

**ALABAMA GULF COAST RECOVERY COUNCIL MEETING
MAY 10, 2013 AT 3:30 P.M. CENTRAL TIME
MOBILE, ALABAMA**

A meeting of the Alabama Gulf Coast Recovery Council was held at the time specified above in the Tensaw Theatre, Five Rivers Alabama Delta Resource Center, Spanish Fort, Alabama. Director James K. Lyons, Vice Chairperson of the Council, presided over the meeting.

PRESENT: Director Jimmy Lyons, David Perry, representing Governor Robert Bentley, Commissioner Tucker Dorsey, Commissioner Merceria Ludgood, Mayor Jeff Collier, Mayor Robert Craft, Mayor Sam Jones, Mayor Tim Kant, Mayor Tony Kennon, Interim Mayor Ida Mae Coleman.

ABSENT: Governor Robert Bentley.

SELECTION OF ADMINISTRATOR:

As the first order of business, Director Lyons opened the meeting with a discussion about the selection of the Administrator. Director Lyons stated that the position of Administrator is a key function and a necessary step in order for the Council to continue to function, and that Federal law is specific in stating that the Administrator must have state and local government employees subject to the Alabama Ethics Law, which presents some restrictions and limitations as to who could be selected. Director Lyons also stated that a subcommittee was appointed to draw up a basic scope of work which was presented to the Council and was then displayed on the screen at the meeting. Members of the public were advised that there were some copies available on the desk if they would like a copy. Director Lyons further advised that after the subcommittee met, it had discussions with members of the Council and the recommendation of the subcommittee is to nominate the Alabama Department of Conservation and Natural Resources as the Administrator for this Council. One of the driving reasons behind this nomination was the fact that they are going to be involved in the NFWF and NRDA allocations and will enable us and help the Council in better coordinating those funding sources with those that are available through the Restore Council. Also, the Alabama Department of Conservation will name an individual that will serve as an Executive Director for the Council who will be responsible and answer to the Council on the administrative functions and will provide us with an office here in Mobile, which we believe will be at Five Rivers. At this juncture, Director Lyons opened the discussion up to the members of the Council for their comments on this recommendation.

Mayor Craft commented that he served on the subcommittee and in listening to the dialogue and discussions, it became obvious to him that the skill set of the Alabama Department of Conservation, their knowledge of our community and our coastal area, they were the perfect fit and had all the resources to provide the services that we need as a Council, with no learning curve. He went on to state that he would like to recommend the acceptance and made a motion that the Council appoint the Alabama Department of Conservation and Natural Resources as the Administrator for the council and it was seconded by Mayor Kennon. The motion passed unanimously by all members present.

Director Lyons stated that the Alabama Department of Conservation is now selected as the Administrator for the Council and he believes it is going to be a good course of action, that they are going to help us in a lot of ways, especially as far as resources, taking minutes, etc., and assist in getting the Council organized.

CENTER FOR EXCELLENCE:

Director Lyons then reported that the next item on the agenda is the Center for Excellence. There is a certain amount of the funding available that that will go to a designated Center for Excellence. This also has been the topic for discussion as far as how the council moves forward on this. Director Lyons then asked David Perry to give a little background on what is happening in other states as far as their designation and what is happening that might affect our decision in this regard.

David Perry stated as follows:

“Gov. Bentley feels very strongly that Dauphin Island Sea Lab is the natural and logical choice for the Center for Excellence. It is an established presence that is well respected regionally and nationally. It is a consortium of 30 plus colleges and universities around the state. A couple of other states have already made their designations of Centers for Excellence, the Council felt like it needed to go ahead and make our designation so that we don't get behind as NOAA and National Academy of Science to develop their plans and their ideas about how this will be used and implemented. Gov. Bentley felt like it would be in the state's best interest and the Council's best interest to go ahead and make this designation. A lot of discussion internally with multiple potential candidates and interested parties and after that discussion, Gov. Bentley felt strongly that Dauphin Island Sea Lab is the right fit and that it made a lot of sense with the timing and what is going on in other states and at the Federal level to go ahead and move forward with this designation with the approval of the Council. Another thing Gov. Bentley felt strongly about was that this would be a significant benefit for an economic driver and a research driver for coastal Alabama and south Mobile County in particular that was hit very hard by the oil spill in terms of tourism and economic impact along with potential unknown environmental impacts that are yet to be discovered which is part of the reason for the Centers for Excellence being funded in the Restore Act.”

Mayor Collier stated that not only did he agree with the Governor's comments through David Perry, the Sea Lab has had a presence on the Island for decades and having been in place when the oil spill came along was a good position to be in because they had decades of history and data and research at their fingertips that they could very quickly do a pre and post oil spill contrast which was something that, as we go forward, there is still that uncertainty out there, what impact does it have, or is going to have on the water quality, fisheries, things of that

nature, and it is going to be beneficial to all of us along the Gulf Coast to have an establishment such as the Sea Lab to take that torch and be our representative on that front. So, not only the good things this will help bring potentially to the community itself, the Sea Lab is very deserving, they have shown they have a very stellar history in the realm of research and it will be helpful not only to their cause, to the Island itself, but also to all of us who are anxious to get the data and information we need to go forward.

