have not got a decision from anybody on this Board whether that is good, bad, ugly or whatever except the two statements that were in the Decennial Reviews, and I would like to get a feeling of what the Board thinks on that because certainly it is our belief that take is what due deference and urban/rural is a take. So if you can answer that question for me before it gets lost in the other things, I would appreciate that.

MR. GOLTZ: .805 requires that the Board give deference to the Councils on matters of take. The common understanding of take is seasons and bag limits, methods and means. What you're referring to, the issue of rural is really a precondition for take.

So our conclusion has been that deference is, in fact, due for taking recommendations but not for the primary questions of rural determinations. And that's the way the Board has been advised and that's why you see that statement in the Staff analysis.

DR. KESSLER: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

DR. KESSLER: There's one more concern I wanted to address, and Mr. Nicholia raised this and Mr. Littlefield, not just on this point but earlier in the day, and that is the concern that communities that are advanced to further study will incur a huge and costly effort to search out new information, and I don't envision that to be the case.

Rather, the review process so far has uncovered a great amount of information that has bearing on the questions at hand. There's a wealth of information there. The problem is that information is, at this point, some of it pretty raw, some of it still disjointed. It takes many different forms. So the purpose of an analysis is to bring order out of the chaos, so to speak, to give structure to this wealth of information so that a clear picture emerges of Saxman's situation.

So I don't envision that there'd be a big information seeking need that would be a significant burden, rather it would be a service in bringing clarity to Saxman's situation.
Thank you.

CHAIRMAN DEMIENTIEFF: Anybody else have anything.

(No comments)

CHAIRMAN DEMIENTIEFF: Again, I realize this train has also left the station but, you know, I'm going to vote in the other direction just because I believe Saxman doesn't need looking at and I've already said that.

So all those in favor say aye.

IN UNISON: Aye.

CHAIRMAN DEMIENTIEFF: Those opposed, say nay.

Nay.

(No opposing votes - other than Mr. Chairman)

CHAIRMAN DEMIENTIEFF: It's one of those I knew I was going to lose and I don't really mind losing it because I want to go to Ketchikan to -- I want to look at Ketchikan, a lot of things have changed there. But I didn't want to revisit Saxman, that's all.

It can be done administratively also before we ever go to a Proposed Rule, and it very well likely because we've all heard the testimony and understand that nothing's changed.

MR. CESAR: Mr. Chairman. This is one of these votes that I hated to win, quite frankly, you know. I didn't want to be on the prevailing side. But I think the reason we're doing it is correct so that's what I did.

CHAIRMAN DEMIENTIEFF: What else we got, Tom.

MR. BOYD: Mr. Chair. I believe that Ms. Kessler -- Dr. Kessler's motion was one part of perhaps another and another, so I think it's a work in progress, if you will, Mr. Chair.
DR. KESSLER: I have two more to propose.

CHAIRMAN DEMIENTIEFF: Go ahead.

DR. KESSLER: So let's take the second one. I make a motion to advance the Ketchikan area for further analysis of whether to include areas of further growth and development outside of the current nonrural boundary.

CHAIRMAN DEMIENTIEFF: Is there a second.

DR. KESSLER: It was the second part of our.....

CHAIRMAN DEMIENTIEFF: Right. Is there a second to that motion.

MS. GOTTLIEB: I'll second.

CHAIRMAN DEMIENTIEFF: Discussion.

MR. EDWARDS: Mr. Chairman. Again, Dr. Kessler, I'm unclear exactly what that means and what that would include so I'm trying to -- because, at least it's my understanding that currently the whole area down there, except for Saxman is currently nonrural; isn't that correct?

CHAIRMAN DEMIENTIEFF: Larry.

MR. EDWARDS: Mr. Chairman. Again, Dr. Kessler, I'm unclear exactly what that means and what that would include so I'm not sure what else gets included in that or would that actually allow us to exclude some other areas; I'm not sure what it means?

CHAIRMAN DEMIENTIEFF: Well, Staff has looked at it, let's go ahead and call on Larry.

