MEETING HELD BEFORE THE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

HYDROGRAPHIC SERVICES REVIEW PANEL

ORIGINAL

MANCHESTER GRAND HYATT

SAN DIEGO, CALIFORNIA

THURSDAY, MARCH 31, 2005

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A P P E A R A N C E S

VOTING PANEL MEMBERS:

SCOTT RAINEY, Chairman
HELEN BROHL, Vice-Chairman
ANDREW ARMSTRONG
JONATHAN DASLER
ELAINE DICKINSON
WILLIAM GRAY
SHERRI HICKMAN
LEWIS LAPINE
RICHARD LARRABEE
ADAM McBRIDE
ANDREW McGOVERN
MINAS MYRTIDIS
JOHN OSWALD
TOM SKINNER
RICHARD WEST
LARRY WHITING

NOAA EMPLOYEES:

CAPTAIN ROGER PARSONS, FACA Federal Official
MIKE SZABADOS
CHARLIE CHALLSTROM
STEVE VOGEL
BARBARA HESS

ALSO PRESENT:

RADM. SAM DeBOW
MIKE GIBSON
BRIAN GREENAWALT
VARIOUS MEMBERS OF THE PUBLIC

I N D E X

HYDROGRAPHIC SERVICES REVIEW PANEL

SAN DIEGO, CALIFORNIA - THURSDAY, MARCH 31, 2005

8:00 A.M.

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CHAIRMAN RAINEY: Good morning. I'd like to welcome everybody, members and the public. And thanks to the Hydrographic Society of America for the invitation and the great exhibits and the venue last night.

I would like to go ahead and call the meeting to order. And as part of our bylaws, we will take role of the members. I think what we'd like to do just real quick is run through a couple things, and I will turn it over to Captain Parsons for some other welcome remarks and introductions.

But just real quick, I think everybody saw or has been here long enough now to know where the heads are out by the elevators. And if everybody could just shut their cell phones down, and we'll go ahead and get started here.

Why don't we take a round turn and let the members introduce themselves by way of role call here.

Admiral Larrabee has a board meeting with his port authority, so we'll have him conferenced in for

some time tomorrow. He couldn't be with us today.

The mics here are live on the table, so you just grab it and you can start talking, I think, and we'll pick it up.

MR. SZABADOS: Mike Szabados with NOAA's National Ocean Service, Director for the Center for Operational Oceanographic Products and Services.

MR. DASLER: Jon Dasler with David Evans & Associates, and Director of Marine Services.

MR. GRAY: Good morning. Bill Gray, Gray Maritime.

MR. MYRTIDIS: Good morning. Minas Myrtidis, Director for the NCL Group.

MR. OSWALD: John Oswald, John Oswald Associates, Anchorage, Alaska.

DR. LAPINE: Lewis Lapine, a state surveyor, state of South Carolina.

MR. WHITING: Larry Whiting, Terra Surveys, Palmer, Alaska.

MR. ARMSTRONG: I'm Andy Armstrong, and I'm the NOAA Co-Director of the NOAA University of New Hampshire Joint Hydrographic Center.

MS. BROHL: I'm Helen Brohl. I'm director of the U.S. Great Lake Shipping Association and panel vice-chair.

MR. McBRIDE: I'm Adam McBride. I'm the port director of the port of Lake Charles, Louisiana.

CHAIRMAN RAINEY: Scott Rainey with American Pilots Association.

CAPTAIN PARSONS: Good morning. I'm Roger Parsons. I am the designated federal official for this FACA and the Director of Office of Coast Survey.

MS. DICKINSON: Elaine Dickinson representing boat owners with Boat U.S.

MR. WEST: Dick West, Consortium for Oceanographic Research and Education.

MR. SKINNER: Tom Skinner with Duran (inaudible) Environmental Strategies.

MR. McGOVERN: Andrew McGovern with the New York/New Jersey Sandy Hook Pilots Associates.

MS. HICKMAN: I'm Sherri Hickman, a pilot with the Houston pilots.

MR. CHALLSTROM: I'm Charlie Challstrom, Director of NOAA's National Geodetic Survey.

CHAIRMAN RAINEY: Okay. Thanks very much.

CAPTAIN PARSONS: What I'd like to do, since we have a number of members of the public here they may have not participated in this or listened to this particular group in the past, is give you a little bit of background on the why this Federal Advisory

Committee was established. And again, I apologize for having my back to you.

This Federal Advisory Committee was established by the Secretary of Commerce in December of 2003 in accordance with the provisions of the Hydrographic Services Improvement Act of 1998 and the amendments of 2002. Again, this panel was established under the Federal Advisory Committee Act and holds its meetings and activities in accordance with that Act.

Let me review, just briefly, the Hydrographic Services Improvement Act as it relates to this particular panel. Again, this panel, and I'll quote directly, "shall advise the administrator of NOAA on matters related to the responsibilities and authorities set forth in Section 303 of this Bill."

And briefly, Section 303 outlines the responsibilities of the navigation services programs within NOAA. And so this panel will advise the administrator on issues related to standards for hydrographic data, standards for hydrographic services, geographic coverage of hydrographic services, on national database of hydrographic data, and contracts for the acquisition of hydrographic services. It may also advise the administrator on the

procurement, lease, evaluation, tests, development and operation of vessels and technologies necessary to ensure safe navigation and maintain operational expertise in hydrographic data.

Again, this panel may advise the administrator on these issues. They are not limited to these particular issues, but in general, it is all things related to NOAA's navigational services programs, which primarily resides within three offices within the National Ocean Service: The Center for Operational Oceanographic Products and Services, the National Geodetic Survey, and the Office of Coast Survey.

Its membership has 15 voting members. Those 15 voting members are appointed by the administrator, and they are appointed based on their expertise in the following areas: Hydrographic surveying, tides and currents, geodetic and geospacial measurements, marine transportation, port administration, vessel pilotage, and coastal fisheries management. Essentially those communities that are directly impacted by NOAA's navigation services programs.

Fifteen voting members having expertise in those areas. There are four nonvoting members. Those nonvoting members consist of the co-directors of the

Joint Hydrographic Center, the director of the National Geodetic Survey, the director of the Center for Operational Oceanographic Products and Services, and the designated federal official for this Federal Advisory Committee is the Director of Office of Coast Survey or his or her designee.

Terms of appointment are four years, with the exception of the initial panel which is residing here, five of the members are appointed for two-year terms, five members are appointed for three-year terms, and five members have been appointed for four-year terms. Subsequent appointments to this panel will all be for four-year periods.

Meetings are held no less frequently than twice a year, and the goal of NOAA, and the National Ocean Service, is to hold three to four meetings per year, as necessary. Again, that is a general rundown on the establishment of this particular committee. Again, it was established in December 2003, and this is the fourth meeting of this panel.

CHAIRMAN RAINEY: Okay. Thanks, Roger.

Can I just offer you the mic, and any welcome remarks?

MR. ARMSTRONG: Good morning, everyone. On behalf of the Hydrographic Society of America and our

co-sponsors NOAA, the U.S. Army Corp of Engineers, Naval Oceanographic Office, the Western Dredging Association, the Canadian Hydrographic Service, and the Canadian Hydrographic Association, I'd like to welcome you to the hydrographic conference today.

I noticed that a number of you were at the banquet last night. I hope you enjoyed that. Today we have a break in the panel schedule, which will allow you to visit the conference, to attend either part of a workshop, part of the technical sessions, or visit the exhibits. And so I would ask you to do any or all of those, and feel free to walk in and out of those sessions. It's not so unusual, so don't feel like you'll be disturbing anyone by doing that.

While I have the floor here, I'd like to point out that there's an application for membership in the Hydrographic Society of America. I'd encourage you to join, a couple of reasons. One is we're always happy to have new members, but the other is as a member you will get access to The Seahorse, which is a newsletter for the U.S. society and you'll get several editions of Hydro International Magazine, which is a trade magazine of hydrographic sciences that I think would be of benefit to everyone in their duties here on the Board.

So once again, welcome to the conference. I hope you enjoy it. Please make yourself at home. You're registered as a full participant in the conference, and feel free to take advantage of everything that's here. Thanks.

CHAIRMAN RAINEY: Admiral?

ADMIRAL DeBOW: Morning, everyone. My name is RADM Sam DeBow. I know many of you. And it's interesting that I was just reflecting on the inception on how this all came about, the FACA. And I actually was in the hydrographic program and haven't been involved directly in it since about July 2003, but I certainly was there when this whole panel was initially formed.

Right now I'm the admiral in charge of NOAA's fleet and aircraft, the ships and aircraft that support all of the NOAA goals. And I'm really proud to be here. I haven't been able to make many of your meetings previously, but, you know, I'm probably one of the more senior NOAA officials here, and certainly I know Admiral Lautenbacher, if he had the opportunity, he would have been here also.

I'm just going to talk in general, real quickly, about where the fleet and aircraft are going that support NOAA's missions. We, by law, you

understand that 50 percent of all of the work we do in support of hydrography is contracted out, and that's managed by the Office of Coast Survey and the National Ocean Service. The rest of that work is done by the NOAA assets internally. We have four hydrographic ships that support that mission.

But some of the things I think that we should look at is that hydrography is not about charting anymore. It used to be just directly about charting, but we're actually doing a lot of work in addition to charting. Across all of the NOAA's line offices, we have requirements for what I would call mapping, not just hydrography. If you look at the use of geographical information systems, GIS's, a marine GIS, the baseline of the marine GIS is the bathymetry or the hydrography. And you know the standards that hydrography is done on is very specific and accurate, and we see now, when looking through the budgetary process in NOAA, that we need hydrography in support of essential fish habitat mapping; certainly, since December 26, tsunami inundation mapping. The run-up of where a wave would go is really important across the organization.

We have baseline requirements or what's called a -- let's see, what would be called basically

baseline requirements for the satellites that we use for remote sensing, we have to have mapping for that. So I know that we're very specific about this panel about hydrography in support of nautical charting, but there's a lot of needs across the organization.

The other thing that I'm being required to do by my boss is to look out over the horizon, look at new technologies: AUV's, UAV's. A lot of people think they're there today, and they are in one way or another. But we're not just talking about just manned vehicles, both ships, boats and aircraft, but using those to do hydrography through remote sensing. I mean, everybody thinks remote sensing is through hydrography or through satellites, but actually it's remote sensing across the board.

You're trying to type this? God help you. We have it recorded, I hope. I didn't realize there was a court stenographer here.

Anyhow, why don't I just stop. I just wanted to say that there's a lot of needs inside the organization outside of just hydrography in support of nautical charting. And I'm happy to be here and I'm really proud to be here. Thank you very much.

CAPTAIN PARSONS: Admiral, will you field any questions on fleet-related activities --

ADMIRAL DeBOW: Certainly.

CAPTAIN PARSONS: -- either from the panel or the general public?

CHAIRMAN RAINEY: Thanks. Any questions for Admiral DeBow?

DR. LAPINE: Yes. Can you tell us what the health of the fleet is and the health of the aircraft that support the coastal mapping and hydrographic charting program?

ADMIRAL DeBOW: That's a very good question. We have -- the average age of our fleet is about 28 years old right now. And by the last conference report from our appropriations bill in 2005, we are required to do a study on fleet and aircraft modernization. We did an internal study for that, and that is now going through its processes of clearance through the organization.

We're also working with the Office of Coast Survey and other offices inside of NOAA to have a full study on the cost benefit analysis of in-house versus external, full study of requirements internally. That's coming out of our programming and budget process, it's called PPBES -- I'm trying to slow down. It's really tough for a Philly guy to slow down, but I'm doing it, I'm trying -- and we are

going to do that externally. We're not going to have an internal study and address that.

Specifically, I know, Captain, what you're looking at is our citation. Most of us that have been in the organization a long time look at that as the new jet or one of the new jets. It's 28 years old, 30 years old. And we will probably look at a different platform to replace that in the modernization plan. Hopefully, our goal is in 10 years to have a fully modernized fleet of aircraft and ships based upon the requirements that are being given to us by the organization.

CHAIRMAN RAINEY: Okay. Thanks very much, Admiral.

I had a couple other comments. And I had been asked to advise everybody about the recording. It turns out we were able to get a verbatim transcript and an audio recording. So there are some folks not fully engaged with the California operation right now, so that's good. So we will have a good record of the meeting in the transcripts here.

The other administrative business tonight, there was apparently in one of the correspondence a misprint. It's the Harbor House where the panel dinner's going to be this evening, and we'll get

further information on that later this afternoon.

For the public, also, if you could, please sign in for us so we've got a record. And if you do wish to make some comments, I know Captain Parsons asked that at the kick-off of the meeting for the Hydro Society, but we'll adjust our schedule so that before we break, we'll try to allow for some comments here before our 11:00 o'clock break. And if you could indicate if you have some comments to make on the sheet there, and again we'll have a regular public comments session at the end of our meeting on Friday, as well.

We have received some prior public comments that we'll enter into the record. We got four fishery biologists from Alaska commented on the need, just as Admiral DeBow just talked about in his remarks, the need for backscatter information from multibeam sonar echosounders and how that's helpful for Rockfish habitat study, and that's in your materials in your notebook.

This morning the board of NECSA has provided some public comment, and we'll get that distributed, and again, we'll take on public comments here during the meeting those two times.

Why don't we take a look, and we'll go ahead

of them, and tomorrow we put them up front and decide which ones we're going to designate to the working groups.

CAPTAIN PARSONS: Roger Parsons.

Again, please, Bill, don't interpret what I said as discounting your suggestion. I think it's an outstanding one.

Let me follow up a little bit on what Helen said. I think to bring these issues to the panel and then have the panel decide what issues they're going to tackle is exactly what has been suggested. And so your suggestion is an ideal one, but at the same time there are going to be issues that come to the panel that the program offices of NOAA bring to you seeking your advice and recommendations, and that's not to discount the work that you can do on issues such as you've brought up.

MR. DASLER: John Dasler. I'd just like to comment on something Bill was talking about, but again I think he touched on the real critical issue, and if we can accomplish nothing else is supporting NOAA and really getting out the statement that they are underfunded and what we can do to improve that is, I think, a really an important goal that we could set.

MR. GRAY: Absolutely.

CHAIRMAN RAINEY: Okay. And that -- I mean, I guess what we just said here is exactly the process we're trying to do. It's certainly clearly I want it that the panel, you know, can bring forth. That's why we're here, to bring up areas that we think are important with NOAA, as well, and then be able to consider the public, as well. So hopefully we'll go forward.