Mayor Collier then went on to move that we nominate the Dauphin Island Sea Lab as the Center for Excellence, which was seconded by Commissioner Dorsey. The motion passed unanimously by all members present. Director Lyons stated that the Dauphin Island Sea Lab is now appointed as the new Center for Excellence.

Director Lyons stated that he agreed with Mayor Collier, and that the Sea Lab has done phenomenal work over the years, especially with all the students that come through it each year, approximately 11,000 per year. The Center for Excellence in the future can give us better base line data and better information so that the Council can do what it needs to do to protect this precious part of our environment.

REPORT ON STRATEGIC PLAN

Director Lyons reported that at our last public meeting, the Council named Ascendant Management as our consultant to assist the Council through a strategic plan and strategy map, which is displayed on the wall screen. Copies are available on the table for those that would like a copy. Further, he stated that there were a couple of work sessions regarding the strategic plan, which is a sort of a base line, or rules, that the Council will operate under. To briefly look at this plan, there are several organizations in coastal Alabama that have done a similar process using the same consultant, which basically establishes our purpose, who our constituents are, and how this will all “shake out.” Starting from the top, “The purpose of the Restore Council will focus on projects, programs, and activities that contribute to the economic and ecological health of coastal Alabama.” This is a very brief statement, but there was a lot of thought process that went behind it, a lot of time, but it establishes a broad purpose for the Council.

As for the constituents, we had to define who the constituents are, and they are “all the citizens of coastal Alabama. “All” is the operative word and what does the Council want the citizens to say about the Council. One statement would be, “We are investing for the long term future of coastal Alabama”, and the second would be “The process for allocating funds is transparent and fair”. Those are statement the Council would like to see at the end of the day when all this is over.

The Internal Processes, what we need to do to satisfy the citizens and to be successful. First, we have to develop a selection and evaluation process, as there will obviously be a lot more demand than there will be funding; second, we have to engage the citizens of coastal Alabama, and third, we have to execute for lasting results.

Finally, the Finances, which is basically our responsibility to our funders and the community. First, we have to be good stewards of the Restore money, second, we have to leverage and coordinate with other funding sources, and this goes back to our decision to work with the Alabama Department of Conservation and Natural Resources, and lastly, ensure effective controls and audit. The law also requires that we know where the money goes and it is not misspent, and there is a penalty in that if the money is misspent, the money stops, so obviously there is a huge incentive for the Council to insure the funds are expended properly and meet all the requirements of the law.

That is the strategy map, this 5 minutes took the Council probably 12 hours to do. This was basically done at the last work session and in a review at the work session this morning there were no changes. This is another step forward for the Council.

Director Lyons went on to state that there are no Federal Rules yet, but we hope in the next few weeks, at least, we will begin to see how the Department of the Treasury interprets the bill and exactly how the funding will flow to the Center for Excellence. But, we wanted to go ahead and get our designation in as the Sea Lab was the obvious choice. So the Rules are next, the money, the Court, all the testimony has been done and the Judge has it under consideration, but we don't know when a ruling will be done.

David Perry stated that it is expected that it will be late summer for the Judge to rule on Phase I and the second Phase will then start, but the timing could change, and there are a lot of factors involved that could have that change, there could be some settlement discussions that could start in the next couple of months, but there have not been any recently, but everyone, including the Attorney General's Office, feel like the Plaintiff's case has gone very well, at least from the state's prospective.

Director Lyons went on to state that the Council is moving along at a reasonable pace and hopefully by the time we have rules and money, the Council should be well organized to go into project selection and execution and move that part of it out, but that there is a lot of work to do between now and then. Further, right now, the focus is going to be on process, as it should be, we should not be talking about projects at this juncture, at this juncture the Council should be talking about a process that is both fair and transparent as we move forward.

John Dindo, on behalf of Dr. Valentine, the Executive Director for Dauphin Island Sea Lab, wanted to thank the Council for their decision to make the Dauphin Island Sea Lab as the Center for Excellence. He also stated that he wanted to thank the Council on behalf of the scientists at the Lab, but also for the scientists throughout the State of Alabama, because they work with all 22 institutions around the state and those scientists are part of our consortium. So, the Sea Lab gathers data using those scientists as well as the scientists at the Lab, and the Sea Lab looks forward to providing the state with the information and the data they need to make sure our waters are clean and safe long into the future.