MR. BUKLIS: Thank you, Mr. Chairman. The Figure 6 in your November report shows the Ketchikan area as we currently define it and you've spoken to the Saxman area, which, as Mr. Littlefield referred to as an enclave, this second portion of the motion, this second motion speaks to the boundary line that currently exists along the North Tongass Highway and the South Tongass.
Highway and whether the current boundary should be expanded further along that road system to the north and to the southeast from the current boundary.

That would be what we would look at.

MR. EDWARDS: And assuming then that there are people that live out there?

MR. BUKLIS: Yes, Mr. Chairman.

DR. KESSLER: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Yes.

DR. KESSLER: I understand that there's considerable growth going on there and expansion and that's why this question came up.

MR. OVIATT: Mr. Chairman.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MR. OVIATT: I'm going to support Dr. Kessler's motion because I think that we do need to look at those outlying communities further north and further south or at least the people who live there and determine if they're a part of Ketchikan or not, so I'm going to support it, I believe we do need to have this study.

CHAIRMAN DEMIENTIEFF: Thank you. Judy.

MS. GOTTLIEB: I guess my question would be, and not knowing the exact geography north or south there, but if we reexamine the area currently nonrural we would hopefully look at either expanding it or contracting it or leaving it the same.

MR. BUKLIS: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Larry.

MR. BUKLIS: I know there's a third part of the motion coming, but as it stands, the proposed work in the report and the motion as I understood it, would be, the Staff assignment would be to look at a grouping issue of those areas outside of the current nonrural boundary, and whether they should be included within the
nonrural boundary. I know the rural/nonrural status of the whole area is another issue. But the issue, as I understand this piece of it is, should the nonrural boundary be examined to the north and to the southeast.

It wouldn't be a contraction. It's whether these areas, not in the group now, are, in fact, integrated and should be part of the group.

CHAIRMAN DEMIENTIEFF: Further discussion.

MR. EDWARDS: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Gary.

MR. EDWARDS: I guess on that I'd say is that, you know, being consistent -- trying to be consistent with how we have addressed some of these others, I plan to vote in favor of the motion.

CHAIRMAN DEMIENTIEFF: Yeah, I tend to agree because we did get some evidence there are some changes. I lost on Saxman, that's going to get included somewhere in the mix, but I understand there are some changes in the other areas that this is intended to question so I intend to support the motion.

MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Judy.

MS. GOTTLIEB: I'm in agreement, it does look like the population in the outlying areas from Ketchikan has increased between 1990 and 2000 and so I think that would be worth taking a look at.

CHAIRMAN DEMIENTIEFF: Anybody else.

(No comments)

CHAIRMAN DEMIENTIEFF: Hearing none, all those in favor signify by saying aye.

IN UNISON: Aye.

CHAIRMAN DEMIENTIEFF: Those opposed, same sign.

(No opposing votes)
CHAIRMAN DEMIENTIEFF: Motion carries.

Wini.

DR. KESSLER: Ready to move on.

CHAIRMAN DEMIENTIEFF: Please.

DR. KESSLER: Okay. My third motion is I move that Ketchikan be added to the list for analysis of its nonrural status.

CHAIRMAN DEMIENTIEFF: There's a motion, is there a second.

MR. EDWARDS: Could you restate your motion.

DR. KESSLER: I move that Ketchikan be added to the list to undergo further analysis, to undergo analysis of its nonrural status.

CHAIRMAN DEMIENTIEFF: Is there a second.

MR. CESAR: I'll second.

CHAIRMAN DEMIENTIEFF: It's been seconded.

Discussion.

MR. CESAR: Because it has been declared nonrural and has been declared nonrural for, you know, a lengthy time, it was mentioned in the legislation, in my mind I'm trying to grapple with the change that's precipitating our review of it again.

I'm just unsure. And what do we hope to gain? Do we hope that this analysis will, like the other analysis, show dramatic change or what is it that we're looking at Larry?

CHAIRMAN DEMIENTIEFF: Larry.

