

ANNUAL

REPORT

FISCAL

YEAR

2018

TRUSTEES
FOR ALASKA



LETTER FROM THE EXECUTIVE DIRECTOR

DEAR SUPPORTERS:

Trustees for Alaska has often pushed through hostile political attacks on Alaska's lands, waters, wildlife and people, but fiscal year 2018 stands out for its intensity. Industries eager to exploit Alaska leveraged the political agendas of federal and state administrations to steamroll extraction projects that put salmon fisheries, caribou, birds, clean water, public lands and human rights in jeopardy.

Trustees for Alaska responded by providing strategic legislative and community guidance to clients and coalition partners. We took legal actions designed to give voice to human rights and the public interest while holding public servants and administrations accountable to the law.

We went to court to defend the right of Alaskans to use the initiative process to make law protecting salmon habitat. We fought to protect the food, culture and way of life of Alaskans from the Arctic to Bristol Bay. We responded to administrative action after administrative action that skirted the law and threatened the health and future of Alaska.

The collective effort of our work and that of our clients and partners paid off. In October, the Ninth Circuit upheld National Park Service authority over waterways in *Sturgeon vs. Frost*, aligning with centuries of law that support federal authority over navigable waters in Alaska's national parks.

A week later, our legal arguments prevailed when the Alaska Superior Court ruled that Alaska citizens have a constitutional right to say how they want fish habitat protected. It only got better, because the Alaska Supreme Court, while ruling two provisions unconstitutional appropriations of state assets, allowed the rest of the ballot measure to go before voters in November.

Nationally, Congress voted to allow drilling in the coastal plain of the Arctic National Wildlife Refuge, so we joined partners in galvanizing a unified campaign to prepare a defense strategy that includes legal, legislative, communications, and grassroots opposition.

We also took the Trump administration to court over an oil and gas leasing process that failed to look at impacts before selling off lands in the Western Arctic.

Whether arguing in the courtroom, or helping clients and partners make their case at public hearings and in the halls of Congress, we helped build an effective resistance to unsustainable policies.

Trustees was born and raised in Alaska. We've been protecting this place since 1974. We know the issues, the communities, the politics, and the challenges. We know the people and places we fight for, and how these issues matter nationally and globally.

We have all of you to thank for the honor of doing this work. Because of you—the foundations and donors who commit to a shared vision of a vibrant Alaska where wildlife and people thrive—we can work for a future that sustains human rights, wildlife diversity, and natural places.

Thank you for being part of our Trustees team!



Victoria Clark, Executive Director

PROGRAM HIGHLIGHTS

CLEAN WATER & AIR; MARINE ECOSYSTEMS



Protecting Bristol Bay communities and fisheries

Trustees continued its work protecting the Bristol Bay watershed from the proposed Pebble mine. Our work this year focused on elevating the public process, submitting public comments on behalf of clients and partners, and holding agencies accountable to the law.

The Bristol Bay region of western Alaska produces record-breaking salmon runs that support Alaska communities and a robust commercial salmon fishery that feeds the world and provides thousands of jobs. Indigenous communities have built their way of life around salmon for thousands of years.

A Canadian mining company called Northern Dynasty—also known as the Pebble Partnership—has been pushing to build a massive low-grade copper mine in the headwaters of Bristol Bay for over a decade. This year, the company submitted its permit application to the U.S. Army Corps of Engineers, setting into motion a series of agency processes that will require legal analysis—and likely litigation—in the months and years to come.

Trustees went through the Pebble permit application with a fine-tooth comb to draw attention to its many flaws and omissions. We provided strategic guidance to clients and coalition partners, and helped Alaskans respond to the Army Corps' rushed scoping process during public hearings. Throughout the year, we prepared for a response to the draft and final Environmental Impact Statements to come, as well as for potential legal action.

Pebble was courting a new partner, First Quantum Minerals, in December 2017, only to see that partner back out of any agreement in May 2018. Losing another financial partner demonstrates once again that there is a considerable lack of confidence in the economic viability of the project and considerable awareness of the huge opposition to the project in Alaska.