Does anybody have any further things they want to add on that topic?

Helen's asking on the Hydrographic Service Improvement Act, which is up for reauthorization. It will be kind of a new business or something that's ongoing. But let me give Helen the mic and explain that a little bit.

MS. BROHL: I'm sorry, I don't want to talk all the time, but we do need to consider, and it will be on the table tomorrow -- it's another thing, I know -- but the Hydrographic Services Improvement Act will expire at the end of '07, which means that in this Congress, which is 2005 and 2006, reauthorization language will be introduced, probably, and this committee should decide whether it wants to make recommendations to NOAA on how that language should look.

The reason it should be brought up now and not later is that we're already well into the first year of the Congress. Generally, legislation is introduced in the first year, which would be this year, and you may have a hearing, there will be some deliberations, depending on what's on the agenda. And as you know, Congress is full of lots of stuff right now, and probably HSIA is not at the top of the list; therefore, you have to give yourself a whole nother year to try to get it through. Because if it doesn't go through, it will expire.

It doesn't mean Congress can't appropriate monies, if they so choose, but it's a little bit more convoluted. And we want to have that second year; otherwise, it's completely reintroduced again in 2007.

The proposal is that the working groups, as a combination, be given, let's say, a straw man piece of legislation that I volunteered at the last meeting to begin in discussion working with anybody who wants to participate. It would be sent to perhaps all the members, both working groups, they would comment as they feel appropriate, and then a straw man would be provided for further discussion, and that at the next meeting we'd have actually something concrete to review.

I realize it's more stuff, I understand, but time-wise, if we do want to have some say and recommendations to NOAA, who will comment on it one way or the other, with or without our recommendations, and will have impact on, with or without our recommendations, then we need to proceed as soon as possible.

CHAIRMAN RAINEY: Okay. Thanks, Helen.

Any further comments? John?

MR. OSWALD: Yeah. John Oswald.

I just had a comment on the HSIA. What's the administrative or legal reason it does expire? I'm involved in another act like this that doesn't expire, Department of Interior Act.

MS. BROHL: Well, it's the authorization for appropriations that technically expire. It has authorized levels stated through FY '07. And at that point, then, there is no real authorization for future appropriations, and at that point I believe that this committee technically no longer exists unless it's reauthorized to exist.

So we have an interest in it, primarily, I suppose, through the way it expresses and outlines how this committee looks. And then there would be authorized levels of funding based upon line items

that are directly under our interest. And we would want to, you know, look at all those and see if we wanted to make recommendations after a year or two -- a year under our belt as the panel, if there's things that we want to change, expand, improve on. So technically it has an authorization through FY '07.

CAPTAIN PARSONS: Yet NOAA will be going forward in the process with some suggestions for additions and deletions to the Hydrographic Services Improvement Act. So I would certainly say that the panel weighing in on areas such as this is important.

CHAIRMAN RAINEY: And, of course, just the last thing to add, also, is just obviously we're stood up to advise the administrators of our, you know, advice and recommendations for the HSIA or any of the organic acts or some of the IOOS bills and things would be advice from us to the administrator regarding NOAA hydro services and how they might impact on that. But suffice it to say, there's a considerable amount of legislation working through on ocean issues that are relevant to the hydro services in the next Congress, this Congress. So that's something that we may be able to provide some comment on.

Okay. It's been suggested that we take a break here. And Captain Parsons advised that Captain

Gibson could be available to do his presentation at 10:00, and then we would provide an opportunity for public comment after that.

I haven't been able to sneak out and see the list, but are there folks here today that wanted to make some comments this morning to the panel?

Okay. I think probably shortly before, right around 11:00, then, we can do that following Captain Gibson's presentation. Is that --

CAPTAIN PARSONS: Maybe we could do that now.

CHAIRMAN RAINEY: Okay. Why don't we do that now, and then we'll take a break after.

Could I maybe ask -- I'll pass the mic around, just to give the public an opportunity. Again, I apologize for the seating here, but maybe you could introduce yourselves and we'll open it up for public comment.

THE PUBLIC: My name's Fred Ganyon. I'm the president of IIC Technologies, which is a digital mapping company. Eight years ago I retired from NOAA as the executive director of NOAA'S Office of Coast Surveys. So I have a very strong interest in your activities, and I wish you well.

THE PUBLIC: I'm Colin Kinneger. I'm the treasurer of the Hydrographic Society, but I'm here in

my role as treasurer of the Maritime Association of the port of New York and New Jersey.

THE PUBLIC: Steve Vogel, NOAA.

THE PUBLIC: Michael Slotsin, NOAA National Geodetic Survey.

THE PUBLIC: I'm Cleo Brylinsky from the Department of Fish and Game in Sitka, Alaska. And I submitted some written comments to you. I don't know if you wanted me to talk about that now at all, but --

CHAIRMAN RAINEY: Sure, that's fine. First let's let the other folks go ahead.

THE PUBLIC (Brylinsky): Okay.

CHAIRMAN RAINEY: And I mentioned it earlier, that we talked about it. And I don't know if you were in the room when Admiral DeBow talked about it --

THE PUBLIC (Brylinsky): Yeah, I did hear his comments.

THE PUBLIC: Eric James from Sea Map, producer and distributor of electronic charts.

THE PUBLIC: John Pepper, head of commercial development at the United Kingdom hydrographic office.

THE PUBLIC: I'm Paul Fielding, U.K.'s hydrographic liaison officer over here in the States, liaisoning with Office of Coast Survey, NGA, the U.S.

Navy, but also with Canadian Hydrographic. And I'm very interested in any sort of international lessons we might learn from seeing the way you do business here.

CHAIRMAN RAINEY: Okay, thanks.

We can open up the floor.

Under Tab F, I think the panel will find the paper submitted regarding the importance of the backscatter information.

THE PUBLIC (Brylinsky): Once again, I'm Cleo from Sitka, Alaska. I don't know if you've had a chance to look over the comments that I submitted, but I wanted to thank the NOS part of NOAA for all the cooperation that they've given us so far. Particularly workers on the West Coast have made data collected by NOAA available to us as fisheries' managers for use in determining habitat maps for Rockfish research, particularly in the southeast Alaska region.

And Alaska's kind of divided into three sections, the way we manage Rockfish, so the people in the Central Gulf also are using NOAA data, or trying to use it, to map habitats for crab fisheries, and out West also for the crab fishery/commercial fishery management.

So particularly, I just basically have one point, and that was that often the ship Rainier is used in the southeast area of Alaska for the deep water work, and that ship is equipped with an ELAC system that doesn't collect useful backscatter information. And so while the bathymetry is very useful in its own way, the backscatter is essential to coming up with detailed habitat maps.

And so as the fleet is getting modernized, I just wanted to specifically request that if the Rainier is equipped with a new system, that it be a Reson system. I think that's the one that collects the right backscatter.

And just one other thing. I know that NOAA's been mandated to make their information available to second party users like National Marine Fishery Service and Alaska Department of Fish and Game, or probably other fish and game offices all around the U.S. And I don't know if there's any particular person that has been designated as sort of a liaison to go between NOS and those of us that are trying to use the data.

We spend -- you know, we don't mind at all traveling down to -- like, for example, I travel to Sand Pointe office on the West Coast to actually

physically collect the data onto a hard drive. But I notice that when I'm there, while all the workers are exceptionally helpful, they have already got a full plate of stuff that they're doing, and they have to take time out from their regular work to sit with us and help us get on their computers. And they had suggested to me that they could use, you know, some more help in just having a liaison that would work with all of us. So I just wanted to add that as another request.

Do any of you have questions about the comments that I submitted?

CHAIRMAN RAINEY: Jon?

MR. DASLER: Yes. Jon Dasler.

I'm not sure if you can answer this or not, or maybe NOAA can. Do we know if that's snippets data off the 8101 or conventional backscatter?

THE PUBLIC (Brylinsky): I believe that -- well, I don't know exactly which Reson equipment can collect snippets. I know the 8111 can, but I don't know if the others do. Whether or not it's snippet data, it's still useful to us. It doesn't have to be snippet data in order for it to be useful. That certainly is even better, but before the snippet data was extractable, the type of backscatter was still

useful for habitat mapping.

CAPTAIN PARSONS: Let me point out, also, that the data collected by NOAA vessels and by contractor services eventually gets archived at the National Geodetic Data Center or Geophysical Data Center in Boulder, Colorado.

There is a time lag between when the data's collected, the data's processed, and the data's then transferred to NGDC. So that data will become fully available. There are opportunities, if users need the data sooner than it can get to NGDC, that we can make it available. But as a matter of course, the policy will eventually be when it goes to NGDC, that is available to everybody and anybody. But we'll certainly take your comments into consideration.

THE PUBLIC (Brylinsky): Yes. Thank you.

CHAIRMAN RAINEY: John?

MR. OSWALD: The state of Alaska has an ocean policy coordinator now. Have you discussed with the State, the governor's office, of potentially using ADF&G vessel with backscatter?

THE PUBLIC (Brylinsky): No, that hasn't been -- well, I think we did talk about just probably briefly an idea about putting some sort of multibeam system on one of our vessels, but we'd also have to

have a trained technician or two, and I don't know that the department could support that kind of data collection. It's pretty specific.

MR. OSWALD: A follow-up question. Specifically in Alaska you have vessels besides the Rainier. They're working in fisheries areas this year. And Captain Parsons or Mr. Swallow here could give you the rundown, but there's a joint effort between NOAA and a variety contractors, particularly in Southwest Alaska, particularly in Dutch River.

THE PUBLIC (Brylinsky): Right, yeah.

And then also the vessel Fairweather has come on line, too, right?

MR. OSWALD: Yes. One other comment.

Some of the other people here are probably involved. John Oswald.

Alaska has -- like the other regions of the United States funded by NOAA, Alaska is funded by earmark who has an ocean observing group, an Alaska ocean observing system. I don't know if you coordinate with them, but they had a regional workshop in -- maybe it's this week in Juneau, and they were looking at some of these issues, not -- a little bit backscatter. But we recently attended a workshop in Homer where NOAA CO-OPS was there, HAZMAT people,

PMEL, Coast Survey, the research lab under Captain Parsons, to come up with a strategy for the Cook inlet, sort of Shelikoff region.

This is diverging a little bit from Cleo's thing, but every focus group in that conference came up with the No. 1 priority in that region is high-resolution multibeam bathymetry -- you know, our wish list -- and lidar for shoreline mapping. So I'll just toss that out. And those recommendations will be on the AOOS Website.

CAPTAIN PARSONS: If I might point out, and I think it's been mentioned several times to this panel, that there is an initiative underway within NOAA, something we called "Integrated Ocean Mapping," and that's taking a look at where fisheries are surveying, where Coast Survey is surveying, where the other programs are surveying, to ensure that we are collecting as much data that is useful to as many programs as possible; that when the Fairweather and Rainier and Thomas Jefferson Rudy go out, that they are not strictly supporting the nation's nautical charting program; that they are supporting a central fish habitat mapping; that they are supporting bottom characterizations, supporting a number of programs that can utilize the data collected by the sensors

on board a particular platform.

Same thing when the new fisheries research vessels are deployed, they will have multibeam systems on board, ostensibly for habitat mapping. But we are working closely with fisheries to ensure that the data they collect meets minimal Nautical charting standards, so that we don't have to send an asset back there one, two, three years later to collect similar types of data. That's been recognized in the Ocean Action Plan; that's been recognized in a newly-introduced bill, Coastal and Ocean Mapping Integration Bill, the need to integrate programs and then consolidate resources so that we are collecting as much data that is as useful to as many programs as possible. That's been realized, and we are hopefully doing a better job as every month goes by to coordinate those type of activities.

MR. McBRIDE: Captain Parsons, Adam McBride.

When I read Cleo's notes, and as I'm listening to the discussion, and I am not technically familiar with the meaning of backscatter, and I'm interested in knowing when you're doing your multibeam work for bathymetry purposes, what's the marginal effort, capital or manpower required to acquire backscatter information, and how does it impact either

on a time frame or budgetary basis your principal activities in bathymetry mapping?

CAPTAIN PARSONS: No impact, whatsoever.

John, correct me if I'm wrong, but we do collect and archive the backscatter data.

MR. OSWALD: If we can. Mainly it's a data storage issue that has a problem, but other than that. And we do collect -- we're required to collect backscatter data everywhere we can.

MR. DASLER: Jon Dasler. I'd like to make a comment on that also. It's also, from a hydrographer's standpoint, too, collecting backscatter's the same instrument. You're not deploying anything in addition to it. It's the same instrument, it's just having that option on board. But as hydrographer, it's also useful in evaluating anomalies.

In other words, when we're doing these kind of surveying, we're really not just mapping, trying to find the uniform bottom, but we're trying to find anomalies. And all of that information is useful, and it's nice to see it can be used for something else, as well.

CHAIRMAN RAINEY: Okay. Thanks very much.

I mentioned it this morning. Mr. James from

Sea Map had provided public comment on behalf of the board of NECSA, and Barbara has that and it will be distributed to the panel and made part of our record.

Do you have any comments you wanted to make on that?

MALE SPEAKER: I think I'd rather have the letter passed out so that we can see the comments, and it may be more appropriate to go over it tomorrow.

CHAIRMAN RAINEY: Okay. So that's in the offing, as well, then.

Are there any other public comments, then, at this time?

Okay. Why don't we recess for a 10-minute break, and then we'll have Captain Gibson come and give us his presentation then after the break.

Thanks very much.

(Morning break.)

CAPTAIN PARSONS: We have Mike Gibson, Chief of the Hydrographic Surveys Division, that will give an overview on a study the Office of Coast Survey wants to conduct here probably towards the end of the year.

I think you're all aware of the now infamous KPMG study that was done in September 2001 that sought to capture the relative cost of conducting

hydrographic surveys between the private sector and NOAA in-house capabilities.

And what Mike will do is brief out here on a renewal of that study how we are proposing to approach it and what type of advice or recommendations we are seeking from this panel.

Mike?

FIRST PRESENTATION

MIKE GIBSON

Chief of the Hydrographic Surveys Division

MR. GIBSON: Okay. Thanks a lot, Captain.

First of all, I'll apologize in advance. Hopefully, I'll get through this without going into a coughing attack. I'm having a little bit of a sinus condition, but maybe it will hold off for a few minutes while we go through this.