MR. BUKLIS: Mr. Chairman. This wasn't an analysis that was in your proposed package that went out in July. Comment came back about the proposed package and that comment included public comment and a Council recommendation saying that -- or recommending or asking that the Board reexamine the rural/nonrural status
of Ketchikan, but it's not something that's come out of
your initial proposed package. It's grown out of the
public comment, the Council recommendation and the Staff
Committee recommendation that Mr. Probasco summarized
recommended Ketchikan for further analysis.

MR. CESAR: Thank you.

MR. EDWARDS: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Thank you. Gary.

MR. EDWARDS: Mr. Chairman. You know,
this was a community that, if I'm correct, was
specifically identified by Congress as characteristic of
a community of being nonrural. I recognize there has
been a population drop there but it is significantly
higher, as far as its existing population, than any of
the communities that we have looked at. Even using some
of the Chairman's -- RAC Chairman's own data in areas
such as wildlife use, it's only 34, which is just
slightly above Seward and way below the average of 224. I
don't see any basis to proceeding to add that to the
list. So I'd vote against the motion.

CHAIRMAN DEMIENTIEFF: Anybody else.

John.

MR. LITTLEFIELD: Thank you, Mr. Chair.

In response to that a little bit, I think
one of the things that we talked about was the specific
lack of data which is in the State archives on Juneau,
Ketchikan, Fairbanks, Anchorage and all those other rural
areas, and we've gone on record before that we
believe that studies should be undertaken to look at
those because the 34 pounds is probably very light.

We held two meetings, I participated in
the focus group for the ISER study, we held two meetings
in Saxman and Ketchikan and only one person in any of
those meetings felt they weren't rural. And they were
all able to justify the criteria that are used in 16.
They all had characteristics of a rural community, and
given that the area is changing, I mean ANILCA
specifically talks about increasing pressure, well, I
think it deserves a look. I understand as well as you
do, that it has a tough fight, but it's something that
should be looked at. Are the characteristics worth
taking a look at this and asking whether it can be
included, and nothing precludes you from adding one, you
were considering adding Sitka to a nonrural area even
though it wasn't in there and no one has taken Barrow
out. I don't think it's static, it has a much tougher
threshold, I do agree to that.

But we need some better numbers, and I
think that those fish and wildlife use would increase.
That's my personal perception.

The Ketchikan Gateway Borough number
includes all of these areas. It includes the areas out
the road and everything so it's pretty expansive. We're
talking about Ketchikan and I think it's worth the
analysis to go ahead and take a look at it. And as the
six members of the Interagency Staff Committee, I'd like
to say, I'm happy to agree with them for once, they did
recommend that you take a look at this and I think it's
worthwhile use of government funds.

MR. EDWARDS: Mr. Chairman, if I may ask
Mr. Littlefield.

CHAIRMAN DEMIENTIEFF: Gary.

MR. EDWARDS: Was your Regional Advisory
Council, was it unanimous on this?

MR. LITTLEFIELD: Through the Chair, yes,
Mr. Edwards, we were unanimous on all of these
recommendations on Ketchikan, Sitka and Saxman,
unanimous, as well as the deference, and as well as
requesting support. If I remember right they were all
unanimous votes. I'll check the record here.

MR. CESAR: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Yes.

MR. CESAR: Ketchikan's a large area and
in as much as we don't have data, would you comment,
Larry, Pete on what's entailed with doing an analysis of
Ketchikan?

MR. BUKLIS: Mr. Chairman. Our approach
would be to gather, compile, analyze and report to you
available information that provides a profile of the
characteristics of the community, in this case,
Ketchikan, if you move in this direction, consistent with
the regulations. And we've talked about those elements
of the characteristics; economic development, infrastructure, fish and wildlife use, et cetera. If data aren't available to us we don't have a system in place to mount a study to gather the data. It's a compilation of best available information.

MR. CESAR: I guess that's where I was kind of headed. I mean unlike a review of some other places, it would seem to me, and, at least, from my uninformed position, it would take a little more -- maybe a lot more effort and resources to do this and can you accomplish it in some time certain?