The proposed mine would devastate the thriving social, cultural, and fiscal economies of the region. Trustees considers protecting the Bristol Bay watershed a priority.

CLEAN WATER & AIR (cont'd)

Arguing for the constitutional right of Alaskans to make law protecting salmon habitat

In FY17, the Stand for Salmon initiative was put forward for certification by the Lieutenant Governor, and he rejected it. Trustees challenged that rejection in court, and our legal arguments prevailed when the Alaska Superior Court agreed that laws to protect salmon habitat are not an unconstitutional appropriation of state assets. This ruling gave citizens the right to move forward with the initiative process.

The Alaska Supreme Court later upheld most of the superior court's ruling. This ruling ensured that the ballot measure to update and strengthen the law protecting fish habitat would appear on the Alaska state ballot.

PROGRAM HIGHLIGHTS

CLIMATE CHANGE

Protecting water and fish from coal

Trustees defended the right of Alaska citizens to secure water reservations to protect salmon by taking administrative and legal actions to force the Alaska Department of Natural Resources to act on water reservation applications.

Trustees won the first private water reservation in Alaska for the Chuitna Citizens Coalition in 2015. The Chuitna Citizens Coalition sought water rights to protect salmon in Middle Creek, a stream at the headwaters of the Chuitna River. DNR approved the water reservation.

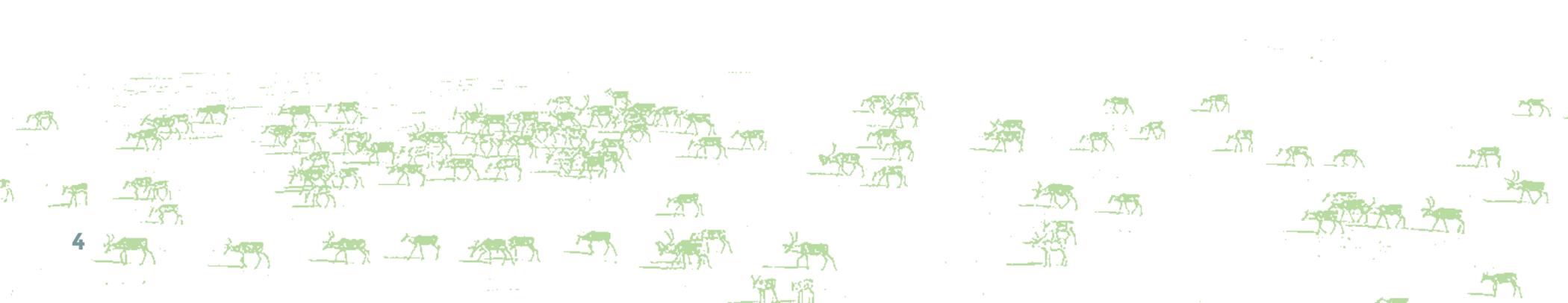
PacRim Coal submitted an administrative appeal to that decision. At the time, PacRim had applied for permits for a coal mining operation that would destroy 14 miles of salmon streams, eliminate over 1,000 acres of wetlands important for salmon rearing, and discharge 7 million gallons of mine waste into the river every day.

PacRim later pulled out of the project altogether, but DNR never addressed its appeal of the Coalition's water reservation.

When pressed, the DNR commissioner decided that the agency needed to revisit its original decision to authorize the water right. Industry opposes the law that allows citizens to hold instream flow rights.

To push DNR to act, we asked the court to require a final decision on the instream flow application. The Alaska Superior Court ordered DNR to issue a final decision by June 2018. DNR filed a petition for review of that order with the Supreme Court, which also denied it and demanded a final decision by August.

DNR then denied the water reservation under the argument that the agency didn't have time to make the required findings and that potential harm to the state's mental health trust, which has land holdings in the area, as well as its beneficiaries, weighs against issuance of a reservation. Trustees is working with clients to evaluate next steps.