And I'd also like to invite Jeff Ferguson and Brian Greenawalt, if I miscue anything or if there are any questions that I don't know the answers to, feel free to hop in and correct me quickly. So with that, I'll go ahead and get started.

What I've decided to do is to give you a little bit of a background. I'm going to try to tell

the story about how we got to this position of wanting to do a cost analysis and why it made sense, and then present to you what I think we'd like to do going forward, and leave you with a request to help us or to give us a recommendation on our strategy for doing this.

So just to start out, back in the mid or early '90s, I guess NOAA was asked to prioritize its survey mission. We have responsibility for essentially three-and-a-half million square nautical miles of survey area, and that's a monumental task. It would take an enormous amount of financial resources and also of ship time. So in looking at what was most navigationally significant, we came up with an area that was just over 500,000 square nautical miles, and we wanted to figure out how to most effectively go about surveying that area.

The other thing that had been happening was a steady decrease in the amount of vessels available to this program to undertake its surveying requirements. So starting in the mid to late '90s, Congress augmented NOAA's budget with resources to allow us to partner with the private sector to undertake some of these enormous surveying requirements that we had.

In addition to what we call the "turnkey contracts," there was also interest from the ship building and leasing industry to lease vessels to the Federal Government for undertaking its ship requirements. And we had actually began to undertake the contract with the private sector, so we thought that it would be a good idea to try to evaluate the costs of surveying using a variety of alternatives. So we undertook, in 2001, a cost analysis, which the captain mentioned, and we'll talk a little bit about that in a minute.

Okay. I already went through the fact that we have this over 300 million square nautical miles of EEZ of responsibility. 500,000 square nautical miles that's navigationally significant; that's my main concern. And of that, a subset of the 500,000 is what's most critical; that's my primary or highest priority concern.

So if you look at over the last 15 years, the ship capacity available to NOAA, you can see that there's been a steady decline, and what I'm left with, or what I was left with at the time we did the first cost analysis, was the NOAA ship Rainier; the NOAA ship Whiting, which was replaced by the Thomas Jefferson -- it's a similar size vessel, so I just

show the Thomas Jefferson there -- and the NOAA ship Rudy.

And you can see the costs for operating those ships for a full fiscal year, and you can see in the extreme right-hand column the approximate number of square nautical miles I'm going to get per year from those platforms. So what you also can realize from that is those vessels are fairly efficient. I'm not going to get very far down the path of completing my requirement with just those three assets.

In 1996, NOS established a contracting policy that essentially set the standard, the tone, for us contracting hydrographic survey services, and it also stated that we would use what's known as the Brooks Act A & E contracting procedures. And this was reiterated by the 1998 Hydrographic Services Improvement Act, which also authorized contracting to the greatest extent practicable and cost-effective.

So starting in 1998, that's when we really got our first contracting line item, per se. You can see that in '98 we had almost $9 million worth of appropriations specifically for contracting for hydrographic survey services, and since then that number has undulated around the $20 million figure, with 2004 being just a little over 22 million.

So this issue of the Hydrographic Surveys Improvement Act, it, you know, comes up or is analyzed regularly as we go about our business. The purpose of this act was to rapidly decrease the critical survey backlog, to increase our opportunities to partner with the private sector to complete our requirement. It did require the use of Brooks Act A & E contracting to secure these services.

The Act was also interested in the promulgation of standards for hydrographic surveying and ensure that we meet the quality that's required for the charts to be used by the maritime community, the development and implementation of a quality assurance program for nautical products, and very important was the maintenance of hydrographic expertise within NOAA.

So as we go back, and this is just a snippet from the Act itself, and the key word I wanted to focus on was that we may "procure, lease, evaluate, test, develop and operate vessels, equipment and technologies necessary to ensure safe navigation and maintain operational expertise."

In addition to that, in 2000 there was a hearing on navigational services before this subcommittee on fisheries, conservation and wildlife

and review and approve our summary record from the Norfolk meeting. That was distributed over the email sometime ago and been up on our Website. It's under Tab A in your notebook. And I'd like to go ahead and open the floor up for approval of that.

The suggestion is we'll go ahead and just briefly go through it. We're just talking about the substantive things here after the introduction. We took a look at the proposed certification requirements for distributors of NOAA electronic navigational charts and NOAA hydrographic products. We had a briefing from Dave Enabnit, the technical director from Coast Survey, and we reviewed the federal register and provided comments to that.

We looked at the proposed quality assurance and certification program for NOAA hydrographic products. Similarly, we had a briefing and we provided recommendations to NOAA. We discussed the strategic plan for the National Ocean Service in the next five years. We had some general comments on that, but we did not have a consensus on remarks we wanted to make at that time, and we had decided that we would continue that work as one of the main things that we're looking at with this panel would be ongoing work, and we'll be specifically looking at it with

some of the work groups that we've recently stood up.

And we talked about the first annual Integrated Ocean Observing System Development Plan, and we discussed that and provided comments to NOAA on that. And to Ocean.US, that's correct.

And all of our recommendations I'll talk about here in a minute, but one of the things that we've done in the interim is to revise and upgrade our Website, and all of those recommendations from the panel are listed there.

We had a report out on follow-up on our previous comments on the NOAA Hydrographic Survey priorities and many have our recommendations with implemented in the plan, which has been published, And as to the presentation on the U.S. Commission and Ocean Policy Report, some of the issues that are relevant to our work with the FACA.

Next thing is Bill Gray had cited an International Shipping Industry Facts site with some good information, relevant information. We discussed the communication of our recommendation on PORTS, and subsequently -- I believe we'll talk about it later, but we've gotten a letter back from Dr. Spinrad and that recommendation has been moved on. It's on our Website, and we'll talk about some things that we're

looking at doing on our communications vote. And, again, that goes right into the next thing on the tracking system we'll talk about in just a second.

The next main thing that we discussed was the proposed working groups, and we elected to push for the first and second work group, Modeling and Observation Systems and NOAA's Hydrographic Services Roles and Missions, and those were forwarded, and we received last week the official sign-off and approval from Vice Admiral Lautenbacher, and I'll talk briefly again on his decision memorandum that stands those up officially. So we're good to go on those work groups.

We talked about -- Mr. Oswald talked about the need for more surveys in some critical areas up in Alaska. He gave a presentation on that. We also discussed the provision of the recent Coast Guard authorization for them to promulgate regulation requirements for electronic chart carriage.

Okay. And then Captain Parsons reviewed the operating principals. And then the next we have public comment from David White of the Hampton Roads Maritime Association on the importance of PORTS to that area. And then a comment on hydrographic surveys and marine mammals from the public.

I'll go ahead and open the floor for discussion or comments on that.

MR. SKINNER: Tom Skinner. I'm the director of the CZM program in Massachusetts, or on Page 8 it's still listed that way. I'm not the director of CZM. I'm trying to keep it honest so I won't lead people astray here.

MS. BROHL: Helen Brohl. I move that we approve the minutes.

MR. GRAY: Second.

CHAIRMAN RAINEY: Okay. Any discussion? No?

All in favor?

PANEL MEMBERS: I.

CHAIRMAN RAINEY: All opposed?

Thank you. Then it's approved.

MR. ARMSTRONG: Mr. Chairman, if you'd excuse me, please. I have some conference duties to look into. Thank you.

CHAIRMAN RAINEY: Thank you so much.

The one thing maybe we'll enter into each area. If you look down the agenda, you'll see that later today we're going to have an opportunity to actually attend some of the sessions. So in addition to catching the exhibits and things when we can, we've

programmed into our work here to attend some of the sessions this afternoon, as well. So it's been a real privilege and advantage for us, I think, to be able to be here in conjunction the Hydro Science. So thanks so much.

MR. ARMSTRONG: Thank you.

And I'd just also like to point out that one of our members, John Oswald, will be leading that session. So thanks, John, for that.

MR. OSWALD: It's free.

CHAIRMAN RAINEY: All right. We'll go ahead and proceed. And just a quick reminder for the benefit of our recordings here, if you'll go ahead and introduce yourself when you pick up the mic, and speak into in the mic so we can catch this on our record. All right?

That is pretty much what I had for the administrative business, and it sort of segues right into the next thing. If you look down the agenda on the deliberation and advice and work group process, and I have a little sheet here that I'd like to run through, but -- Barbara, if you wouldn't mind, can we just put the slide in the -- we've done sort of a wire gram flowchart of how we think this is going to work.

MS. HESS: It's in M.

CHAIRMAN RAINEY: I believe it's under Tab M, Mike.

A fair amount of work since our Norfolk meeting has been to try to streamline our process here and so we can get to the substance of the matters and work out our communication link. And I just wanted to take a minute, discuss some of the results, I guess, of our talks.

We've had some meetings with the work group chairs that are stood up now, and myself, Captain Parsons, Helen as our vice-chair, and this is what we're suggesting. In the conduct of the meetings I had some ideas based on our previous meetings that I'd like to implement, and that is for the benefit of our recordings -- some of this is pretty common sense -- but the chair or presenter, whoever has the floor, will recognize the speakers for comments, and we need to speak one person at a time. And we'll try to limit our comments to, again, a few minutes or five minutes, as it needs be, and have everybody have an opportunity to weigh in.

What I'd like to try to do is move around the table in a way that if you have a comment, we'll try to stay on that comment and topic to get the comments

in on that, and then we can move on.

And then the last thing I'd like to suggest, from our previous experience, is that if we have a motion that is going to be a recommendation or resolution, let's require that it be in writing so that we know exactly what we're voting on and we can get that recorded accurately. We've had some confusion in the past with some of our motions and recommendations. So if you have something that is going to be a new recommendation or, you know, position of the panel, let's get that down in writing so we all are clear on what we're voting on.

So that's kind of, you know, some ideas on just minor things in the meeting. But if we can talk about the process a minute, one of the things that's going to help us I think tremendously is we've got the work groups stood up, and as we get to the task in the work groups, we'll have a chance and an opportunity to go through some information.

Now, all of this work will be pre-decisional, and then it comes back to the public in an open meeting and it has to go back through the full FACA. But the process so we can get more work done in between the meetings, and not just as we come to the meeting, I think will help us tremendously in

clarifying and getting the initial sort of discussion much closer to a consensus document.

So if you notice under -- the flowchart there is in Tab M, and so we've stood up that -- the basic things, I guess, if we just kind of move left to right, basically, obviously, there's three sources: NOAA can task us with things, the members can bring things up themselves, and then the public, and it comes to the full committee, and then we'll review that, and as appropriate, get it to the working groups, and then it will come back to the panel, and then the decision will go through, once we have recommendations through our designated federal official, Captain Parsons, up to the NOAA administrator in the feedback.

In addition to the work groups, Barbara's revised our Website, and I can pass out, pass around -- this is just a screen capture, so this is not a complete look, but I know that she sent it out. I don't know if you may have seen this already, but if you haven't, take a look, because we've got a spot for recommendations on there, and we'll track our tasking and our recommendations and the status and then the feedback group, as well, the NOAA action and response. So that will be another way for us to keep

track of that, and that will also help us populate or feed into the required annual FACA database reporting that is required by GSA.

So that is just a snapshot of how we're going to track these, as well. So at each meeting, on the second day we'll get together and have, you know, fairly clear tasking for the work groups on issues that we're working on going into the next meeting. We'll be able to have an opportunity to get feedback from NOAA on our previous recommendations. So I think that the process here is coming into focus with the work groups, the updated Website, and the feedback loop and all of that.

So is there any questions on that or comments on the proposed process here?

MS. BROHL: Is this something that needs a vote or discussion? I mean, it's pretty straightforward.

CHAIRMAN RAINEY: Yeah, I don't know that it does. I guess I'd be interested in the panel's comments on that. But like I said, we've had some meetings with some discussions, and I think basically with the way FACA's set up and required us to do that, this is kind of where we are with the process.

MS. BROHL: Helen Brohl. I think this is

great. It's very straightforward. It directly reflects the last meeting notes where we needed to be very clear about what was said, where it's going, and what the status is. So I compliment you guys on the follow-up. And the fact that you made the recommendation at the last meeting, Scott, to have something like this, and it's reflected in the new Website. So I want to compliment Barbara Hess for her work to put it in place so we can, at any time, go on and see what the status is.

There's a few things in the minutes from last time that still need some follow-up. It's just that we have a big agenda already. If we could consider for next time that the agenda more clearly reflect old business, finish the old business, the follow-up from the previous minutes, before we begin new business or new tasks, in any form you think is appropriate. Thank you.

CHAIRMAN RAINEY: Okay, sure. Thanks, Helen.

If you could with me, turn to Tab G for a second. And I just wanted to go through or -- I'd like to just call your attention to the decision memorandum. This was forwarded up through Dr. Spinrad to Admiral Lautenbacher, and this the memorandum where

we got approval last week on the work groups.

The thing that I was most interested in talking to you about -- again, just to talk a little bit about the work groups -- Work Group 1 is going to be, as it was approved, is on observations, modeling and emerging technologies. So the emerging technologies has been added to that work group. Again, Admiral DeBow talked about looking at AUVs and other emerging technologies. We've talked about that a little bit in previous working groups.

On the second page -- Tom Skinner has volunteered to chair that for us. This work group will report to the Hydrographic Services Review Panel Federal Advisory Committee on issues related to hydrographic modeling and observation systems and emerging technologies, and it talks about the Integrated Ocean Observing System, National Water Level Observing Network, PORTS, spacial reference, light detection, et cetera.

The second one was approved as recommended, the Roles and Missions. Bill Gray's volunteered to chair that for us, and we'll be taking a look at NOAA's core capabilities and capacities across line offices required to develop, maintain and deliver hydrographic products and services and looking at

the roles of federal and private industry.

CAPTAIN PARSONS: Again, the intention, based on the discussions during November's committee meeting, was that these would be fairly encompassing work groups. That's not to say that should topics come up that this committee will deliberate on, that additional work groups should not be considered for being stood up. But we believe, and I think you'll agree, at the last meeting that just about all the topics that would come under the consideration of this panel would likely fall under these two broad work groups.

Again, the administrator approved the work groups, approved the chairs of the work groups. The participation in the work groups by individual panel members will be determined by, on a volunteer basis, if there are issues that particular panel members have an interest and an expertise in, by all means those panels members can engage in the deliberations of the work group.

I might point out again, and there has been some misunderstanding in the past, that the deliberations of the work group and the communications between the work group, since they are a work group product, do not get entered into the public record

until they are discussed at the full panel meeting. So we envision that most of the deliberations between work group members will likely take place by email, by teleconference or by phone conference.