MR. BUKLIS: Mr. Chairman. Not within the timeframe of this review process that we have laid out. Our intent is to report back in the spring of the coming year for a June Board work session, at which you would develop a Proposed Rule for fall Council window comment period and public comment for a December '06 decision meeting. I don't think we could plan, mount and report on a subsistence use study in Ketchikan even if we had the funds.

MR. CESAR: Again, Mr. Chairman, just to follow up, I mean I guess that's where I'm going. I don't want to have people in Ketchikan thinking that this is going to be a quick deal and then we're going to come to some decision on it. And I think in this particular case it's going to take some time and resources and everybody needs to understand that if we head in this direction that that's what's called for.

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MR. BUKLIS: Mr. Chairman. The sequence would be to assess the recommended grouping and then the characteristics of that group. The regulations call for us to consider communities in the aggregate so we would have to identify what the aggregate is, and then assess its characteristics.

CHAIRMAN DEMIENTIEFF: Pete, did you have something.

MR. PROBASCO: (Shakes head negatively)

MR. LITTLEFIELD: Mr. Chair.

CHAIRMAN DEMIENTIEFF: John.

MS. GOTTLIEB: Mr. Chair.

MR. LITTLEFIELD: Just a short comment. Mr. Edwards asked the question whether the votes were unanimous, I looked it up and, yes, they were all unanimous on all of those recommendations.

CHAIRMAN DEMIENTIEFF: Thank you. Judy.

MS. GOTTLIEB: I had a question to the maker of the motion, when you say add Ketchikan to the list, do you mean the CDP area or the entire area that is outlined as nonrural right now?

DR. KESSLER: The concerns I heard expressed, people were feeling -- expressing the view, brought forth information that the Ketchikan unit that is now nonrural has changed in some ways that would merit an examination to identify whether those changes were sufficient to merit a possible change in status. So it would be the current nonrural unit, examine its pertinent information to inform ourselves on whether that change has occurred and whether it might be a consideration.

And I would certainly not want to presuppose any conclusions or outcomes here. I think that we heard from people who thought that there were things going on in the community that merited a closer look. And, again, I think there's, as I've said before, there's everything to be gained and nothing to be lost by examining the full array of information. And I think, therefore, that we should take that look. If there's one
pattern to my voting here, you might have noticed, is to be inclusive. So, again, I think that by being inclusive you allow the scrutiny, you allow the facts to be brought, you allow the picture to be formed on which conclusions can be drawn and then an informed decision-process.

CHAIRMAN DEMIENTIEFF: Niles.

MR. CESAR: Mr. Chairman. It's my understanding that Ketchikan being named in the Legislation was not examined. I mean we did not do a review of Ketchikan at all; is that correct?

MR. BUKLIS: Mr. Chairman. The reference was that -- I think it's the Legislative history, Ketchikan was mentioned or named as an example of a nonrural place. And in terms of the program, the initial rural/nonrural determinations in 1990 included Ketchikan, we didn't skip it because it was -- we didn't skip any review of its characteristics because it had been so named. It was part of the assessment.

CHAIRMAN DEMIENTIEFF: So we all do understand the one thing and we've heard Staff say that this can't be done in this cycle, that it's going to be taken care of independently, isn't that what I heard you say Larry, I'm sorry?

MR. BUKLIS: Mr. Chairman. Of course we stand at the direction of the Board, but what I was trying to say is, the review that we are in the midst of uses best available data to compile information and report back to you. So if there's an expectation that this program would mount a study to provide better information than currently best available, that's not part of the plan. Unless directed otherwise, our plan is to stay on the calendar we're on and use best available data to work through the review. If the best available isn't as good as we would like, our direction is still to work with the best available.

MR. CESAR: Mr. Chairman. It just seems to me like we are building expectations here that may or may not be realized and I'm concerned about that. That if we're not really -- we're going to use the best available data that we have and I guess I'm troubled by that that we're not going to do up to date stuff to give us some direction why we should be changing off of this and I just don't know. I'm just troubled by that.
MS. GOTTLIEB: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.

MS. GOTTLIEB: I know I did hear an offer by Ketchikan Indian Community that they would try to do a study, which would hopefully be timely for our process so maybe there's a way we can keep track of that.