APPROVAL OF MINUTES:

On a motion by Mayor Kennon and seconded by Mayor Collier, the Council voted unanimously by all members present to approve the minutes of the February 15, 2013 Council meeting, and to ratify all actions taken by the Council at such meeting.

PUBLIC COMMENTS:

As the next order of business, anyone from the public was invited to address the Council.

The first speaker was Sam Mason who stated that he wanted to thank the Council for all their work, but that he was here to talk about Dauphin Island. He stated as follows:

“The Sea Lab is great, but the south side of Dauphin Island is in trouble. Dauphin Island is never going to be a major income producer for the state, it is a simple barrier island, has been, always will be, it is not Gulf Shores, it is not Orange Beach, but it is in trouble. The south side has eroded to the point that even in the last three weeks and probably about 4 times this year, we have had gulf waters flow over the Island into the Mississippi Sound on the west end, not the far west end, but where you can drive water flows under your car. Obviously, Mississippi and Louisiana, they demonstrated that they support their barrier islands and know the importance of them and the role they play, they demonstrated with their money a couple weeks ago. Sometimes I think Dauphin Island needs to put itself up for adoption to a state that might help it. One thing, I can sit on my deck and at night look at over 2 dozen of the lights coming off the gas wells, you can hardly see the stars, I don't think Orange Beach has that problem. As in the past the money comes in, oil and gas through revenue through the state or through an accident, and the money goes to Baldwin County. Dauphin Island, Bayou La Batre, we sit over there and we get nothing. Now, we have water that goes across it, we are not far from another breach in the island and we are not going to have that barrier island. Dauphin Island is suffering too. This is Dauphin Island's last chance, it is not a rich town, it cannot do a beach restoration on it's own. This is its only chance, probably in any of our lifetimes that Dauphin Island can be helped with the beach. You might say they have had help in the past, but they have had little bandaids, we have never had a true beach restoration program. On Dauphin Island, go to the end of Bienville, there are over 40 lots completely submerged, and many others partially submerged. The town just voted last week to take possession of a residential lot that was given to them. The Council asked how far out in the Gulf is it, and the Mayor said it is under water. To get to the first corner you have to swim 50 feet, and then to get to the other corner you have to go back 200 feet swimming. Dauphin Island needs some help. Please, by the time this council, whether it is 2, 3 or 4 years from now, when the Council finally ends, and if you haven't helped

Dauphin Island restore itself, you will close the last chapter in the history of Dauphin Island as far as its survival on the west end as far as a barrier island. If you leave here and you don't help, please have prayer that a big storm comes and just takes it out of its misery and get it over with. Thank you."

The next speaker was Bethany Kraft, the Director of the Gulf Restoration Program for Ocean Conservancy. Ms. Kraft congratulated the Council on what obviously represents a lot of hard work and effort. Ms. Kraft then stated as follows:

"It seems like the simpler you are able to make something, that is a process that your work, thought, and energy has gone into on the front end. So, I really want to commend your work and recognize the task the Council has undertaken. But in the interest of never being satisfied, would like to ask what comes next. At the last public meeting the Council mentioned the creation of an Advisory Board, and is wondering how that process will unfold now that there is a sideboard and ideas and direct my question to Director Lyons, what comes next, and how can the public be involved and engaged and how can we insure that this is what we end up with at the end."

Director Lyons responded by stating as follows:

"The Council ended its work session with essentially public engagement and how do we conduct public engagement as it is the next big question that the Council have to answer and that is going to be some of the work that will be charged with Ascendant, they left with a take away for them to be working with our new Administrator to help us begin to formulate a selection process. We did discuss the selection process, we did discuss community advisory, whether we have a formal panel, or how we conduct our public engagement, as you can see from the strategy map, that is very definitely a part of our plan, but we cannot tell you we have a definitive answer at this time. We have discussed the questions and we are working in that direction. We will be working with the Administrator, they have some things they can help us bring to the table, and Ascendant has also done some work in that area, so there will be a good bit of email exchanged in that sort of thing in trying to get this to take shape and maybe by the time we have our next public meeting, I can't tell you it will be in a month, because it may take a little longer."

Commissioner Dorsey stated:

"One of the debates has been, with regard to the community advisory groups versus technical advisory groups, because a lot of the public have significant technical expertise and experiences that would be an asset to this group, without question. We want to engage all of the public, not just a select group of people we handpick. We are trying to figure out how to best manage that in the

discussions, do we always come here, do we always go to Mobile, do we have meetings in Dauphin Island, do we have meetings in Orange Beach, to take this Council across the coastal Alabama region, to have discussions where the public can talk about our processes, the things we are working on here, and then as we move down the road, as we start discussing projects, and those are things that we will be talking with Ascendant and our new Administrator.”