PROGRAM HIGHLIGHTS

AMERICA'S ARCTIC

Stopping drilling in the Arctic Refuge

The Republican majority in Congress slipped oil and gas drilling into the tax bill at the end of 2017, opening the Arctic National Wildlife Refuge coastal plain to oil and gas exploitation. Using the budget process to sneak through this controversial provision to open the Arctic Refuge to oil and gas not only prevented full, fair and open debate, but it also dismissed the voices of the majority of Americans who want the Arctic Refuge protected—and who have done so for decades.

The Gwich'in people consider the coastal plain a sacred place because it is the birthing and nursing grounds of the Porcupine Caribou herd, their primary food source and the foundation of their culture. Drilling in the Arctic Refuge would undermine their human rights to their food and culture, as well as the purpose of the Refuge itself.

Trustees worked with clients and partners before and after the passage of the drill bill to strategize how to slow and stop oil and gas leasing in the Arctic Refuge. We further helped educate legislators and the public about how drilling in the coastal plain

would erode human rights, accelerate climate change, and devastate the wilderness and wildlife purposes of public lands.

Specifically, Trustees prepared clients and partners for administrative hearings and legislator outreach, developed technical documents, and wrote detailed comments during the public comment period of the Bureau of Land Management's (BLM) scoping process for the agency's Environmental Impact Statement for its leasing program. Trustees also closely followed the seismic exploration proposal put forward by SAExploration and submitted comments to BLM during its initial preparation of an environmental assessment.

Trustees has worked to protect the Arctic Refuge since its founding. We will continue to prepare proactively for potential legal challenges, even as we do defensive work in a political climate that puts exploitation before the health of the Arctic.

From Washington, D.C., to the courtroom to Fort Yukon, Alaska, we stand with the Gwich'in people.



AMERICA'S ARCTIC (cont'd)

Keeping the Western Arctic from becoming another Prudhoe Bay



The Western Arctic has an unfortunate “official” name—the National Petroleum Reserve-Alaska—but its inherent purpose is not as a place to exploit. In fact, the Western Arctic contains vital calving and breeding grounds for caribou and shorebirds, habitat for mammals, fish, and birds of all kinds, and traditional lands that Alaska Native people have lived in, hunted on, and moved through for thousands of years.

Current law calls for the protection of special areas in the Western Arctic because of their importance to the health of the region and the Arctic as a whole.

The Bureau of Land Management has done annual lease sales every year in the Reserve for the past several years. In 2017, BLM again rushed forward leasing to sell off the Western Arctic to the oil and gas industry. We took them to court because the agency did not look carefully at the impacts of its decision before issuing leases and waived its right to later say “no” to oil and gas extraction proposals, regardless of their impacts.

The Department of the Interior also made it clear that it intends to modify the Integrated Activity Plan for the Western Arctic to open areas currently designated as protected to drilling, including the Teshekpuk Lake Special Area.

At the same time, BLM is rushing to approve Willow, a massive oil development proposal that is partially within the Teshekpuk Lake Special Area boundaries. Trustees prepared detailed comments during BLM’s scoping process for the agency’s Environmental Impact Statement for the Willow proposal.

The federal administration’s attempt to make essentially every public land an oil field, no matter the destruction of land, water, animals and communities, makes Trustees’ legal prowess essential to protecting the Western Arctic.

AMERICA'S ARCTIC (cont'd)

The Road to Ruin Rears its Head Again

The Alaska Industrial Development and Export Authority (AIDEA) wants to build a private road to the Ambler Mining District. The road would promote the hard rock mining interests of a junior Canadian mining company, and do nothing to benefit local communities.

The 220-mile road would be essentially a private driveway that goes through state and tribal lands, and Gates of the Arctic National Park and Preserve. AIDEA submitted its permit application in 2018, but failed to fully describe details of the project or provide adequate information on impacts to waterways, fish, wildlife and people.

Trustees worked with clients and partners when producing and submitting detailed comments during the BLM's scoping process, and prepared partners for hearings and other outreach to the Alaska State Legislature.

Trustees will continue supporting clients and local opposition to the road. The proposed road to Ambler would create an unjustifiable cost to the state and an unjust cost to the fish, wildlife and people of the region.