MR. CESAR: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Yes.

MR. CESAR: Again, I would assume then that any study that brings current information has to include the community because we're talking about the community as a whole, we're not talking about the Native community only, we're talking about the community. Because if we make a move in that direction it includes the community.

CHAIRMAN DEMIENTIEFF: Yes. Gary.

MR. EDWARDS: Mr. Chairman. I'm still trying to kind of work through this order. On the motion that we made, or that was approved on Saxman, the motion was that it be considered for whether it should be aggregated or included with Ketchikan. Now, assuming we do nothing with Ketchikan, if we act upon that motion in the affirmative and say yes, then does that automatically make Saxman nonrural because Ketchikan is nonrural or would that actually automatically force us to look at, then the broader question now, what does this new aggregate look like? Because certainly if the decision was to include Saxman then just by its consumption of food changes the dynamics of Ketchikan because you're going to be now dividing X amount of -- more pounds into a larger number of people, so some things will change, so I'm still trying to understand how this thing would proceed. And that's why, I guess, I'm not totally convinced if you do the aggregation first, make that decision, and then I guess if this motion does pass, then you would take a look at the whole thing, including Saxman or what? I mean it seems to me maybe the more logical thing to do first is to make the decision whether Ketchikan is rural or nonrural and if you make the decision that it's rural, then you don't have to do the other two.

I mean I don't know, I'm just trying to
think through the whole process.

CHAIRMAN DEMIENTIEFF: I would think that what we'd do is deal with it the way the Board has dealt with the issue already, you know, we've established a pattern of how we're going to deal with it. You have the one rule that gives us the opportunity to move Saxman out and then consider whether or not, and I -- I think this is one of those that can be done administratively, you know, prior to advancing the Proposed Rule. And I think the request for information is certainly there and we need to see if there's anything different.

So I guess I support the motion. But we'll talk about that and find out how we're going to deal with it the same way we dealt with this now when we get to that decision point on the Proposed Rule.

DR. KESSLER: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Wini and then Niles.

DR. KESSLER: I'm not struggling quite the degree you are there Gary because my view we're simply today deciding whether to study things or not. And the questions that need to be studied are quite different. I mean on the Saxman question, the basic question is, one of the degree of integration or nonintegration between two communities. That's a pretty straightforward question.

The one on Ketchikan is, has there been significant change in Ketchikan's situation that would suggest that it, even though it's a community over a major threshold, that you would have sufficient rural characteristics to be considered as a possible rural community, so it's quite a different kind of thing.

But the important thing being that what we're doing is just deciding whether to study something or not.

CHAIRMAN DEMIENTIEFF: Larry.

MR. BUKLIS: Thank you, Mr. Chairman. A couple of comments that I'd like to respond to. One is on the study component. While community partners may be interested and prepared to join with resource agencies in
conducting studies, and that's a good thing, my 
understanding and maybe the State could speak to it from 
their experience as well, but a well planned, a well 
conducted and well reported community harvest study for a 
community as large as Ketchikan takes some time. And the 
timeline that we are on with this review is ambitious and 
full as it is, simply using best available data available 
readily to us already.

We're coming upon the December/January 
season, in the new year to get this draft report ready 
for the Staff Committee review, we're looking at 
March/April time period to wrap this up. We're looking 
at just a few months in the new year and then we need to 
be moving towards the draft report process, so I don't 
think a community study, even with willing partners could 
be completed well and be, you know, reliably reported in 
these periods of weeks and months ahead. I think it's a 
longer timeline for that kind of thing. And I don't want 
to put a one year, two year, three year estimate on it, 
but I think it's many months to a year or two and not 
weeks.