And we have made available the NOAA phone conference system. Phone conferences can be set up. The chairman will have access to those and can establish phone conferences for committee members to discuss work group issues. And then again when the work group reports out to the full panel, the recommendations of that work group will become public record.

Again, let me again remind everybody that all discussions at these open meetings are a matter of public record, and so speak accordingly, I guess is what I'm trying to say.

You have in your material a waiver for compensation for work group activities that do not involve travel. Again, this is a Federal Advisory Committee that is made up of individuals that are termed "Special Government Employees." As SGE's, you certainly are entitled to full compensation during the full panel meetings. There has been an internal NOAA decision that for your work associated with work groups, and again, we don't envision very often the

work groups having to meet face-to-face, but for activities involving the work group that does not involve travel and meeting, NOAA does not intend to compensate the individuals.

So there is a requirement that you waive compensation for work group activities. And I'd ask that before the end of the day you sign and date those waivers that are in front of you. And that does not impact, obviously, your compensation for full committee meetings. That's inside the binder on the left side, I'm told.

Again, this flow diagram was put together to assist members in ensuring that we follow a regimented procedure for moving information through the panel. It's straightforward. There's nothing difficult about it. And again let me reiterate what Scott said about the source of issues. It is not the work groups that determine what issues they will tackle. It is the panel that will task the work groups with particular issues. So again, the source being either directly from NOAA, directly from panel members, or based on input from the public.

CHAIRMAN RAINEY: Dr. Lapine?

DR. LAPINE: I think this is an excellent plan. I really like it. The one thing I'm just

wondering about is once it gets to the NOAA administrator, let's say he approves or acts on that recommendation, there's no place in here that says -- you know, where we've got our file system of things that have been approved or haven't been approved. I'm just wondering how we're going to track.

CHAIRMAN RAINEY: Well, one of the ways, I envision that as we come to each meeting, you know, if not, maybe before through email, but I think as someone's pointed out in certainly our "old business" section of our future meetings that we may be able to get a report from Captain Parsons or, you know, a lead on sort of the status.

But in that Web page, and like I say, that's just a screen capture, so you don't see the whole thing, but we will have a status and we'll track it right there, because we actually have to keep store in the GSA database, so this will allow us to kind of stay on top of it.

DR. LAPINE: That's what I was talking about.

CAPTAIN PARSONS: Yes, if I could make one other comment. Again, while the purpose of this panel was to advise the administrator, I think it's common sense that not all of the recommendations and comments that come from this panel will necessarily go straight

to the administrator's desk, such as comments last time on certain federal register announcements and on IOOS implementation plan. Those went directly to the programs affected within NOAA.

You'll see in this lower right-hand corner, while the advice that goes to the administrator goes directly to him, the decision-making authority on how best to implement, if at all, recommendations from the panel go through the -- the name escapes me right now. Do you have a copy of that?

I'm sorry, yes, the FACA decision-maker that has been identified as Rick Spinrad, A.A. for NOS. So again, to avoid any confusion, the recommendations of this panel don't go through Dr. Spinrad, but the decision-making process on how best to implement recommendations of this panel will go and involve Rick Spinrad as well as the program directors that those recommendations involve.

CHAIRMAN RAINEY: Okay. Thanks, Roger.

Mr. Gray?

MR. GRAY: I am Bill Gray.

Scott, I've got a number of questions, and I don't know whether this -- where you are in the agenda about the procedures we're being asked to follow; in other words, what timetable, how are we

going to do our work, and so forth. I mean, I understand the diagram there and so forth, but I guess the -- and this other document that was handed out, which is a copy, I guess, of what the Web page looks like, I don't understand that at all. And so I'm just curious, are we going to discuss those things now?

CHAIRMAN RAINEY: Absolutely. We've got some time. We're going to be well ahead and have time for public comments.

I think -- I'll take a shot at it, and then we can pass it around and have further talk. But it will be somewhat situational, I think, depending on the scope of the tasking. I think that one of the procedures we're going to implement, we talked a little bit about, is that tonight we're going to meet, hopefully, with the working chairs, Helen, myself and Captain Parsons and Barbara, to pull together the results from today, and in each meeting, the second day we will have a session to sort of lay out, you know, the more specific tasking with time frames or objectives for the work groups for the previous meetings so that, you know, hopefully we'll leave with a much better idea than maybe we have in previous meetings of the work at hand and with an initial course to steer after the meeting.

As far as how we're going to work, I think Roger covered it pretty well just a second ago, but again it's envisioned that much of the work can be done over the Internet or, when we have to, through conference calls and things like that. And again, it's obviously, you know, pre-decisional, but the objective is to get more clear tasking, get it down to a manageable size of, you know, breaking some of these policy concepts down to actual advice and get that a good start through the work groups, and then we can come back to the full committee, which is where we have to have it publicly debated, and make our final decisions.

One of the questions that's come up, and I want to, I think, make clear to everybody, since the Norfolk meeting, again, when we were contemplating this, we talked about, you know, who wants to be on what work group. That, as far as I'm concerned, anybody can work on either one. We had some people that, since then, either had to leave early and didn't get picked up on a particular one or the other. Nobody, I think, is locked in to one slot. A couple people, I think, wanted to be on both.

So as far as I'm concerned, at least as chair, unless there's some, you know, FACA impediment

to doing that, we can work on issues, and we want to just put the people where they have the expertise and interest on, so that the membership on that is certainly flexible.

Does that help answer it?

MR. GRAY: Sort of. I guess what's under Tab G and under Tab M, those are the two relevant things describing the authorization we have and the process we follow, but with nothing on the timetable.

This sheet I don't understand at all. What's that got to do with work groups? When's an item number? What's a --

CHAIRMAN RAINEY: Yeah, under Tab G was the decision memorandum, so that's the official authorization required by FACA for us to stand these up. Under Tab M was sort of our best visual to try to capture how the information's going to flow.

The last thing you're referring to is simply a printout. It's a screen capture of one of the pages, and it's just the very first top part of a section that we put up on the Website for recommendations. And what that is, it's a tabular representation of action taken by the FACA on certain tasking, what our recommendation was, a status. You know, it's basically diagraming out our

recommendation, it was passed to NOAA, and what the status is; whether it's pending, whether it was acted upon, accepted, et cetera. And that will be very helpful for us to kind of track our work product. And it will also be open there to the public, and we'll also be able to feed the annual GSA database report, which asks for exactly that type of information: How many recommendations did we do in the reporting period; what did the agency do with it, that sort of thing. So that's a tool for us and the public and NOAA to sort of track our work product.

MR. GRAY: Well, I guess I still don't understand. What does 1-L4 mean?

CHAIRMAN RAINEY: That's simply a numbering system, just to try to track a particular thing. It doesn't have any meaning other than it's a way to number it.

MR. GRAY: But, I mean, this piece of paper, frankly, means nothing to me. I can't understand it.

CHAIRMAN RAINEY: Okay. Maybe off line we can talk about it a bit. And certainly this is -- you know, we've got it up as a test site. It's an idea. I think it will be a useful tool for the reporting thing, and we can discuss that, and we can probably modify it if there's an easier way to, you know,

understand that data. But having some ability to track specific recommendations and then the feedback we get from NOAA will help us with the FACA requirements on the reporting and such.

CAPTAIN PARSONS: We can talk off the --

MR. GRAY: Sorry, I'm a little stupid about these things. It's too complex for me.

CAPTAIN PARSONS: One more point on process and then we can move on.

The taskings to the work group will come following a discussion in the panel. For instance, today we have two primary topics that will be briefed out to the panel that NOAA is interested in seeking advice and recommendations on.

The first is the hydrographic surveys cost analysis. That will be briefed before the panel, followed by discussion. We fully anticipate that there will not be sufficient time nor information for the panel to come up with recommendations at this meeting; therefore, based on this morning's discussions, a tasking document, if you will, will be put together this evening to go before the work groups tomorrow that will lay out what you are being asked to do and time lines anticipated with those taskings.

The second item on the agenda is mapping and

charting, contracting strategies, and policy. We are looking for advice on the current contracting strategy that NOAA uses and opportunities for expanding opportunities with the private sector. Again, that will be briefed before the panel and prospective taskings will be laid out, and then this evening the chairs of the group and the chair and vice-chair of the panel will get together and succinctly describe exactly, based on discussions, what the working group will be asked to do, with appropriate time lines on that. It will then be turned over to the working group chairs.

CHAIRMAN RAINEY: Okay. Is there any further process-type questions for now?

Okay. That is pretty much what I had put together for that section. I'd like to just pass out right now, just since we have -- we are well ahead of schedule. This isn't something for discussion now, but this is a letter -- you'll see it, it comes up tomorrow on the agenda -- a proposed letter to the admiral with some comments, initial comments on the ocean action plan resulting from briefings we had again from Admiral West on the ocean commission report and some of the our discussions in previous meetings.

Tom Skinner took the initial draft -- or

drafted the initial work. It was put around on the email. A few members commented on that. What this document represents is I pulled those comments in, tried to put them into Tom's draft, and so we're passing that out now as the document.

There is one -- I'd like you to use the one I'm passing out now for our discussion tomorrow, with the hope that we can approve that and get that up to admiral Lautenbacher here in fairly short order. Use this one, please, rather than the one that's in your binders, because this one I'm passing out now has incorporated comments that came in the interim over the Internet from folks. So we'll use that as our base of discussion tomorrow. And that comes up tomorrow morning, so maybe, if you can, sometime today or this evening take a look at that and be ready to discuss that tomorrow.

MS. BROHL: Captain, I don't know where this is appropriate, to give a report on the federal register notice on new applications?

CAPTAIN PARSONS: I can certainly bring you up to speed on that. I think everybody realizes that one-third of this committee has two-year appointments that expire for four at the end of the year and one in early spring.

A federal register announcement went out in the fall. We received approximately 20 nominations for new membership, including all five of the members whose terms expire at the end of the year.

The review committee has not yet met. It will meet over the course of the next month. What that committee will do is review the applications, the nominations; make recommendations to the NOAA administrator for appointment of new members or the reappointment of incumbent members. Those will be announced later on in the summer. And if there are members here whose two-year appointments will expire who are not renominated, then their terms will end roughly December. So beyond that, I can't tell you anything more.

The panel has not met. It will consist of members of the Office of Coast Survey, the National Geodetic Survey, the Center for Operational Oceanographic Products and Services, and the Joint Hydrographic Center to review the qualifications of the candidates. Again, all subsequent nominations and appointments are for four-year terms.

MS. BROHL: How many applications did you receive?

CAPTAIN PARSONS: We received 19 or 20. I

don't recall, specifically.

MS. BROHL: Thank you.

CHAIRMAN RAINEY: We're doing amazingly well here, ahead of the schedule, on getting the process stuff behind us, and I just -- we're talking about we're not in a situation where we can move up any of our discussions, really, because our speakers are tied up with some of the hydro things.

We were just talking about maybe opening up the floor. A number of folks had sent in some ideas. Maybe we could open the floor and go around. If folks have been in some meetings or have some other issues that they've been working that are relevant to the hydro thing, we might make a round turn on that and have some discussions that you were working on on that, and then we'll go ahead and open it up for public comment.

Let the public folks introduce themselves, and if anyone has any comments they wanted to make for us before our break, I think we have time here. It might be worthwhile if people have had some meetings that are relevant or are working on some things or have some comments they wanted to make, go ahead and open it up to the members.

Mr. Gray?

MR. GRAY: Again, Scott, I saw 10:00 o'clock for this work group process. Do you think we've been through that? I thought we were going to talk about what -- I put other things up for my work group about a month ago. We've got a few comments back and so forth. Are we going to talk about that now or not talk about it at all?

CHAIRMAN RAINEY: Sure, we can go ahead and discuss that further.

MR. GRAY: I thought that's what this was about. Because I think my memo is in the package here, and as I say, we got comments from several people on this. And I'm just curious whether others have got comments on this. Do they like the approach? Do they not like the approach? What are we going to do with it?

I had suggested that while we were here in San Diego that it might have been convenient if we could have met yesterday. That was not -- I guess because the work groups weren't officially approved, we couldn't do that, but -- do you want me to just give a thumbnail of what this is and see whether people want to respond to it? I know several people did come back with comments on this, but not very many.

CAPTAIN PARSONS: Yeah, I think the Chair has suggested -- because over the course of the last several months the chair has received a number of emails from members suggesting potential topics for work group discussion, and again let me clarify, it is not up to the work groups to decide what they are working on. It is up to the panel.

So I think what Scott just suggested was that if we take a turn around the room, and perhaps start with you, Bill, to talk briefly, not too much in detail, about the topics that this panel would like to consider for deliberations over the course of -- and again, these aren't things that will be discussed over a year or two meetings. There's just too many topics that have been offered. But I think if this committee will tackle two to three issues at a time in their work groups and then come back to subsequent meetings, the work of this panel can best be achieved.

MR. GRAY: Okay. Well, I think the memo that I put out was actually trying to take one of the charges that was in the material given to us and suggest how it can be -- how we put something forward on this that makes sense. And I said on the first page here from the list of nine strategic and problematic issues identify Chairman Rainey, "One

can regroup the evaluation of hydrographic service products into two categories: What products can NOAA provide at what cost and timetable, and what information do the users want for safe, efficient, and environmentally sound transportation."

And I suggested that first the work group and then the panel itself take a look at those two things: What are the products -- and somebody, I can't remember who it was, suggested a slightly different definition of products -- what are the services that NOAA can provide, make a list of those and put them in priority. And make a list of the wants of users, and I said, "for safe, efficient, and environmentally sound transportation," and this should also include the recreational users and so forth, and then compare and see whether the things that NOAA can do and is doing resemble what the users of that information would most like them to be doing.

And I then put some examples that -- I felt these lists might come up with slightly different answers, and I put in as an example, I remember, that it struck me, in looking at some of the material that we had to review, that NOAA has established that they will try to have all electronic navigation charts for all the three and a half square million miles

available in a period of about three years or something like that, whereas of the 43 or 44,000 square miles of navigationally-critical area still to be surveyed, as it was when those were defined five, six, seven years ago. Up to this point, less than half of that's been done. It's going to be a 20-year process to do that.

And from one community of users, commercial shipping, like I said, I think we've got it absolutely backwards. That what should be done is for priority to be given to producing the information that's most important to the users, rather than what's easiest for NOAA or what NOAA has chosen to do to convert from paper to electronic navigational charts in three or four years.