Mayor Kant stated:

“We put a map up, but we didn’t vote on the map today. This is the first attempt to actually put it out to the public and we will actually be talking in meetings to figure out how we are going to get the public’s input. Just because we show you a map, we do understand we need public input in moving forward. We don’t know what that entails yet, we had one group that stated maybe we should be environmental before economic, we can twist words around, but at the end of the day, we do want to hear from everybody. Everybody on the Council has already decided that when we go around to get public input, we try to meet at least 4 or 5 times on the same topic so that we get around to both counties and not just a select group. The technical group, we aren’t quite sure how that is going to play in and we are asking the Administrator to help us with how we select technical people to help us.”

Director Lyons also stated:

“One other thing is that we recognize that we already have some bodies of work that have already been done or in process. The CCMP that MBNEP is doing is a body of work that has received a significant amount of public input. The CRC book that was done a couple of years ago was done with a significant amount of public input. We are going to take advantage of the certain amount of work that has already been done and then add additional public input to those bodies of work so that we can ensure that every voice is heard that needs to be heard.”

The next speaker was Avery Bates, Vice President of Organized Seafood Association and a long-time commercial fisherman. Mr. Bates stated as follows:

“It is good to have a chair filled by Bayou La Batre, it has been empty for two years too long. Bayou La Batre needed a voice. The Board of Health is in desperate need of more personnel. As you know, they do the water sampling for the commercial fisherman. There is an influx of population, the water needs more sampling, the fisherman want to handle good fresh oysters for this town, the state, and by cutting back their people, it means the Board of Health is stressed on doing the proper amount of water sampling to satisfy the FDA and the FDA had trouble even in handling base line samples that was mentioned before, but what it gets down to, our shops are the number one oyster

processors in the country. We process oysters from all over and our Board of Health checks these shops. We need to make sure that they are well staffed so that we can say we have the best seafood from the cleanest and best shops in the country. We don't need to cut them back, we need to make sure that they are staffed. Our people down there, they are not wealthy people, but they can open a lot of oysters and head a lot of shrimp and pick a lot of crabs, we are number 2 in the nation for our crab processors. The Board of Health is in there making sure that it is clean for everybody to eat. Our people have been here before this was a country doing that, processing fish, catching fish, catching oysters and making sure that this state enjoys that product. We want to see the jobs grow from 10,000 to 15,000. Choosing the proper re-selection, the proper water and discharges as we see, in fact in 1982, we harvested 100% of Dauphin Island Bay. If you put a discharge out there that contaminates half the bay, we can't work there, we need to make sure that the pollution factor will not contaminate any further water. We are getting ready to get online in the very near future at the mouth of Bayou La Batre, and it is growing, Bayou La Batre, the sewer line is growing tremendously. We don't know the impact of that waste water treatment line, we are moving it farther south, but we can't afford to lose half of Portersville Bay, we can't afford to lose it because the way our bay and the dynamics of our bay has changed, we can't raise oysters like we use to do in the sand reef, or even in Red Fish Gully, or even in Grant's Pass. Things have changed, but thank the good Lord we have a good portion of the bay upgraded according to Jeff McCool, we have an area that we can possibly plant, Chris is looking into that. We are going to have to work closely with our conservation department, our fisherman, and what little bit of expertise that I have, I know that Gunter wants to see us get bigger and better and he is the manager of our seafood. He wants to, by law, propagate it and enhance it for everybody in the state. So let's make sure that the helper groups, whether it is ADEM or the groups like the Board of Health, have proper funding to keep us working. Without us having good clean water, we cannot produce good clean seafood without the proper agencies, and I've heard nobody here say something about the Board of Health. They do a wonderful job, but they are losing people. We need to keep our fisherman fishing, multiply the acreage of our oyster bottom, and you will see fish multiply along with sustainable living oyster reefs that are so precious, not only to the environment, but to everybody in this state who likes to catch good fish, oysters, and crabs. Let's go from the foundation, build it back, so that all of us in this state can enjoy good healthy, well tested seafood. Thank you."

The next speaker was Walter Ernest. Mr. Ernest is the Director of Operations of the Pelican Coast Conservancy and Land Trust in Mobile. Mr. Ernest stated as follows:

"I wanted to commend the Council on the selection of the Sea Lab as the Center for Excellence, that is a well-deserved designation and they will do a great job

with that, and the strategic plan, that you have moved forward with that and you have it here. I hope it will be posted on the website so that the public can see it, and also, it made me realize that the Coastal Resource Advisory Council which is a Gov. Bentley appointee, perhaps they can assist the Council in holding the public meetings and so forth. We work very closely with the program. I know you have a lot of work ahead, but there is a great Administrator with the Department of Conservation and I don't believe you could have picked anyone better for that, with their knowledge of Alabama's natural resources and all the various divisions that Commissioner Gunter Guy manages. Thank you and if we can be of any assistance, please let us know."