And then secondly, the sequence of the 
process, I think we would look at the grouping issues. 
And for these grouping issues that we're talking about 
and that you spoke to already on Saxman and the roaded 
areas north and south of Ketchikan, like other areas you 
spoke to, like Wasilla area, we're not -- your proposed 
package to this point didn't raise questions about the 
rural/nonrural status of Wasilla area as it exists, for 
example, the question was should outlying areas like 
Willow be included. We wouldn't reanalyze the Wasilla 
area's rural/nonrural status. So using that as a 
parallel, the Wasilla area is currently considered 
nonrural. The question is a specific and small one. 
Should that boundary now include an outlying area, that 
inclusion would make that area nonrural, it would join 
the nonrural area.

The Saxman and north and south roaded 
areas of Ketchikan are parallel. The situation is, 
should we analyze whether they should be included in that 
nonrural area. It's not our decision, but that's the 
analysis charge. To look at the criteria you've given 
us, proximity, connectedness, high school attendance and 
commuting patterns as to whether those indicators point 
towards an aggregated area or not. To this point we had 
not been questioning the rural/nonrural status of that 
existing area or additional aggregations to it.
Mr. Chair.

CHAIRMAN DEMIENTIEFF: Anyway, getting back to Gary's point and my earlier comment that that's something that the Staff will look at in addition to gathering that information, but we need to map out the way we're going to proceed with it because Gary's points are well taken.

So as part of your charge, if this motion carries, then, you know, we would expect part of the Staff recommendation to include mapping out the order of dealing with the issues if this is approved, and even with the other two as well.

Okay, Wini.

DR. KESSLER: I just have a question for Mr. Buklis. The whole point of proceeding with further analysis is to illuminate the situation, and, yet, what I'm hearing suggested, if I'm understanding it right, is that the question, if we move ahead to further analysis on Ketchikan it's nonrural status, the timeline doesn't allow that analysis to be done adequately; am I hearing that, which would defeat the purpose of illumination, I think, and that concerns me?

MR. BUKLIS: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Go ahead.

MR. BUKLIS: There are multiple characteristics for communities in terms of rural and nonrural. The one I'm hearing concern about is the currently available and I haven't researched it myself, but the per capita pounds of fish and wildlife use in the community, and that that isn't a complete or current or reliable survey and that situation is attributed to the fact that it's been considered a nonrural area so it hasn't been well studied. There are other characteristics of communities, infrastructure, economic development, educational institutions, we've talked about those other features and I believe there are current data on those dimensions for Ketchikan as there are for other communities in Alaska, rural or nonrural. But the component that is fish and wildlife use may be deficient and I didn't want the Board, however they vote, to think that we would mount a study to address that deficiency in coming weeks, that's a longer timeline, and we didn't have a plan to do it nor funding.
DR. KESSLER: May I continue then?

CHAIRMAN DEMIENTIEFF: Yes.

DR. KESSLER: So can you feel that given the other parameters of interest and the information that you will be able to provide to the Board a clear picture on Ketchikan's situation with respect to meeting rural or nonrural characteristics?

MR. BUKLIS: Mr. Chairman. The Staff could take up the assignment and could conduct an analysis and we can try our best to be timely with it. What I can't predict at this point is whether the component, which would rest on fish and wildlife use characteristics would be satisfying to you, it might be dated and might be widely recognized as a poor estimate of the likely true level and I can't address that shortcoming with our current program or timeline. But we can deliver an analysis with what we have, and that's the only aspect of the analysis that I understand there is likely a deficiency to expect.

MR. CESAR: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Niles.

MR. CESAR: And I guess, you know, I mean I intend to vote for the motion to have it studied, but I just want to bring a dose of reality to this thing, that if we're looking at a change, then we're going to have to have that kind of data that Larry's talking about, and that data does not come from a quick review. It's got to have some kind of a study done. So the reality is, this is not going to happen in a short period of time and I just want the Board, at least in my opinion, that if we head down this road we're headed down longer down than this review cycle.

CHAIRMAN DEMIENTIEFF: Tom.

MR. BOYD: Mr. Chair. I don't want to mislead here, but I'm concerned about the emphasis that Mr. Cesar puts on the fact that we won't have sufficient information in the category of fish and wildlife use. I think what I'm hearing is there's some question about it. We're going to look at it. It may be sufficient for purposes of this analysis or it may not be. So I'm not convinced in my mind from what I've heard today that it's insufficient. But I'm not going to pronounce that it is,
either. It's just, you know, one of those things that's been raised, we need to take a hard look at it. And I don't want the Board to be misled that we absolutely need this information now, we don't know that, that's all I'm saying.