That's not nearly as interesting, I think, to users as having accurate information for critical navigational areas. And I cited the case of the Athos 1 in the Delaware River in which in federally-maintained waters an oil spill, which has now cost over $100 million occurred because the information about the available water was wrong. That's a failure of the system, and it's an important failure of the system that isn't necessarily NOAA's fault, but sure is the Government's fault. That's why

I felt trying to make two lists: One, what are the services that NOAA is capable of providing; and two, what are the services that users feel are most important for a safe and efficient commerce should be made, those two lists, and then compared to see whether or not what NOAA is doing really complies with or conforms to what users of the information feel is most important.

I feel that's a rational way to evaluate the value of what NOAA's doing and also to figure out what its planning for the future ought to be. And that's what I hoped that this Work Group No. 2 would have some time to deliberate on the approach I suggested, that maybe a timetable should be suggested of how or when that should be done. And that's why I asked the question about "How is this work group to function?" Well, I threw something out there, I got a couple of nice comments back, and that's the end of the story as of this moment. I'd like to move forward with this and I don't quite know how to do so.

CHAIRMAN RAINEY: Okay. Thanks, Bill. I think the way we can do that is there's going to be some presentations this afternoon from NOAA on some issues that they'd like to put to the panel, which will probably end up in your work group. And I think

that tonight the idea is to get together with that and with your comments on the user list and things, and then work out tonight to have a presentation for folks in our discussion tomorrow on, you know, where we can -- if we can get this down into sort of a manageable tasking, and then that's where I think we can come up with more of a defined work plan and the timing, and then we can get that -- move that forward.

But what I've found out since -- again, I'm kind of learning as this goes, too. But since the Norfolk meeting -- again, I'm sort of apologetic about how much process this is -- but the work group, it took quite a bit of thought, I guess, and study on how to set this up, but apparently we're going to have pretty good coordination on the actual tasking and get that work plan sort of vetted both from the panel and from the NOAA side. So idea will be that we can make that happen after our first days, and incorporate suggestions from the panel members and NOAA, and then work that out so that tomorrow we can have that pretty well sorted out.

But I think that your idea of the user requirements and how we go about that, we can maybe talk about that and see if we can get that

incorporated in the thing.

We had a little bit of discussion in the interim about the original response back from Dr. Spinrad with some -- I had sent him an initial letter saying that we were stood up and knowing he was an agency decision-maker and things, and asking him you know, for some areas that we might look into, and that is what Bill is referring to to that list. Those were from some ideas that he sent back to us that NOAA would particularly welcome this committee's advice and recommendations on.

And so we have that. We have, you know, Bill's work here, and I think we can pull all those together, add the NOAA presentation and tasking from those, and then tomorrow we can move forward with a plan, I think.

MS. BROHL: Helen Brohl. In that same vein, to come up with some tasks for working groups and then organize it tonight and have it presented tomorrow. In that original May 19th letter from Dr. Spinrad to Scott Rainey, he did have the one -- it's under Tab B, there were one, two, three, four, five or so thoughts on issues for the panel. One of the those, in particular, I'd like to put on the table now, and it will be presented more formally tomorrow, and that is

the task for Working Group 1 would be "What role and interaction should NOAA's navigational services play in the integrated ocean observing system?"

Now, that encompasses some of the discussions we had at the last meeting, so I think it's a topic that cover -- it overlaps a number of issues areas. It covers some of those observing systems we've talked about in the past and have an interest in. So we're not going to have a big discussion now, unless there's contributions to that task line that then could be incorporated tonight into a coherent statement for everybody. But I would like to put on the table that second one, which is what role and interaction should NOAA's navigational services play in the IOOS to be a task that the panel submits to Working Group 1.

CHAIRMAN RAINEY: Okay. Further comments? Tom?

MR. SKINNER: Tom Skinner. I think that's right in line with what I had sent around to the working group when we -- actually, I think there's a little confusion that we thought we had three tasks, and so now we have to get them assigned. This is exactly the same language that we had sent around, so it's exactly consistent with that.

CHAIRMAN RAINEY: I guess one editorial comment. I think that we're exactly on track. It's just that, in some ways, after the Norfolk meeting we stood those up and we've been moving, I think, in a beneficial direction. It's just that we've now got our approval, so now we're basically ratifying our efforts up to here. And I think by tomorrow everything should sink up and then we can move ahead, you know, with our official approval of our work plan under the work group regime here.

So I think by tomorrow -- what we had done, we were told to go ahead, that the approval was pending, and so we furthered the agenda based on some of the input we had from NOAA previously, and now we're all sort of catching up with all the FACA approvals, and so now we should be able to move ahead.

MS. BROHL: I have a question. It's not related to creating tasks for working groups but just a follow-up question from the minutes, Scott.

Last time you had commented about ENC requirements under Coast Guard. It may have escaped me. Has there been any rule-making or notice about the electronic navigational charts requirements?

CAPTAIN PARSONS: No. Again the answer is

no. The Coast Guard is required by January of 2007 to promulgate carriage requirements. Without speaking on behalf of the Coast Guard, I presume that at least a year in advance, by January 2006, they will publish an initial ruling or initial rule that will layout their perception of what the carriage requirements for electronic navigation charts will be.

Again, the requirement doesn't say electronic navigational charts, no ENC, it just talks about electronic charts. So that process is still a ways off.

MS. BROHL: I just want to make an observation which I think is kind of cool, and that is that I attended a hearing about the Marine Maritime Transportation Security Act implementation, I believe it was in November. And what was interesting about it is that the people that were speaking was Admiral Sam DeBow was there for NOAA, and MTSA pulled NOAA in to talk about their part in it -- I thought that was great -- of course there was Coast Guard, and I think it was the Corp of Engineers. But for the first time you're starting to see from the Congressional side the staffers recognizing the NOAA role, and I thought that was an interesting observation.

DR. LAPINE: Lew Lapine. I don't know, maybe

my mind is working too simply today or something, but on these working groups, I'm afraid that we're going to get tasked with 10 or 12 disperse actions.

And to Bill, you know, I commented on your -- I think it's a great idea. I think we should work on it. But I also treated it from the point of view that, well, we weren't really officially designated at that moment, so I didn't give it as much effort as I could have because I didn't know how the tasking was going to work.

But I think I'd be more comfortable, at least to start, if we had one or two very well-defined tasks to start with, and as we get more involved in the working groups and how we're going to communicate -- telephone, email, whatever -- then, you know, we'd be allowed to, say, take our own wing and maybe develop a couple other action items that the Board, you know, feels is important or that we bring to the Board that we think is important. Just a comment.

CHAIRMAN RAINEY: I agree.

CAPTAIN PARSONS: If I could comment again on that. Those of you that took a look at the read-ahead material of the two issue papers I sent out last week, there will be two specific taskings to Work Group 2 based on discussions today. One will be the expanding

contract strategies and looking at NOAA's contracting strategy, and the second being the hydrographic surveys cost analysis. Those two issues will go to Working Group No. 2.

And I know there's a lot folks want to bite off on, but these two issues have surfaced within NOAA's agenda, and we are seeking HSRP recommendations on these specific items.

MR. GRAY: Bill Gray. And I'm sorry to hear that. I read those coming out on the plane yesterday afternoon, and to me, they have a lot of words with almost now specifics to settle what I believe to be far less important issues, the ones that were raised. And when I put my paper together to defend it a little bit, I tried to make it relevant to NOAA's own priorities for the 21st Century, NOAA's strategic vision, its mission and so forth.

Whereas, the read-ahead papers that you gave us go from the basis that -- well, I guess you've got a law that you've got to follow that says "Put as much of this stuff in the commercial hands as you can," and so forth, and study what's the efficient way to do that and everything else like that. To me, those are details that the management of NOAA ought to remedy, and I think a group like this, Hydrographic Services

Review Panel, ought to go back to say, "Are we doing the right things? Is NOAA doing the right things or is NOAA not doing the right things?" And that's why I picked something specifically out of 21st Century vision, its mission and so forth and said, "I think this is important." As I say, I read those things on the plan last night and I thought -- well, it leaves me cold.

MR. SZABADOS: Bill, I'd just like to add one thing. As one of the directors that provide those services, I would find it very useful for users to clarify, identify those requirements, and put a priority on those requirements, and assess how we're doing on those products to you. I would find that helpful.

MR. DASLER: Jon Dasler. I'd just like to comment a little bit on that in that I think one of the issues that would be raised in the questions that were put forth to the working groups is the resources that are currently available. I mean, there's a big backlog of charting, and how are we going to best -- I mean, part of that problem that you stated, Bill, I think is related to the charting backlog and that problem and the resources that need to be put forth to correct that in a timely manner.

MR. GRAY: Well, I had the hope, when I put my name forward to go on this panel, that we could bring things up that go a little outside of what you've already been told to do and say what do we think we should be able to do.

And as I said, Roger, when you were at CMA last week, that I have no qualms with the ability that NOAA has and its people have to do an absolutely bang-up job in providing hydrographic and navigational useful information to the world of marine commerce and the recreational people, but they have such a short fall of funding that they're unable to do the job that needs to be done. And I think correcting that problem is something that this group should deal with as its highest priority, rather than worrying about how much is going to be done by NOAA, and how much is going to be done by commercial contractors, and how do we replace a fleet of ships that's 28 years old, which in the commercial world they would have been thrown away by now.

Those things are really dealing with the fact that there are big shortfalls in getting information to people that is badly needed, and the Athos 1 is a damn good example of that. The cost is over $100 million so far and it's growing. And that never

should have happened. It was not NOAA's fault, but it was the U.S. Government's fault, that's for sure. And if we can't deal with those things, I'm not too interested in spending a lot of time debating on whether or not NOAA should operate the ships or private contractors should operate the ships.

I know you people have got to deal with these things, but for me, as one connected more or less with what I believe a lot of the users feel is important for safe navigation in U.S. waters, we've got to deal with bigger issues than that.

MS. BROHL: If you look at the chart, deliberation chart that was done, it seems pretty clear that there are three different sources that can contribute to what the panel decides, and one of them is NOAA. And NOAA has put forth a couple of ideas they'd like us to look at. The panel members have a couple of ideas that we'd like to put on the table. Maybe the public will have a couple of ideas they can put on the table. And I recommend that they all be considered; that we just don't assume that -- it's not really fair to say, "Well, the working groups have been tasked to do these."

If I'm correct, the panel has to decide how we're going to be tasked based upon the

recommendations, and that hasn't been decided yet. We're going to have some background information on two of the tasks that NOAA's recommending, and that tomorrow we have Bill's recommendation is put into some kind of concise wording, perhaps the one that I had recommended, anybody else recommends, anything the public does, and then tomorrow we take a look at them.

And maybe, as Dr. Lapine says, "Geez, it may be all too much," but we will have a good visual idea then of everything on the table for us, and tomorrow then we take a look at them and prioritize for us. And it may be that some of the tasks that NOAA's requesting we do have so much internal information already attached to them that they're not as huge for us as, perhaps, Bill's, and that maybe in the end NOAA will have a lot of say in automatic -- I mean, they deal with this every day, so probably we'd rely on them to just, you know, "Give us an outline and we'll look at it." We don't have to start from the roots and we can combine some of those.

But I really hate to just, even up front here, before we've looked at all the options, decide that the tasks are already decided for us. So if we're going to follow this advice, this graph, if there are three sources, that we take a look at all

in oceans, and at that hearing NOAA reported on its navigation services. In addition, the management association for private photogrammetric surveyors essentially testified that the capability to conduct hydrographic surveying existed in the private sector and that NOAA should be given more funds to execute these Brooks Act A & E contracts.

Another part of the private sector, the ship building and leasing industry, also testified or advocated NOAA's use of leased vessels rather than capitalizing for new NOAA ships.

So historically, NOAA had conducted its hydrographic surveying using primarily in-house platforms, and though the number of platforms have reduced, we still had this huge data acquisition requirement that we had to satisfy. We had begun to operate these turnkey contracts since '98, which effectively increased our capacity to acquire data, heading us back a little bit into a positive direction, as opposed to the negative direction we were headed in with the decommissioning of some of the ships. But also because of the authorization and the suggestion that we should look at leasing vessels, we wanted to explore the use of leased vessels, the potential cost effectiveness of that, and the

problematic effectiveness of that strategy.

So we determined that we would go about this initial cost analysis, basically to get a data point on where we were with comparing data acquisition using both the in-house vessels that we had at that time and experiences that we had had so far with contracting of hydrographic survey services. And we also wanted to get a little bit of information on what it might cost us to undertake surveying using a leased vessel approach. We had never done that, so we included that as part of the cost analyses.

We initially undertook this cost analysis in-house and we gathered -- we used O and B guidelines and worked with all the components of NOAA that basically impact the full cost of hydrographic surveying, and we came up with what we thought was a pretty good shot at a cost analyses, but we felt that once we had done that, that we would shine a little bit more credibility on it by using a private accounting firm or a consultant that had expertise in this to ensure that all of the cost factors were included and that we were in compliance with JO and O and B guidelines.

The contract for that cost analysis was won by KPMG Contracting. They conducted the analysis and

completed it I believe in about three or four months, in September 2001, and then we had asked for a little bit of additional information, which took them another month, and the whole thing was completed in October.

So the results of the analysis are estimates of the cost per square nautical mile of conducting hydrographic surveys in Alaska and the Gulf of Mexico under three scenarios. And the reason they chose Alaska and the Gulf of Mexico is because those two areas combined make up about 80 percent of our navigationally significant backlog areas.

So they were to analyze the cost per square nautical mile utilizing the NOAA vessels and staff, the full turnkey contracts, and also to gather information on chartering a vessel to go at this same requirement with limited number of NOAA personnel on board.

The Alaska surveys are divided into shallow and deep water regions, and the reason they did that is because of the geometry of operating these sonar systems, you're a lot more cost-effective in deep water than you are in shallow water, regardless of whether it's an in-house or contracted effort.

So we broke it down into Alaska shallow, Alaska deep, and then the Gulf of Mexico. And we

compared in-house projects to the contractor projects, and then we got information from industry through an RFI, request for information, for what it would cost to charter a vessel for that same type of work. And what we did was we actually were very careful to select projects that were very similar in nature in terms of geographic region, type of hydrographic operations that would be required and that sort of thing, to make sure that the comparisons were fair.