PROGRAM HIGHLIGHTS

WILD LANDS AND WILDLIFE

Keeping a road out of Izembek National Wildlife Refuge

Trustees for Alaska filed a lawsuit in U.S. District Court that claims that a land exchange between King Cove Corporation and the Department of the Interior violated multiple federal laws, including the Alaska National Interest Lands Conservation Act.

The suit claims that ANILCA prohibits the Secretary of Interior from using its land exchange provision to gut Izembek National Wildlife Refuge and its designated Wilderness, and to circumvent public process, environmental review, and congressional approval to build a road. Secretary Ryan Zinke crafted such a land exchange with King Cove behind closed doors.

Trustees filed the suit on behalf of nine clients.

Those pushing for the land exchange claim that King Cove needs a road to Cold Bay for emergency medical access, but studies show that there are cheaper, safer and more reliable ways of getting people from King Cove to Cold Bay. Conditions also often make driving in Alaska dangerous and even impossible.

Unlawfully appropriating a vital part of a Refuge and Wilderness for a road would set a dangerous precedent for the entire Refuge System and public lands throughout the country.

Protecting National Parks

The Ninth Circuit upheld National Park Service authority over waterways in *Sturgeon vs. Frost*. Trustees represented 13 clients as amici curiae, or friends of the court, in the case.

The decision aligned with centuries of law and supported our argument that agencies must have authority to regulate activities within the areas that Congress has tasked them with overseeing.

The lawsuit stems from a National Park Service citation given to John Sturgeon in 2007 for using his hovercraft—banned under Park Service regulations nationwide—within Yukon-Charley Rivers National Preserve.

The broader issue is whether NPS may regulate the use of navigable waters within the boundaries of federal conservation areas established by the Alaska National Interest Lands Conservation Act. Trustees argued that if disallowed from managing rivers within the parks, NPS would not be able to regulate harmful activities like placer mining or other incompatible uses in national parks in Alaska.

This is the second time the Ninth Circuit ruled in favor of NPS. Sturgeon has appealed the decision to the Supreme Court, which agreed to hear the case.



WILD LANDS AND WILDLIFE (cont'd)

Protecting bears and wolves

The Department of the Interior proposed regulations that would allow extreme, egregious predator hunting practices in national parks, preserves and refuges in Alaska, including the killing of bears and wolves in dens, killing sows with cubs, using aircraft to scout and shoot bears, and baiting brown bears with sweets like donuts.

Trustees for Alaska has been involved in stopping extreme predator control measures for years, intervening on behalf of

clients in two lawsuits filed by the State of Alaska and Safari Club that challenge National Park Service and U.S. Fish and Wildlife Service regulations prohibiting these aggressive sport hunting methods targeting wolves and bears.

Trustees will stay engaged in the suit as it progresses, while working to stop agency actions to undermine the purpose of preserves and refuges.



SUMMER 2018 INTERNS

Trustees for Alaska brings on legal interns every summer to let them dive into the work and learn, grow, and explore. While here, they go hiking, climbing, fishing, boating, and venturing to remote places while gaining valuable legal experience. They conduct legal research, draft pleadings, participate in client meetings, and assist with litigation that helps prepare them for their future careers.

Jenna Lewis

Every day at Trustees, I felt mentored by the fantastic team. I am so glad to have had the opportunity to work on legal documents, communicate with clients, attend meetings, and observe coalition calls with Trustees attorneys.

I learned a lot from these dedicated advocates for the environment, and I am now more certain than ever that I want to pursue a career in this field and advocate for a cleaner, healthier, and better-protected environment.



Maggie Massey

The attorneys at Trustees for Alaska gave me inspiration and guidance when I began my journey into law school, and I have always hoped for the chance to intern here. This summer exceeded all of my expectations, and I am returning to Oregon with redoubled excitement for a career in public interest law.

I am grateful for the detailed feedback and advice that I received from all the attorneys at Trustees. My legal writing and analytical skills have grown and sharpened throughout this summer as a result of the time they invested in me.