The next speaker was Caroline Nicole Graves. Ms. Graves is from Dauphin Island and has property there. Ms. Graves stated as follows:

"I am speaking today because I won't be back down for about 9 months. Dauphin Island is often referred to as the stepchild, but if you add up all the revenue produced from the west end pipeline that is allowed to flow through Dauphin Island, we are not a stepchild. Isn't the BP money about rebuilding the areas that were affected by the oil? With Dauphin Island as the barrier island and the only protection for Mobile County salt marshes, wetlands, Mississippi Sound, bays, lagoons, bayous, ponds and estuaries, why wouldn't the state want to protect it? With Dauphin Island's historic value, why wouldn't the state want to save it? Are the committee members going to give Dauphin Island the money for the sand now and in the future because Dauphin Island has suffered the most from the oil spill. All Committee members need to understand that Dauphin Island carries the burden of the whole State of Alabama with all of the oil and gas pipelines in the state going through and around Dauphin Island and not Baldwin County, with the State Department working with the state and the federal government to protect Dauphin Island from future catastrophes that the oil rigs pose in the Gulf of Mexico. With all the gas and oil pipelines in Alabama only going through Dauphin Island, why hasn't the State of Alabama protected the Island in the past and will the state protect it in the future? How much money has the state made from the oil and gas pipelines going through Dauphin Island, how much money does the state estimate will be its future profits? Why is Alabama the only state on the Gulf Coast that does not have a state law that when dredging a harbor the Port has to provide sand bypassing to the Island to offset the erosion that is caused by the dredging as does Florida, Mississippi, Louisiana, and Texas. Dauphin Island is sand starved as a result of over 40 years of dredging the Mobile Ship Channel. Alabama needs to have this law in place now and tomorrow is not soon enough to do this. Why would the state ever consider giving BP money to the Port Authority expansion of the Port deepening and widening the harbor without including sand bypassing for Dauphin Island in its budget? With Dauphin Island's corporate limits going into the middle of Mobile Bay and out to the state 3 mile limit, is it not true that part of

the sand in the harbor being dredged belongs to the Island? What effect does the State Port Authority suffer because of the BP oil spill? Aren't the projects for the Port Authority submitting for BP really part of the Department of Transportation? Now that the Port engineers and the State Port Authority have finally admitted that they are going to deepen and widen the Mobile Shipping Channel which I believe that all parties denied in the Corps vs. The Dauphin Island Property Owner's Association settlement trial, how much money is the state making now and how much will it make in the future with the huge new Pentamax container ships coming into the Port. Now is the time for the State of Alabama to protect Dauphin Island by using the BP money for future sand bypassing when dredging the Mobile Harbor. Thank you."

The next speaker was Glen Coffee. Mr. Coffee was representing the Dauphin Island Property Owners Association. Mr. Coffee stated as follows:

"You are hearing Dauphin Island a lot, and you will hear a lot more about it so that you will think about the Island. The Association I represent consists of 3,000 property owners. But, I'm not here to talk about the Island's property owners themselves, but I want to talk about the Island from its ecological significance to the state, particularly Mobile County, and the fact that during the oil spill, Dauphin Island was impacted probably more than any other part of our state's shoreline and the significance of the Island to our seafood industry, as Mr. Bates was talking about, is significant. Without the Island, the marshes that we have, the largest collection of coastal marshes that the state has, depends upon the existence of the Island, and the Island was a bulwark to protect those marshes during the oil spill. Hopefully, we will never have another one. It is also important in protecting Bayou La Batre, Coden from hurricanes and tropical storms. The Island is suffering as mentioned a few minutes ago by Sam Mason, who owns property. The last four years we have gradually lost elevation and width of the Island and the Island is in danger of being permanently broken in half as happened to Sand Island, if you are familiar with that in coastal Mississippi. All we need is a direct hit of a major hurricane and then that protection that Dauphin Island now provides to our coastal resources will be diminished and maybe lost. And, when that happens, we are going to have a change in environmental characteristics and ecology and seafood production that we depend upon and a lot of our workers in Bayou La Batre, Coden, Alabama Port, that is where their jobs are. We are already having problems with oysters because of the break that occurred during Katrina. That has hopefully been resolved. But what is mystifying a number of us, is how the NRDA funds have been used so far today. Alabama, we learned recently, all of our funds the \$100 million dollars has already been spent and dedicated to the State of Alabama. What I don't understand, and many of us in our part of the world, is how we justify using natural resources damage assessment funds to construct a hotel convention center in Baldwin County that has really little to do with natural