You can see, as you look at the first slide on the cost, that the cost per square nautical mile were the most expensive in Alaska, and that has something to do with the remoteness of it and the need for vessels of a certain size and the operations in that remote area, actually. And you can also see that there was a significant difference in Alaska between the cost for deep water surveys versus shallow, and then the Gulf of Mexico was significantly less than the Alaska area.

The asterisk beside the 18.9 figure for the time charter was due to the fact that it did not -- the costs that were received for time charter did not differentiate between deep and shallow water areas, initially.

This next table shows the results of the

original analysis, along with additional results for time charter surveys to go out and -- breaking that out in shallow and deep water areas, and you can see the differences in the findings. The time charter, when split out deep versus shallow, the numbers are quite a bit different from what we saw in the preceding slide.

CAPTAIN PARSONS: Mike, if I could interrupt you for a moment. Can you describe, briefly, time charter?

MR. GIBSON: Yes, sir. You mean as it is now?

CAPTAIN PARSONS: Yes.

MR. GIBSON: Okay. The time charter model that we have right now, we're actually operating two separate contracts. We have a contract for a vessel and a separate contract for hydrographic services aboard that vessel. And the reason that it's that way is because the original paradigm called for one contract for the vessel, a full vessel crew, and there would be NOAA employees on board.

But the FTEs for NOAA employees to work on board, as originally intended, did not materialize. So when the need arose for contract hydrographic service crew to come along with the vessel, an opinion

was rendered that because of the Hydrographic Services Improvement Act statement that we shall use Brooks Act A & E contracting for securing hydrographic survey services, that the vessel contract wouldn't allow for that. And so an opinion was rendered, and the Military Sealift Command, which was executing our contract for the vessel, requested that NOAA then secure a separate contract for hydrographic surveys services for equipment operators and hydrographers aboard that vessel.

We also have right now -- we rotate a pool of three to four NOAA lead hydrographers and project managers and COTRs aboard that vessel to ensure -- to oversee the project on a day-to-day basis and to ensure the acquisition of the quality of data that we require, and then to be able to carry that processing forward, back into our processing branches and take that data through to the chart.

So the numbers that we got from this cost analysis I guess raised a lot of eyebrows. And certainly there was a lot of interest in this, including interest across the Government and up on the Hill about cost per square nautical mile wide, and we would get repeated questions about, you know, "What's the cost per square nautical mile? How do you

bring this cost per square nautical mile down? Why do you have differences in cost per square nautical mile for deep versus shallow, for Alaska versus the lower 48?," and that sort of thing. And the one thing that we try to remind folks is that a square nautical mile is not a square nautical mile, and that's why the costs are so diverse, and that there's not one number that we can assign as a benchmark cost per square nautical mile that we can try to bring down over time.

But that was the idea, how do we become more cost-effective over time, and how do we maximize the use of the funding that is appropriated in the accomplishment of our mission and to try to bring down that backlog of 500,000 square nautical miles more effectively.

MS. BROHL: Excuse me. Could I ask a question?

MR. GIBSON: Absolutely.

MS. BROHL: Regarding O and B and the inquiry to have NOAA respond to the efficiencies of that acquisition, when did O and B pose this question, and was it posed directly to the Office of Coast Survey or to NOAA?

MR. GIBSON: The question was not posed in an official manner, if you will. The question was posed

during O and B's conducting of something called a "Program Assessment and Review Tool," if I have that acronym spelled out right. We met with O and B, and O and B was aware of these -- O and B had actually reviewed the first KPMG cost analyses, and O and B basically wants to know how, as a performance metric, we're going to bring down the cost per square nautical mile.

And so we got into quite a bit of dialogue about what I just mentioned a minute ago, is that you can't look at every square nautical mile as being the same. They're not going to cost the same, no matter what we do. However, you know, is there a way that we can bring down the cost per square nautical mile, you know, on average for areas of a similar nature.

So we were asked in a meeting, and the review of our score on that part, as they call it, the Performance Assessment Review Tool, and then in a follow-up conversation with O and B -- when they visited one of our field platforms, we were asked this question again -- and they said that "We have been looking at the cost per square nautical mile of some of your contracts for data acquisition and we're interested in knowing more about why they are so disparate and how we're going to bring those costs

down."

So that was done back in 2001, as we have said earlier. And we feel as time goes on, certainly the more data you have, the better you're going to do with statistically computing your cost per square nautical mile to see how well you're doing with these variety of approaches from data acquisition. So at this point, that initial analysis is about four to five years old.

And at the end of this fiscal year, we will have conducted one solid year of time charter operations, and that time charter operation is significantly different from the numbers that we were given in the initial request for information because of the operating model. So we're interested in knowing has anything changed since we did our initial analysis of cost per square nautical mile from using in-house platforms, from using turnkey contracts, and looking at what we got for what we paid for this first paradigm of a time charter operation.

And because the time charter operation is different from what was originally conceptualized in this follow-up cost analysis, we probably would like to talk about some potential strategies of ways of possibly modifying that paradigm for either cost

efficiently, operational effectiveness, and lowering the risk associated with the many parts of a machine.

The other thing that has changed since then is the NOAA ship Fairweather was reactivated this last field season, so we'd like to get some analysis of the inclusion of that asset. The Fairweather is a sister ship, same class vessel as the NOAA ship Rainier; however, the Fairweather carries four launches as opposed to six launches. And the other thing is that we have replaced the aging NOAA ship Whiting with a excessed Navy platform. It was the USS Little Hails that we've renamed, recommissioned it NOAA Thomas Jefferson. So we have a few new data acquisition platforms and strategies that we'd like to go about a new cost analysis to try to determine where we are at this point.

The last bullet on that slide, if you've seen the FY '06 President's budget, it has shifted the line item called "time charter" and included it in the total sum for a line item called "address survey backlog," which is essentially a line item that allows NOAA to partner with the private sector to outsource for its hydrographic surveying services. So with that shift of those funds into that line, my understanding is that that puts more of the decision-making and

discretion in the hands of NOAA in terms of how we will go forward. So we really want to know the effectiveness of these various methods to help us make that decision.

So as far as the time charter goes, the initial analysis, I believe -- or originally when we first started talking about a time charter, there was talk of doing a four-launch vessel in Alaska and a two-launch vessel in the Gulf of Mexico. That didn't materialize. We got a two-launch vessel, which has to split time between Alaska and the Gulf of Mexico, with a fairly ineffective 30-day transit between those two geographic regions.

So we're going to basically conduct this new cost analysis initially gathering the costs of the cost efficiency and the data-gathering efficiency of the model that we are operating that will end at the end of this fiscal year. As I said before, that time charter provides a vessel, a crew and some equipment; that's the vessel contract, which is managed right now by Military Sealift Command, and then we have the A & E Brooks Act contract to provide some other equipment and some survey personnel, and then NOAA provides lead hydrographers, oversight and data quality personnel.

Just a table giving you a little bit of a look at what we were talking about. If we looked at our FY '05 budget, we had available to us as a program just under 19 million for our turnkey contracts. We got only -- just less than $2 million for vessel time charter, when in fact that's closer to a $12 million per year full operation, considering both contracts and the ancillary costs associated with NOAA personnel and so forth. So we did not get funding in '05 to execute an option year on that contract. And then there was some miscellaneous survey appropriations in '05, which I've just lumped together for that 6 million. But if you look at the President's request, it's essentially 31-and-a-half million for us to basically undertake these outsource mechanisms for data acquisition.

We came to realize that the NOAA's Office of Marine and Aviation Operations is interested in a study to look at alternatives for data acquisition for a variety of programs and costs to NOAA, and some of the alternatives, possibly, for ways to secure ship time and also look at other technologies such at AUVs and that sort of thing for gathering information that these various programs need.

So we felt that we could benefit from

partnering with NMAO and essentially secure and update our 2001 cost analysis by partnering with them and doing this analysis as a subset of their overall analysis, and we'd just be taking advantage of the expertise that's going to be applied to the study but not necessarily influencing their intent at all. We're just going to partner with them on trying to get some efficiencies in both expertise and costs sharing in getting this analysis done, because some of this same information would be needed for both.

So for our new analysis we're going to select specific hydrographic surveys conducted over a period from 1996 to 2004, including those using either multibeam, or side-scan sonar, or a combination of those. And we're going to undertake this study in such a way that we will also select surveys to compare against these variety of methods that would be similar in nature: Geographic region, data acquisition, strategy and so forth, bottom conditions, remoteness of the area, all the things that would potentially -- if you don't account for those things could potentially make it an unfair comparison.

With that, again, we're going to look at those areas and the operations using the full NOAA ship, operations with NOAA personnel, our turnkey

contracts, and the time charter scenario. They will also prepare a summary similar to before based on these costs, and it will be cost per square nautical mile. The one thing that we'd like to consider or throw out for consideration is what should we be looking for for a time charter paradigm should we decide to continue down the time charter path? In other words, with the time charter, would it make sense to have one vessel that basically has to do a 30-day transit between the Alaska and the Gulf of Mexico? Does it make sense to have the split contract scenario? Does it make sense to have to have three to four NOAA employees on board at all times?

So in summary, once again we have four additional years of surveys than we had from the 2001 study. We have our first year of time charter survey but very different from the original intended implementation; we have an increase in the NOAA assets with the Fairweather and the replacement of the Whiting -- actually, the replacement of the Whiting is not an increase but it's a newer asset -- and we have potential increase in resources or at least a lump sum of resources in that address survey backlog line item which puts a decision in the hands of Coast Survey in terms of how to go forward with our outsourcing

strategy.

So we'd like the Hydrographic Services Review Panel to take a look at what we're intending to do and evaluate our approach on this cost analyses to maybe make some suggestions about an appropriate model for a time charter, and also, maybe, to give us some advice on the frequency of conducting these cost analyses: Is this something that we should do every three to four years, or should we do it at a higher frequency or less frequency?

And we feel that by conducting these cost analyses on a periodic basis, it will not only help us make decisions, but it would also be a tool. We can actually show O and B that we're essentially analyzing -- we're using this as a management tool to analyze the most effective manner to put the taxpayers' dollars to work against that 500,000 square nautical miles. So that's it.

And you all have copies of the 2001 KPMG study, and I can certainly try to answer any questions you may have and open the floor for discussion that may want to take on that survey.

CHAIRMAN RAINEY: Thanks very much, Mike.

Dr. Lapine?

DR. LAPINE: What's the percentage of Alaska

shallow versus deep?

MR. GIBSON: I don't have that, really, at hand.

John, can you help with that?

DR. LAPINE: I mean, is there a lot more shallow water that needs to be done than deep water?

MR. GIBSON: Tell you what, I don't have the figures with me right now. It's in the National Hydrographic Survey's priorities, which I think you all have a copy of. But what I will say is Alaska is an area that the depths are going to drop off fairly rapidly. So you do have some deep water areas, but those areas can be subject to pinnacle rocks and a lot of features that are still going to come up close to the surface.

So the areas of concern, whether you're doing in-house or contracted surveys, you become less effective the closer you get into shore, the costlier it is in terms of time, and that means ship days. And also those areas are most dangerous to operate small boats, so you have to be very careful and go slow, and you also have to validate the shoreline and any potential hazards of navigation that might exist in that near shore area.

So I'd have to refer to the survey parties

for the actual percentage that you're asking for. Both of those areas are very important, and Alaska in general is about 30 to 40 percent, I believe, of our total backlog of navigation significant areas.

MR. McBRIDE: I have a question. The number of (inaudible) square nautical miles, did they confirm the numbers from your initial in-house review, or was there a significant difference between?

MR. GIBSON: We actually compared the numbers when they were done. The number that we came up with and again the numbers they came up with were very similar.

MR. McBRIDE: How much did it cost for the KPMG study?

MR. GIBSON: I believe the cost of that study was in the neighborhood between 90 and $120,000.

MR. McBRIDE: Thank you.

CHAIRMAN RAINEY: Bill?

MR. GRAY: Bill Gray. It strikes me -- and partly you got that answer -- it should be very simple to find out what the numbers are. The numbers are the numbers. I think that the analysis -- making a cost analysis should be ongoing, a normal process to find out "What does it cost me to do this, and what is the

result that came out?"

I would be more interested in what accounts for the very large differences you get between the three companies. You say NOAA does it, the contractor does it, and the time charter. I don't know what the difference between what a time charter and a contractor is, but it's a private source versus a Government source. And I should think for both your deep and shallow, in maybe the different areas you could figure out why is it so much different and what can you learn from that to improve -- I don't know whether the lowest numbers are good numbers for what you ought to expect to be able to get.

And I'm also concerned from the point of view -- I agree with you, Mike, that that 44,000 square miles of navigation are critical areas, one I've harped on continually and will continue to do so. Even when that is done, and at the rate we're going, that's still 10, 12 years in the future and so forth, there are a lot of other areas that deserve the better treatment, which is technically possible now; in other words, in areas that nobody feels responsible for now.

I mention that in my paper from the Hand report back in 1992 that we have substantial areas

that are traversed by important large vessels for which nobody is responsible. We have -- I mentioned before what happened down in Delaware Bay. Why aren't you going down in the Delaware River in what -- I think, Roger, you told me the Corp of Engineers doesn't have the capability to do that. But finding out how to use these newer tools in the most efficient way I think should be a very important objective to find out what can the numbers be; I mean, is it 18, is 32, or should it be 5 or something like that.

We've also talked about on behalf of the recreational people that when you get into really shallow -- or certain areas that are too shallow, I guess that's where the launches come to play, but there's that airborne technique for soundings that we've heard about -- I forget what it's called -- and so forth.

So I think that even when we get the 44,000 navigationally critical areas, there's a whole lot of other areas that I think have to be subjected to this better treatment, and we ought to find the most efficient way to do so.

MR. GIBSON: Thank you.

If I could just follow on for a moment before the next question. Actually, one of the other things

I did want to mention was that we are also interested in possibly looking at alternatives for essentially securing or undertaking our requirement using the ship scenario that we do right now, whether it be in-house contract or whatever, and maybe look at some emerging technologies such as AUVs, obviously lidar.

Both of those technologies do have a lot of concerns right now that we need to investigate a little further. We are actually using lidar as another hydrographic tool in our tool box, but because of a variety of things like water clarity, requirements for using lidar, the depth limitations to lidar, and potentially object-detection limitations with the lidar that's available right now, it's difficult for me to walk away from an area and say that I'm hydrographically finished with that area.