MR. CESAR: Yeah, fair enough and I accept that. I mean I don't want to prejudge this thing either. Let's see what it is, and what it is is what it is.

CHAIRMAN DEMIENTIEFF: Judy.

MS. GOTTLIEB: Mr. Chair, thank you. I guess what we've been looking at in almost all of these circumstances is what's different since the last time the Board faced these kinds of questions, and we did hear testimony and we have some data on changes in Ketchikan and so I think the issue is worthy of further study and we'll make the best decision we can with the data we have at the time, or do something else, but we'll make the best decision we can at the time.

CHAIRMAN DEMIENTIEFF: Okay, are we ready to vote. This one is a little bit more unclear, we're going to go ahead, Tom, take a roll call.

MR. BOYD: Dr. Kessler.

DR. KESSLER: Yes.

MR. BOYD: Mr. Cesar.

MR. CESAR: Yes.

MR. BOYD: Ms. Gottlieb.

MS. GOTTLIEB: Yes.

MR. BOYD: Mr. Edwards.

MR. EDWARDS: No.

MR. BOYD: Mr. Oviatt.

MR. OVIATT: Yes.

MR. BOYD: Mr. Chair.

MR. BOYD: Mr. Chair.

CHAIRMAN DEMIENTIEFF: Yes.
MR. BOYD: Mr. Chair. I believe that there was additional mention in testimony of Prudhoe Bay and certainly that particular discussion is outside the realm of the paragraph by paragraph motion that you passed earlier. So if the Board wishes to bring that up it would be in the form of a separate motion.

Thank you, Mr. Chair.

CHAIRMAN DEMIENTIEFF: What's the pleasure of the Board.

MR. EDWARDS: Mr. Chairman, I'm actually willing to make a motion if we could.

CHAIRMAN DEMIENTIEFF: Go ahead.

MR. EDWARDS: My motion, I guess will dictate my pleasure. Before I make my motion I did learn something on this, I guess I never realized before, when Staff brought this to me and said that we were going to -- let me see how it went, that Prudhoe Bay would no longer be rural, I says, well, it's certainly not urban, and then I learned that urban is not really in our vocabulary, it's rural or nonrural and so I guess if you're not rural and you're not urban then you're nonrural, but anyway I did learn that.

So I am going to make a motion that we do add Prudhoe Bay to the list of communities for further analysis of their rural or nonrural status, not their urban status.

CHAIRMAN DEMIENTIEFF: Is there a second.

DR. KESSLER: I'll second it.

MR. CESAR: Under comment, Mr. Chairman, my whole reason for being here, Gary, is to try to get you more educated.

(Laughter)

MR. LITTLEFIELD: I think the word is urban.

(Laughter)

MS. GOTTLIEB: Mr. Chair.
Chairman Demientieff: Judy.

Ms. Gottlieb: Mr. Chair. I'll note that the Interagency Staff Committee did recommend that we add Prudhoe Bay to the list of communities for further analysis as well as the North Slope Regional Advisory Council so I would support that motion.

Chairman Demientieff: I also, for that reason, support the motion. And it's something, quite frankly, I didn't realize that people actually even lived there. I know a lot of people go there but to live there that's different, that's -- I'm curious.

A lot of these things are going to be taken care of Staff analysis, you know, just because we've scheduled them for further review, that is further review, then we get a Proposed Rule and then we have to find out a way of how we're going to develop that Proposed Rule, so there we are.

But I think the issue would be fairly well taken care of as far as it will be done by Staff, I mean we just need to know, I mean that's Niles teaching me also.

Further discussion.

(No comments)

Chairman Demientieff: All those in favor signify by saying aye.

In unison: Aye.

Chairman Demientieff: Those opposed, same sign.

(No opposing votes)

Chairman Demientieff: Motion carries.

What else do we have?