resources, particularly those resources being impacted the most and were impacted the most. And we also have a major port in our state, in Mobile Harbor, that ranks right around 8 in the amount of tonnage that is moved. The Port Authority has a significant profit each year and they are preparing to handle the ships that will be coming through from the Panama Canal in 2015. That major port, the maintenance of that is causing a lot of our problems, probably most of them, from the sand and erosion standpoint. This, we view, the property owners on the Island, and the people who enjoy the fishing opportunities, we see this opportunity with the Recovery Council as a way to handle the problem that has affected Dauphin Island and we need to realize that it is not the Island so much, its Coastal Alabama, Mobile County. Without that resource, that Island, we are going to see a major impact and hurricane damage, seafood production losses, recreational opportunities lost and a way of life erased, if something is not done in a few years, and then, when that happens, if that happens, we are on the way to eroding now, all you have to do is look at the map over the last 40 years, when that happens, all of our leaders are going to suddenly realize, that they need to fix it, and it is like the Fram Oil commercial, you can pay me now, or you can pay me later, when you pay me later, it is going to cost a whole lot more if we don't take the opportunity now. And what I'm concerned about, we have another \$500 million dollars in this early NRDA package, that the message we are sending to the people that we are going to have to convince to fund some of that money to us to address our real environmental problems like erosion of our only barrier Island, they are going to look and say "Why are we going to give you more money for you to spend it totally on an economic activity." How are you going to compete with areas where they are going to use it for truly environmental projects. I want to leave that with you. I hope that you will understand that Dauphin Island is an important resource of this state and our town has already expended, about \$1.8 million dollars on a design that we are onboard to use, or to use President Obama's terminology, we are shovel ready. All we need is the money. So, I hope that you will consider that and keep it on the front burner, not the back of the stove, and I've afraid it is going to fall off the back of it, because we need that project, the state needs the project to restore our Island. Thank you very much."

The next speaker was Mark Berte. Mr. Berte is the Executive Director of the Alabama Coastal Foundation which has a mission to improve and protect Alabama's coastal environment through cooperation, education and participation. Mr. Berte stated that he gets paid \$.50 every time he says that. Mr. Berte went on to state as follows:

"When I saw the agenda earlier, I was hoping that you would appoint the Department as Administrator and am very delighted to see that and echo the sentiments also said today about Dauphin Island Sea Lab being the Center for Excellence, because other states, as you have mentioned, already have those and those discussions are ongoing, so being at that table is a really important

thing and I commend the Council and welcome the newest Council member. I do want to offer our assistance again for helping to promote the public dialogue that is part of our mission and we would be happy to help you in whatever way possible and in terms of the strategy map, we would be one of the outlets if you would care to use us, free of charge. I do want to say, one last thing, we have our Coastal Seafood Craze for people who are interested in eating some of this wonderful food we are trying to protect. It is actually not at Bienville Square, we moved it in for the rain, but hopefully all the council members can join us, it will be at the Temple, which is downtown Mobile, 351 St. Francis Street, tickets are just \$20.00. It is from 5:00 to 8:00 and we would love to see all of you there. You have worked really hard for these 2 or 3 days and you could unwind and relax and no lobbying will be allowed inside.”

The next speaker was Jackie Antalan. Ms. Antalan stated as follows:

“Clearly everyone on the Council can see that there is a difference in need from the community and the citizens from a residential point of view. The residents clearly see the relationship between the environment and the economy, that we are dependent on the economy as well as the environment that produces that economy, clearly you can see that we are concerned about equity, we feel that this Council, we are not trying to beat you guys up for what somebody else did, we truly feel that this Council is on the path to doing some great things. We are watching you, we are watching, we are constantly watching, and as I said before and I’ll say again, the reason that this Council is this, it is the hard work of citizens, Avery, Cal, Davey and a thousand or more, because a lot of people never thought this type of thing could happen, it is important to us and our culture, and please, when you look at the leverage, there are so many projects that were spoken about today, that there is no funding for, and this will be the only opportunity for those type of restoration projects to happen. I was one of the gun-ho people, let’s get the Department of Conservation, they would be a great Administrator for this, but, we are watching you too! Because we never in a 100 years, we know economics plays a role, we would never believe that 92% of funding for natural resource damages, natural resource damages, would be allocated like that, and that one thing that was also stated, is that there are repercussions for it. These little people in here, made sure that because of Katrina, those repercussions were in there, because this money was going to the United States of America and we fought hard to bring it down to the Gulf Coast. And, we are willing to let it go back to the United States of America if you guys don’t do right. Thank you.”