I may have to do some follow-up surveys using side-scan sonar or high resolution multibeam or divers or whatever to try to resolve items that may be obstructions to navigation in those areas. But they are things that we are interested in using as effectively as possible, and we would like to look at the costs for doing that, as well.

CHAIRMAN RAINEY: Helen and then Jon.

MS. BROHL: With regard to asking how much

it costs to have the study contracted out, and given the closeness in numbers between in-house and the contractor, what are the advantages of using someone outside as compared to inside, other than the trust factor, I guess, and is that really the reason, now that you've confirmed? And are there advantages to doing it in-house yearly, since the numbers are the numbers, as Bill said, and then periodically every five years having an outside firm do it?

MR. GIBSON: Well, those are the types of things that we would like to definitely get recommendations on. We felt that, you know, having it done outside certainly would bring us credibility. We don't want to appear self-serving, in any way, in the results, and though we did research extensively the O and B guidelines for conducting the full costs, we did feel that a professional firm that's experienced with that and does that could certainly lend some credibility and preciseness to it. But, you know, those are things we could certainly consider.

CHAIRMAN RAINEY: Jon?

MR. DASLER: Yeah, Mike, I just had a question. You said you were looking at either multibeam, side-scan, or a combination of both. Are those going to be differentiated out in the costs?

MR. GIBSON: The surveys that will be compared will be similar. And just for the sake of those that may not know, in some areas, because of the bottom type and the environmental conditions, we do 100-percent multibeam coverage. And in some areas, like the Gulf of Mexico, for example, it's generally a flat, sandy bottom, and it has a lot of the potential obstructions in navigation, actually remnants of anthropogenic delic platforms, pipes, well heads, those sorts of things.

So we're not worried about the bathymetry, so we actually -- it's very effective for us to conduct 200-percent side-scan, and when we see fine contacts on that side-scan, we go back and do 100-percent high-resolution multibeam over those features and get a least depth on that and so we can effectively plot those obstructions in navigation. So we will compare surveys that are very similar in nature.

MR. DASLER: I just want to make a comment to the panel. I mean, it's been a tough job, I think, to put together a study like this. And just the complexities of it, I mean the number of contracts you might have, the number of item investigations. And I think I saw some documentation somewhere else they

were going to try to incorporate a lot of that -- are they doing shoreline verification?

MR. GIBSON: Right.

MR. DASLER: And all of these other costs that go into some of these task orders. And it's a difficult task.

MR. GIBSON: That's right.

There was a question about AWOIS, and that's the Automated Wreck and Obstruction Information System, and some surveys can be costly because they have an enormous amount of items that we have. We have a database with these items, and they have to be researched so they can determine if those -- like ship wrecks or other types of things like that, that they can evaluate whether those items are still there, shoal features, crawl heads (phonetic), all sorts of things like that.

And if a survey sheet is going to have a large number of those types of investigations, that's also very costly. So in comparing these surveys, we would certainly have to be very careful to select, you know, surveys of like kind and workload as a way to normalize that cost analyses.

MR. DASLER: And along those same lines, are they looking at, like, time of deployment, like if a

vessel's out there for the full season as opposed to just going out for a month, a month's survey?

MR. GIBSON: Well, that's an interesting question, because we actually -- as far as the turnkey contracts, we contract for a survey sheet, and Brian and Jeff, if you want to help me, I believe those are all indefinite delivery.

And so essentially when we let those task orders, the contractor's responsible for turning in a completed survey sheet. It's a time function, per se, on completion of work because of the potential for weather problems and that sort of thing. So yes, there are great differences between how are you going to get a survey area done, whether you have a small boat or a large ship; how long are you going to be on site, the time of the year, the remoteness, all those sort of things. So we have to be very careful to try to make sure we're comparing apples and apples.

But when we let a contract, it's sort of, I would say in most cases, and please correct me if I'm wrong, it's going to be the area, the remoteness of the area, the environmental conditions, that sort of thing which is going to dictate the type of vessel that a contractor would choose to apply to that survey. So certainly if they could apply a small boat

versus a larger vessel, that will have a dramatic effect on the cost, I would say.

MR. WHITING: Larry Whiting.

Mike, you said that a lot of times the hydrographer has a right to say whenever a survey item or a survey sheet is done. When we do contracting, we have to have that thing complete, 100 percent, or as close as possible that we can get to. Will we have from your in-house surveys of the vessel time charter whether or not those areas are complete as per IHO specifications or your own specifications?

MR. GIBSON: You mean in terms of the surveys that we would compare?

MR. WHITING: Yeah.

MR. GIBSON: Yes.

Does that make sense, Bri?

In other words -- I guess let me understand your question. Are you saying that would we be careful to compare a complete survey of a similar type to a complete survey of the same type -- you know, a similar type?

MR. WHITING: That is correct.

MR. GIBSON: Absolutely. Right, it would be a completed survey sheet of a similar size, workload, that sort of thing.

MR. WHITING: That shows the gaps and the AWOIS and that type of thing.

MR. GIBSON: Right.

MR. WHITING: Thanks.

CHAIRMAN RAINEY: Helen?

MS. BROHL: The summary report asks that the panel consider reviewing the cost analysis methodology and then provide comments within six months. Is that methodology underway now? Does NOAA have a methodology outlined already to look at? And if not, would it be appropriate for the panel to actually task OCS or NOAA to prepare that methodology for review rather than presume we would be in on the bottom?

I'm presuming we would look at their methodology and comment on that, rather than actually be on the ground floor and help create that methodology.

CAPTAIN PARSONS: Helen, if I can comment on that. That certainly is information we would provide to a work group, the proposed methodology and all that entails as far as parameters of the cost study. We would not be asking the panel to create a model for cost analysis but take a look at all the parameters that Coast Survey is asking an independent contractor to look at in comparing similar survey approaches.

MS. BROHL: As a follow-up, if we did ask that, how long would it be before OCS provided a methodology outline?

CAPTAIN PARSONS: We could provide that tomorrow, if I'm not mistaken.

MR. GIBSON: I would say fairly soon.

CAPTAIN PARSONS: Day after tomorrow.

MR. GIBSON: Is that a good boss answer?

We're actually working on that right now, and we are partnering with NOAA's Marine and Aviation Operation, so it's somewhat dependent on where we are, but I think we've already done somewhat of an outline of the component of that that we would like to see, and so it shouldn't be too many more days before we can make that available, I would say.

CHAIRMAN RAINEY: Captain McGovern?

MR. McGOVERN: Andrew McGovern. Question, you did this back in 2001. I guess my thing, maybe, this committee, not necessarily looking at the way you do this, but then what did you do after that? I mean what was the result of this? You came up with some numbers. Is that the reason that they brought the Rainier back or the -- which one did you bring back on line?

MR. GIBSON: The Fairweather.

MR. McGOVERN: The Fairweather.

Okay. We come out with these numbers, then what?

MR. GIBSON: Well, the actual action to reactivate the Fairweather had begun far before we actually conducted that cost analysis, because it took, you know, obviously years to appropriate the money. It's been an ongoing project for many years. So it was the appropriation of funds, and then the contract to basically re-fit that vessel and so forth took awhile. So the reactivation of the Fairweather was independent of the results of this cost analysis.

And to, I guess, answer your question, we're actually -- I guess that's a pretty good question, because some of what we do is mandated by our Congressional appropriations. So it gives us information to be able to answer on our performance metrics and how we're utilizing the funding. We don't always get to decide what to do with it, and we do see basically all of the -- or at least our approaches partnering with the private sector has been very effective in helping us to undertake this hugh, this mammoth requirement that we have, and, you know, we're probably not going to get more ships, and we're probably not going to get a lot of personnel in-house.

And a lot of expertise does reside in both NOAA and in the private sector, so we're showing expertise, we're sharing capacity. So in terms of continuation of what we're doing, we think that makes sense.

So to answer your question, I'm not exactly sure how to answer it in terms of what we have done or should be doing as a result of these numbers. But now with the fact that the '06 President's request gives us a little more discretion with the outsourcing, that, you know, could be our first opportunity to make a programmatic decision.

DR. LAPINE: Yes, Lew Lapine.

Just strictly from a taxpayer's point of view, cost of doing surveys and whatnot, and looking at your tables here, I would contract everything out in the Gulf of Mexico, and I'd move all the ships that I had to Alaska, and then I'd use as much of that $31 million as I could to contract for more work in Alaska. Is that part of your study? Why do you have two ships on the East Coast when you've got most of your backlog in Alaska?

MR. GIBSON: Well, yeah, you also have to understand the ships that we have on the East Coast, for example, the NOAA ship Rudy is essentially a 90-foot vessel. She's not going to be too effective

in Alaska, can't work in remote areas like the Fairweather and the Rainier can. And, you know, with this huge area of backlog that we have in Alaska, it is so vast and so remote, you know, having the Fairweather and the Rainier up in Alaska and all of our contracts, we're still not putting a dent at a very height rate of data acquisition of what needs to be done up there.

So yes, the more assets we can put up there, the better, whether in-house, contract or whatever. But, yeah, those are the types of things that we need to evaluate. We don't send our two East Coast platforms to the Gulf of Mexico very often. We are doing most of our contract -- a lot of contract work in the Gulf of Mexico.

DR. LAPINE: So you have two assets that aren't doing any of the critical backlog?

MR. GIBSON: They are doing critical backlog. We have critical area also in the East Coast.

DR. LAPINE: Hopefully in South Carolina.

MR. GIBSON: The other thing to keep in mind is in addition to this thing called "critical area," there are areas that we call "resurvey areas," and these are areas that due to either rapid environmental

change or cultural change, you know, we need to actually resurvey some of those areas that were originally critical, they did were done once, they effectively get taken out of the critical backlog inventory except that they need to be done every three, five, whatever the cycle is for those individuals areas. And those areas exist all around the lower 48, as well as up in Alaska.

And then the other thing is, you know, being a hydrographic program, we also get requirements, though it's certainly not a significant component of what we do annually, but there's mathemetric survey required for other federal interests, as well, that sometimes in transit in between those critical areas we can undertake some of those areas, as well, and it becomes a very effective use of those platforms.

MS. DICKINSON: Elaine Dickinson. When you used KPMG back in 2001, can you tell us what the cost was of doing that study? And would it make sense or are you considering using them again, since they went through the process once, then they could follow-up?

MR. GIBSON: Right. Your first question on the cost, if I'm not mistaken, I think the original contract was for 90 to $100,000, and I believe the additional work for about another month's worth of

services took it up to about 120,000, if I remember correctly, total.

I'm sorry, what was the second question again?

MS. DICKINSON: Well, since they went through the process once, there would be some consistency, I guess, in using them again to do a follow-up study.

MR. GIBSON: We didn't necessarily feel that it was mandatory to use the same company. The personnel that were applied from that accounting firm are probably no longer even there, and they use standard practices for capturing the full costs for a federal program and that sort of thing. So there's probably a number of firms out there that can undertake this study and give us good quality results.

And then the fact that we're also interested in partnering with NMAO on this, you know, as a component of their full study, that it's probably going to be competed and a qualified firm will be selected to do it, and I'm sure, as far as quality goes, we'll be fine.

MR. McBRIDE: Adam McBride. Mike, you went through and studied the OMB and accounting rules. You did your own analysis. You went to the private sector and had that methodology confirmed, validated,

and actually got a pretty consistent result with it, and so I'm personally not all that concerned with your methodology. It seems like you've developed it, you validated it, it seems to be pretty effective. I'm interested, however, in what those results tell you.

And when I look at the results you've brought here, they tell me that you should forget contracting and forget time chartering. You should do everything yourself in-house; that's by far the cheapest method. I also seen the budget, the President's budget, that he's got about $36 million next year in this.

So now we know what your methodology tells you the numbers are. We know what some of your resources are, but obviously you can't just do it all yourself because you've got some constraints. You've got constraints on platforms, you've got constraints on seasonalities and other elements. Walk me through some of these constraints so I can understand why you would ever select a contractor who's at $58, compared to your own 24, for example, or what kind of resource allocation methodology you use to determine it.

Lewis got right at this, as well, kind of make some fairly simple choices if there's, you know, an endless number of platforms waiting to be chartered, you can do a whole bunch of things. What

are the constraints you have to deal with in getting this $36 million spent effectively?

MR. GIBSON: Well, I mean I guess we have a planning and a project management activity that takes place back at headquarters, and what we effectively do is we have a prioritization of areas that need to be done, and that prioritization starts out with, you know, what's remaining of that original 43,000 of critical miles, and then the 500,000 square nautical miles, and then other things we're requested to do as part of a national interest. So, you know, in addition to that -- that's kind of like a long-range plan.

We probably could look at that and say next year what we'd like to do, but then we also get compelling requests incoming, you know, on an ongoing basis about an area that has come to somebody's attention that needs to be moved up. You know, it could be part of that original 43, but it needs to be done sooner. So every year we look at, "Okay, these are the projects we need to get done with what we have available." We know we have the four NOAA platforms; we know what they can do. We know where we're going to -- where geographically it makes sense to use them because of their capability.

We also know that we have this $30 million for contracting them. And right now we have regional contracts, so we use those regional contracts to basically effectively use those contracting resources to try to maximize data acquisition in the regions that those contracts are led, essentially.

MR. McBRIDE: I mean, to what extent do political requests or directions get involved in your decision-making?

MR. GIBSON: Can I defer that question to my boss?

MR. McBRIDE: I'm interested in knowing whether the politics of the various regions of the country gets involved here in decision-making.

CAPTAIN PARSONS: Yes, certainly it does. There are a number of -- and there have been a number of earmarks under the address survey backlog line in recent years that have included with it a guidance that we use those monies specifically in Alaska, and that's primarily the specific guidance we've received on how to use specific dollars.

There's roughly $6 million in '05 -- and we'll discuss that later on this afternoon -- that we have been directed by the Hill to use in Alaska. But by the most part, the remaining monies are at our

discretion. The contracting vehicle has been determined by the HSIA. That is out of our hands. But we determine where best to apply the assets, whether they're in-house, whether they're contract resources. And so there's a great deal of latitude, but I'd be fibbing if I didn't say at times there was some Congressional direction on how and where those monies are to be applied.

While I've got the mic, Mike, if I could ask one question. There has been some criticism over the 2001 study about how we normalized the comparisons, if you will. We are comparing NOAA capabilities and essentially using vessels that have already been paid for with private sector vessels that have got to be amortized during the course and the life of the contract. Also we request our hydrographic services providers to provide us a smooth sheet, which we don't for our own platforms. How do we normalize those comparisons, and is that something that will be discussed in the methodology?