FINANCIALS

2018

REVENUE



Grants 52%	\$732,500
Contributions 43%	\$596,528
In-kind revenue 4%	\$61,634
Interest 0%	\$0
Other 1%	\$12,333
Colleen Burgh Fund for Science and the Law 0%	\$0
Total	\$1,402,995

EXPENSES



America's Arctic 30%	393,840
Clean Air & Water 22%	285,703
Climate Change 6%	73,752
Marine Ecosystems 3%	34,043
Wild Lands & Wildlife 15%	198,805
Administration 12%	163,541
Fundraising 13%	175,739
Total	1,325,423

STATEMENTS OF FINANCIAL POSITION

September 30	2018	2017
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 342,024	\$ 310,018
Receivables:		
Foundation grants	115,000	70,000
Other receivables	10,157	2,330
Prepaid expenses	22,454	8,175
Total Current Assets	489,635	390,523
Property and equipment	72,701	53,979
Less accumulated depreciation	(48,831)	(41,647)
Property and Equipment, Net	23,870	12,332
Total Assets	\$ 513,505	\$ 402,855
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 11,164	\$ 14,640
Accrued payroll liabilities and leave	42,785	33,189
Current portion, capital lease payable	3,459	791
Total Current Liabilities	57,408	48,620
Long Term Liabilities - capital lease payable, net of current position	10,351	-
Total Liabilities	67,759	48,620
NET ASSETS		
Unrestricted:		
Designated by the board for operations	150,000	150,000
Undesignated	88,758	83,832
Temporarily restricted	206,988	120,403
Total Net Assets	445,746	354,235
Total Liabilities and Net Assets	\$ 513,505	\$ 402,855

IN GRATITUDE

THANK YOU

Thank you to all the generous individuals and foundations that make our work to defend Alaska's lands, waters, wildlife, and people possible.

FY18 FOUNDATIONS

444S Foundation
Alaska Conservation Foundation
The Brainerd Foundation
The Bullitt Foundation
Campion Foundation
Charlotte Martin Foundation
Grenold and Dorothy Collins Alaska Charitable Trust
Eaglemere Foundation
George H. and Jane A. Mifflin Memorial Fund
The Harder Foundation
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CLIENTS & CONSERVATION PARTNERS

The Alaska Center
Alaska Community Action on Toxics
Alaska Marine Conservation Council
Alaska Quiet Rights Coalition
Alaska Wilderness League
Alaska Wildlife Alliance
Alaskans for Wildlife
Ambler Traditional Council
Audubon Alaska
Brooks Range Council
Canadian Parks & Wilderness Society
Castle Mountain Coalition
Center for Biological Diversity
Chuitna Citizens Coalition

Conservation Lands Foundation
Cook Inletkeeper
Copper Country Alliance
Curyung Tribal Council (IRA)
Defenders of Wildlife
Denali Citizens Council
Earthworks
Earthjustice
Environment America
Eyak Preservation Council
Friends of Alaska National Wildlife Refuges
Gwich'in Steering Committee
Humane Society of the United States

Humane Society Legislative Fund
Kachemak Bay Conservation Society
Koliganek Village Council (IRA)
League of Conservation Voters
National Audubon Society
National Parks Conservation Association
National Wildlife Federation
National Wildlife Refuge Association
Natural Resources Defense Council
Northern Alaska Environmental Center
Nunamta Aulukestai
Oasis Earth
The Pew Charitable Trusts

REDOIL (Resisting Environmental Destruction on Indigenous Lands)
Resurrection Bay Conservation Alliance
Residents of Nuiqsut
Salmon State
Sierra Club
Southeast Alaska Conservation Council
Stand for Salmon
The Wilderness Society
Trout Unlimited
United Tribes of Bristol Bay
Wild Salmon Center
Wilderness Watch



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 Brook Brisson, Senior Staff Attorney
 Katie Strong, Senior Staff Attorney

Suzanne Bostrom, Staff Attorney

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Jennie Frost, Paralegal

Chad Carter, Office Manager (first half of year)

Ashley Boyd, Office Manager (second half of year, not shown)

To see a list of our current Board and their bios, go to www.trustees.org/board-of-trustees/; for staff, go to www.trustees.org/our-team/

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TRUSTEES FOR ALASKA

PROTECT | DEFEND | REPRESENT