David Perry requested he be allowed to respond to Ms. Antalan. Mr. Perry thanked both of the residents that mentioned the Gulf State Park project, or alluded to it. On behalf of the Governor, Mr. Perry wanted to explain a little bit of the context around that and stated as follows:

“Part of the natural resource damages is to restore the loss of human use of the environmental resources. The State of Alabama has significant easily documentable economic damages from the loss of human use resources and that is where this money from the early restoration of NRDA is coming from. We have a lot more in loss of human use that we can and have documented than the \$58 million dollars for the lodge and conference center comprises. This does not compete with the environmental projects, this is loss of human use and you will see more projects for loss of human use and you will also see a number of additional projects for environmental benefits. \$27 million dollars of the early restoration money that was announced last week was for environmental improvements at the Gulf State Park, like dune restoration, additional improvements to the Park, Marsh Island was obviously a significant project in South Mobile County, from early restoration, there was a living shoreline habitat project, there was an oyster reef project, and he wants everybody in the room to understand that the Governor is looking out for the environmental losses that the state has suffered and the for the economic losses that the state has suffered and the natural resource damage assessment, that explicitly provides for and mandates restoration of loss of human use in addition to the restoration of loss of the environmental damages. We are still assessing some of the environmental damages and some of those projects won't come until later, some of them came before the Gulf State project, but we appreciate everybody's concern for both the environmental damage and the economic damage that we sustained and on behalf of the Governor he just wanted to provide a little bit of context so that everyone understands where the money is coming from and where it is not coming from. He stated he would be happy to speak to everybody who has concerns after the meeting to stay behind and he knows that Commissioner Guy and Patti Powell will as well, because Commissioner Guy is a NRDA trustee and this is a process that went through the U. S. Department of Justice and the Department of the Interior and several Federal agencies, along with all the other states that signed off on it. So there is much more work to be done on NRDA on the environment and we understand that and we will be pursuing that vigorously. I appreciate you giving me that opportunity to provide that context.”

Mayor Kennon also responded as follows:

“We are on your side, we are not the bad guys. One of the reasons, myself, Robert Craft and Tucker and those of us over in Baldwin County supported the project obviously, we love the economic impact, we won't tell a lie, but the Alabama State Park system is not in good shape, and a profitable lodge, as was the old lodge that was already there, supplied a lot of dollars throughout the entire state park system. I want you to understand, the entire State of Alabama, and anyone who adores and appreciates our state parks, the state park system throughout the state will benefit from any dollar generated by this lodge, and a lot of parks are in disrepair. So, there is a benefit to all Alabamians, and I

understand your complaint, but I do think that as we go forward, everyone up here is very sensitive to Dauphin Island's woes and are tuned in to finding a way to help it. I can't speak for anybody else, though.

The next speaker was Casi Calloway. Ms. Calloway is the Director of Mobile Bay Keeper. Ms. Calloway stated as follows:

"I also wanted to commend the Council on the phenomenal decisions made today. I am very excited about the Department of Conservation being in charge over administering this group and looking forward to seeing a regularly updated website. I am also excited about the strategy map and, of course, the Dauphin Island Sea Lab. Phenomenal choice, nothing could be better for us, and we are very excited about it. It will not just benefit Dauphin Island, it will excessively benefit Dauphin Island, but all of us throughout the state, so we are excited about that. I also want to echo Bethany's question, we are hoping to see a little bit more of a path forward in terms of how we make decisions. Mobile Bay Keeper for one, but many of us have written you letters in support of a citizens panel. We believe that putting people together to represent a broad diversity of the community is a great way to get more voices to the table from folks who don't necessarily, who aren't necessarily as engaged, are going to write a letter, or make a phone call, or show up and put their courage on the line and stand up before all of you. Mobile Bay Keeper represents over 4,500 members just here, and others represent larger, or more diverse groups, including chambers and people that don't vote the same way I do. I do 100% agree with Tim Kant, that it should just say ecological coastal Alabama because that also covers the environment. The last point I would make is, I have to echo Jackie's sentiment, I know that it is not 85%, though I would really encourage you to think about how you put those dollars out to the public, because everybody read it as 85% going to an economic project. We need to figure out to balance these, how to balance what happens in Baldwin County and in Mobile County, I know that isn't going to be simple moving forward, we have to figure out how to balance low income and higher income communities, we have to get jobs and diversity in there, we have to get work force development in there. It is a huge responsibility that you share and the addition of a citizens advisory panel frankly gives you a little bit of cover, but it also gets the pieces that you don't have and I can't remember which one of you said it, but many of you said it at the last meeting in February, so it is something that we strongly support. There are many ways to encourage and demand and open the door to a broad public participation but doesn't limit it to a citizens panel, but to get both. So that's a point that we want to continue to push and to encourage and we can certainly reach out to Commissioner Guy and Patti and others from the Department of Conservation to make sure they hear our point on that. You have a huge job. We are very excited to see you do it and we have lots of faith in you and all of us will be here to help in any way we can. We

do look forward to an announcement of the next meeting so we can see how we move forward.”

Director Lyons responded to Casi Calloway as follows:

“We are sincere, but as far as our efforts, as far as public input, formulating it is a daunting task and how we go about it, to do it right. Be patient with us, we are headed that way, but please be patient with us. We got your letters, I got a letter recently from a group out of New Orleans, and several organizations from around here, there was a big long list of groups from Louisiana, Texas and Florida. I have that letter, I was a little confused because it seemed like it was written to the Federal Council, but I presume it was intended for us. In any event, all of that is there, being noted, being considered. I don’t know how to respond to it, quite truthfully, at this juncture. But, we are feeling our way into it, we are a baby organization and still trying to figure out who we are and how we go about things and you are absolutely correct, it is a daunting task.”