Mr. Boyd: Mr. Chair, I believe that concludes or exhausts all of the items that I'm aware of.

Thank you, Mr. Chair.

Chairman Demientieff: Okay. Anybody else got anything.
MR. CESAR: Mr. Chairman.

CHAIRMAN DEMIENTIEFF: Niles.

MR. CESAR: Mr. Chairman, I know we had a
discussion on Adak, and I was in the losing section of
that, so I just point that out and didn't know if anybody
had a brainstorm.

CHAIRMAN DEMIENTIEFF: A motion to
reconsider?

MR. EDWARDS: At one point I had a
brainstorm but after sort of discussing and reflecting
upon it, the storm went away so I'm going to leave it
stand as is.

CHAIRMAN DEMIENTIEFF: If there's no
motion on the prevailing party -- it must be what I want
to do, get this done and have a good dinner party. John.

MR. LITTLEFIELD: Mr. Chair. Just a
short comment.

First, I'd like to thank the Board for
doing their diligence and being reasonable as they
normally are and in this case, were, in my opinion. But,
there is one thing that keeps coming up and it's in the
back of my head, is that, these regulations are ripe for
change, 15 is ripe for change, and because it's Part B,
outside of the Regional Council's and you told us you
take no deference to us, I'm asking you, where'd our
lawyer go, how do we propose that these regulations be
looked at so that they may be made simple? How do we put
in there that we only want to look at them every 25 years
instead of every 10? How do we make changes to this?
And I think that's in your area and so we would like some
help and maybe we could help you craft a Part 15 because
that would be a Regional Council, you know, reviewing
policies. But it's something I think that should be
looked at and maybe you have some thoughts on that.

CHAIRMAN DEMIENTIEFF: Do you guys want
additional time to review that question?

(Laughter)

MR. LORD: Well, as you point out, John,
this is a Subpart B regulation, which means that it has
to be changed by Secretarial motion, the Board can't do
it. There is a process in place for proposals to go to
the Secretary for changes to those regulations, it would
basically involve a proposal coming to the Board, the
Board would review it and pass it along to the Secretary.
In turn the Secretary's office would then pass it back to
the Board for the Staff to develop a full analysis on it.
It would be a fairly lengthy process, but there is a
process in place.

CHAIRMAN DEMIENTIEFF: John.

MR. LITTLEFIELD: I submitted a hunting
license proposal and they told me it was Part B and
kicked it out. So if I was to submit a proposal to say
to change Part B, I would then get another letter from
OSM and say it's not in your purview and kick it out, I
want to get past that. I want to know how we can
actually cut to the chase and get that change made
because I've submitted, frankly, two proposals, hunting
proposals, and they were both kicked out, Part B, so that
won't work.

MR. LORD: Well, there are new policies
in place, I don't know when you did that, but we have
been working on a process to be able to make it happen.
We could talk about that off the record.

MR. LITTLEFIELD: All right.

CHAIRMAN DEMIENTIEFF: Okay, anything
else.

(No comments)

CHAIRMAN DEMIENTIEFF: If not, we are
adjourned.

(Off record)

(END OF PROCEEDINGS)
CERTIFICATE

UNITED STATES OF AMERICA

STATE OF ALASKA

I, Joseph P. Kolasinski, Notary Public in and for the State of Alaska and reporter for Computer Matrix Court Reporters, do hereby certify:

THAT the foregoing pages numbered 123 through 237 contain a full, true and correct Transcript of the FEDERAL SUBSISTENCE BOARD PUBLIC MEETING, VOLUME II taken electronically by Nathan Hile on the 7th day of December 2005, beginning at the hour of 8:30 o'clock a.m. at the Marriott Hotel in Anchorage, Alaska;

THAT the transcript is a true and correct transcript requested to be transcribed and thereafter transcribed by under my direction and reduced to print to the best of our knowledge and ability;

THAT I am not an employee, attorney, or party interested in any way in this action.

DATED at Anchorage, Alaska, this 15th day of December 2005.

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Joseph P. Kolasinski
Notary Public in and for Alaska
My Commission Expires: 03/12/2008