The next speaker was David Underhill. Mr. Underhill is the conservation chair of the Mobile Bay Sierra Club. He stated that he is not yet, anyway, speaking officially for the Sierra Club, but he hopes to soon. Mr. Underhill stated as follows:

“A couple of months ago during the naughty t-shirt scandal, the Mayor of Orange Beach said that he wanted us to have a business niche that separates us from every other community to the east and that we should never prostitute ourselves for a buck in any way. Sentiments that I certainly agree with, but most recently, the Governor has said that its doctors and lawyers and their money going over to conventions in Florida that he hopes to attract to this convention center and hotel to be built on the beach in the state park with the environmental damage restoration money, that makes it attractive. In other words, the objective of this money is contrary to what you were saying, it is apparently, to make the Alabama coast as much as possible like the Florida coast in order to draw that money here and away from there by something so similar that they will come. Instead of that, there is an opportunity, if you really want, to execute some lasting results as your agenda says to use this money in the park and elsewhere, that you have more formal control over, to demonstrate something different as a possibility, and if the objective is to restore human use, I can guarantee you there are more potential tourists who want to come to an unspoiled place and enjoy nature as the creator made it, not as a convention, hotel architect designed it with flattened dunes, they will come in abundance, more than the doctors and lawyers will come and will even have some money, if the purpose is to restore human use. You can do that, and, you can also take this opportunity once in a lifetime, to have these big bundles of money, to demonstrate the alternatives to, not just the traditional forms of development on the coast, but the traditional forms of energy extraction and combustion that got us in this jam, if you go out to the end of the pier at that

park right now and look at the energy that is flexing and bristling in the waters at all times, imagine a way to extract that from the ocean or from the wind, or from the sun. You can power the whole park with that, the surroundings with that and make it into a demonstration project so that Alabama, at last, is first, not only in football, and we don't have to rely anymore on that thank God for Mississippi phrase that prevents us from being the cushion that prevents us from bouncing off the bottom of the barrel, this is an opportunity for Alabama to be first in many other things besides football, if you wisely use your resources and your authority to pursue it. And, if it would help, I'm willing to recruit, I hope a very large group of people who will come to the construction site of the potential hotel on the beach with tarps and tents and camp out there to prove that can be a long range campground. Tell us and we will come and stay there."

Acting Mayor Coleman stated as follows:

"I am happy to represent Bayou La Batre. I have learned a lot and it has been a very enjoyable day for me and I can assure the public that every member at the table has the people at heart. I would never be part of anything that I didn't think the people would be involved in. Good things are going to come out of this because they are doing it from their heart, because they love the people, they want to see a change in the town and the people. So, I am happy to be here and it has been a very enjoyable day for me to go back and say I was a part of something that was good. Thank you."


Commissioner Gunter Guy stated that as the Trustee for the state, he feels compelled to address some of the comments and he appreciates the comments. Commissioner Guy stated as follows:

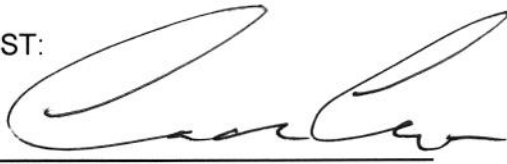
"By way of explanation, which has now resulted in about 2 years of work in the NRDA process, at times, you get apples and oranges with stuff with what we are saying. On the NRDA side, this is what he would like everyone to take away from this. Number One, it is actually a damage issue, which is part of a litigation. Now, the early restoration money that we got was worked out through a mechanism we would call Early Restoration Framework that had never been done, never, in the history of natural resource process. By which BP put up money to try to offset what we would call known injuries, due to the oil spill. So the first thing I want to say is that it is a litigation process and because it is a litigation process by its very nature, and you are all well aware that there is a trial going right now in Louisiana that is just in the first stage of three stages that unfortunately, all of the trustees across the states and the federal agencies cannot talk about a lot of the things that go into our work and what we have done here, but I can tell you that we have done all the states and federal trustees have done assessments, early assessment, in connection with the decisions we have made and as part of the long term assessment dealing with the litigation. So

when you think about what we have done thus far, it is based on what we have looked at in early assessments trying to address those issues that we can or believe we can address without concern that we are making a bad decision because an assessment is not fully done. So, in the NRDA world, understand that there are a spectrum of issues that are part of the assessment.”

On a motion duly made and seconded, the Council then adjourned at 4:58 p.m. Central Time.

ALABAMA GULF COAST RECOVERY COUNCIL

By: 
Governor Robert Bentley
Its Chair

ATTEST:
By: 
Director James K. Lyons
Its Vice Chair