MR. GIBSON: Yes. Actually, in fact, when we did the -- when we first approached that first cost study, we did get some reaction to the fact that NOAA's vessels are 30-year-old vessels, are paid for and they still work, and they're very, very

effective. And so some felt that that was not a fair comparison because, in fact, private contracting has to go secure a vessel and that's an expensive venture.

So we actually went back, and I believe in the numbers that we ran eventually, we added the cost of a brand new replacement for a vessel like a Rainier and then amortized that out, and essentially it did not change the order or magnitude of the numbers. It did not change that.

CAPTAIN PARSONS: In a follow-up, again the 2001 study included estimates for time charter, since no time charter model had existed at that point. Any such study that is conducted after July of this year will have a year's worth of time charter model to obtain cost figures on, but I think the operators of that time charter would argue that that's only a year and had you evaluated cost over a five-year period, the costs would be driven down. Are those valid arguments and how are we going to address that?

MR. GIBSON: Certainly with the time charter there are two things. There's, you know -- I guess I would have to ask, what does "cost effectiveness" mean? And certainly I think I know what it's going to mean. It's going to mean what did you pay for what you got. And yes, one year is not enough statistical

data to give anybody a good answer.

So, I mean, I think that's something that certainly we need to consider, as well. And then it has a lot to do with the paradigm for the time charter. You know, it depends on where they work how effective they're going to be. Are they going to work in Alaska deep? Are they going to work in Alaska shallow; shallow and deep? You can switch projects around and change the outcome of the production by shifting projects, and so some of that -- you know, we do consider some of that, actually, in assigning projects for, you know, where a vessel's going to be and how long it could potentially be there for that season and that sort of thing. But we also have to really go at the surveys that are required to get done; that we'd really like to get done that year, so it's sort of a give and take in that regard.

Should it be a vessel that operates -- should it be a full year vessel, a vessel that's split between Alaska and the Gulf of Mexico? You know, maybe it would be more effective operating in a different manner. So those are the types of things. Should we look at possibly submitting another request for information to consider doing it a different way?

MR. OSWALD: John Oswald. I have just one

comment. Mike is terribly right. I don't know how many people on the -- in fact, I do this kind of work. I'm a contractor for both NGS -- well, subcontractor for NGS, CO-OPS and Office of Coast Survey, so I'm real familiar with this work, and in Louisiana and much in Alaska. We'd love to have a 90-footer in Alaska.

Much of the surveying by contract, I would say, just off the top of my head -- we have two contractors here in this room -- perhaps 60, 70 percent has been done with boats less than 40-feet long. Some of the operating areas are a little bit different than where NOAA works. Utilization of assets is important, you know, to put the contractors in the right place. And what Mike says is entirely right, is this every square nautical mile isn't created equal. My view of that KPMG report -- I actually read it after the FACA meeting in New York City -- I think there's some fundamental flaws in that that, you know, we actually, as a committee, have a chance to give input, major input.

For instance, the shallow and the deep water surveys in Alaska there, in defense of the contractors, and I'm not an economist or an accountant, but what was used for the deep water, I

would actually classify that as the shallow water. It was one of these fjords that I think Roger just mentioned. The deep water KPMG Alaska was based on the Kenai fjords area. Parts of it are deep; that the hard parts, probably 70 percent of the work is in the shallow water. I see a contractor nodding, so I'm close on that.

And then the last comment, maybe it's a question. We were given a briefing in August at the New York City FACA meeting by Captain Manzo related to the fleet, I guess it's fleet replenishment plan, and this came up, this chart from the KPMG, and he said maybe it's not policy, but Captain Manzo said, as Lew or anybody that's educated looks at these numbers, "Well, it looks like the vessel time charter is the way to go."

I was in Washington D.C. on February 7th when the President's budget came out, and it's in this package right here. We just saw the graph that the vessel time charter was requested at zero. So I'm saying, "Well, why -- is that a shift, or the $31 million for contract, is the vessel time charter in there or" -- I'm a little confused. I hear conflicting signals.

MR. GIBSON: I will again defer to my boss on

that one.

CAPTAIN PARSONS: Yeah, John, if I might. I think one of the graphics that Mike threw up -- and, Barbara, if you could go back a bit -- I think the estimates from the 2001 study estimated that time charter costs would be on the order of 18 or $19,000 per square nautical mile.

Take a look at next one. Right.

If you take a look at the -- again, this is a snapshot. The right-most column, the $17,000 per square nautical mile -- and correct me if I'm wrong, Mike -- is based on four weeks', six weeks' worth of data this fall up in Alaska, and the $33,000 is the --

MR. GIBSON: Excuse me. I'm sorry, Captain.

If I may, those were -- that was basically a secondary submission from the request for information from industry.

CAPTAIN PARSONS: Okay. I'm sorry. It's not based on any information we have from the recent one, right.

So again, John, your question is why isn't time charter being supported in the '06 President's request, I think essentially is --

MR. OSWALD: Yes.

CAPTAIN PARSONS: The President's request

rolls roughly 10, 10 and a half million dollars that would normally be associated with time charter up into the survey backlog. By doing so, it is NOAA's belief that if in fact time charter proved to be a cost-effective method, we can utilize monies within the survey backlog line item to apply towards Brooks Act A & E contracting, towards time charter contracting. It gives us that flexibility to do so.

We are not convinced that time charter in all places at all times is the most economic way to go. There may be areas where time charter is the way to go. Right now time charter was mandated on us, and it's a whole three-day discussion on where we got from the original model to the model we have now and the pros and cons of doing so. And certainly what NOAA will provide to the panel are several potential models for time charter. The one we have now is one model. There's several we could propose that will likely be more cost-effective.

The model we have now takes upwards of eight to 10 Government employees to participate in, from the standpoint of COTRs and project managers and so forth. So there's as many models of time charter as your imagination will allow, to some degree. So hopefully by having these numbers it will allow us to

make the most prudent decisions on the best way to contract for hydrographic services.

And I think your comment about seeing perhaps some weaknesses in the 2001 study is exactly the type of thing we would like to hear from the panel on. If you see areas that perhaps -- utilized in the cost model there that are not as they should be, that's the kind of information we need to know.

MR. GIBSON: And I was going to say, certainly we can go back and look at that again, John, but in the selection of the surveys that were compared, whether you classify that as a deep or shallow, it should have been compared to an in-house survey, like a Rainier survey, that had a similar type of a combination.

So let's say if you forget about whether you're going to call it deep or shallow, you say I have a Survey Type A and Survey Type A. So Survey Type A costs this much in-house and this much contracted out. And maybe it's semantics when you say "deep" or "shallow," because a lot of surveys are a combination of deep and shallow. I don't think we have any that are purely deep or purely shallow, especially in Alaska where you can drop off to deep fast because of the geometry, again, of surveying.

If you're surveying a water that drops off and gets deep and you don't have a lot of items that have to be resolved at a very high resolution, you can be very, very cost-effective in that. So maybe in a ratio of how much deep to how much shallow, you know, it could get a little complicated. But I think the intent was that we compared surveys that were very, very similar. And we certainly, as we go forward, want to make sure that that's in fact -- we want to figure out a way to make sure we're, you know, normalizing this so it is a fair comparison. And we certainly attempted to do that, and if by any chance we didn't, we're open to all suggestions about how to refine that as we go forward into this new one.

MR. DASLER: Mike, again, I think it gets back to a question, too, of duration of deployment. Like if the Rainier is on a full-season deployment doing a four- to six-week job, as opposed to a contract vessel that's mobilizing for a four-week job and that's all they're doing. So in that analysis do they like, say, add in the mobe/de-mobe time, the transit time, strictly for that one task?

MR. GIBSON: If I'm not mistaken -- and help me, guys, if I am -- on the in-house surveys it's the cost per day of operating that vessel. We operate

those vessels for a full season.

Bri?

MR. GREENAWALT: Brian Greenawalt. I believe when we did the analysis of the in-house costs, we did add the mobilization/de-mobilization for the year to the particular project as if it were --

MR. GIBSON: As if it were the only project that ship did that year.

MR. GREENAWALT: Right.

MS. BROHL: Scott, the follow-up on this would be that this would be, perhaps, after listening to the discussion today, clarify a more succinct statement or task, and then tomorrow, as we put up all the proposed tasks, we could address it more clearly. And at this point we would assume -- I'm presuming that NOAA will provide the methodology for us to comment on.

CAPTAIN PARSONS: Yes, that is correct. Our intention is to provide you all information that we have to make your job as easy as possible, to take a look at what our approach is, and how we are proposing to go forward, and essentially get your read and your recommendations on whether we have made all considerations.

MS. BROHL: It's your thought that this would

be directed to Working Group No. 2? And if that's the case, for those of us who are not in Working Group No. 2, but may, by issue, want to be on one group or another, as you said -- you know, as Scott said to us, "Just because you've said up front you might want to be on one group or another, that doesn't prohibit you from moving," and I would think that's an issue-based decision.

CAPTAIN PARSONS: Yeah, right. Certainly the expertise in this room to NOAA, we don't particularly care where the advice comes from. This is an extremely diverse group with a lot of expertise, and we leave it to you to determine who participates and what recommendations are provided.

MR. GRAY: Bill Gray. I don't know whether this is to you, Mike, or to Roger, too, but as one contemplates whether something should be done by NOAA or a contractor or a time charter, its private industry and so forth, I presume, in large measure, this was pushed because the Congress was getting this pushed from the private sector "Cut us in on this work." And the question I've got is, what about maintaining the expertise that NOAA does on this and what are the liability issues? Because just as we know with certain of the reproduction of charts and

things like that, the private sector output, they disclaim any liability for these things. And I wonder whether that isn't an issue, also, with the people who run contracted vessels to do this kind of work; whether the people who are doing the hydrographic work, the actual taking of data and so forth, whether there's a liability or a quality issue there.

I just sort of inherently feel, just as the whole activity -- it's a good thing that one of your vessels is named Thomas Jefferson, because I guess he sort of was the father of this being a federal responsibility, with which I agree. And with all these fine-tuning of the analyses of how you get the costs cost-effective, I mean, which is all just fine, but to me, I think we're operating to the right of the decimal point, if I could put it that way.

And the bigger issue is who should do this stuff, how fast, and what are they going to do once you get rid of the rest of that 44,000 square mile backlog, because that's when the continuing expertise and ability and use of the most modern techniques -- and you quite rightly, Mike, mention the lidar and some of these, I mean, there are limits to each one of these things and that's why you need multiple techniques to get the right answer.

And I sort of feel that for my part on this panel, and if we're going to get this thing in Work Group 2, to me, as I say, we're operating to the right of the decimal point. Let's get down to the big issues. Like while you're doing it, I've been looking through here and I find out that out of the total NOAA budget, this activity that you're talking about is a fraction of one percent. It ought to be up around 20, 30, 40 percent to get the really critical things done and then to get on to other things that ought to be done, and that's where my interest is on this. Thank you.

MR. WEST: Dick West. And I hate to bring this up. I'm confused by these numbers. I tried to understand them in New York, and I sat here patiently for the last hour and I still have a problem.

Mike, did you say that even after you added in the ships on the federal side, the numbers were about the same; is that what you said?

MR. GIBSON: The magnitude was -- it did not change the order of magnitude.

MR. WEST: Well, I don't understand that. Because I still don't understand the difference between -- you know, one's --

MR. GIBSON: In other words --

MR. WEST: Yeah, I heard -- you put them in this way already because the public has already paid for the ship, is what I think you said. Does that explain the difference between 24 and 58? There's something there that I'm missing.

MR. GIBSON: I wouldn't say that explains the difference between that magnitude of difference. You can certainly play it that way, but if the Government buys a ship, it gets amortized out over the life of the usefulness of the vessel.

MR. WEST: Well, no matter who buys it, it's got to be amortized. So it's not fair for you not to amortize it and then have the contractor have to amortize it if you're trying to figure out what's the most efficient way for the Government to go, because at some point your ships go away and you have to build a new one --

MR. GIBSON: Right.

MR. WEST: -- and so this is maybe applicable if all your ships are paid for now and it's good for this year, but when the ships get to the 30-year life or something and you have to build another one, then you have this spike. So I still don't understand the difference between 24 and 58? Is it people? Is it --

Larry?

MR. WHITING: A $58,000 job -- Larry Whiting -- that was conducted by Terre Surveys on the Keskey Shoal. I don't remember what the average depth was, but I'll bet it wasn't much more than 25 feet, it was rocky, it was in an exposed area. It is not normalized, in my opinion, not normalized to the same type of survey.

So this is what I was trying to ask about a little while ago. Let's get these things normalized, and that's a term from somebody else. I wasn't using it, but --

MR. WEST: Well, I think we have to -- I have to resolve, in my mind, because this is an issue on the Hill, folks. I mean, let's face it, we got some folks right here.

MR. GIBSON: I mean, there's certainly some differences. If I may add, one of the reasons that NOAA is very effective in Alaska -- and again, help me out, guys, if I'm wrong -- is when we put a Class 2 vessel in an area with six survey launches, we refer to that as a big gun, you essentially have seven hydrographic platforms in that area for the cost of that ship per day.

MR. WEST: So you're saying the difference is then capability of the platform; is that what you're

saying?

MR. GIBSON: That's part of it.

MR. WEST: I need some more. I just don't understand. There's an order of magnitude difference, and I just can't figure out where it is. It's probably simple, but it's not sinking in here.

CAPTAIN PARSONS: I'm Roger Parsons. I might add something here. Mike, you did say, in this case, the 24,000 or any of these numbers of in-house, that includes an amortized cost of the survey platform, or it did not?

MR. GIBSON: Yeah. What we did was after we initially came up with numbers, there was some suggestion that it wasn't fair because of the fact that NOAA's vessel's already paid for. And so we took some of the examples of the Rainier and we added a substantial cost for a brand new replacement vessel, amortized that out over the useful life of such a vessel, added back into the cost of that survey, and it did not change the magnitude.

Now, in terms of whether the same thing that's amortized out on a contract, You know, I don't know how you do that because we pay for those square nautical miles what we pay.

CAPTAIN PARSONS: And again, the contractor

costs -- I mean, these numbers aren't based on a single survey, are they?

MR. WHITING: Yes, Captain, that $58,000 was based on one survey, the first one -- was it the first one that we did?

The first one that we did in Cook inland. Those numbers are not normalized because it's rocks out there. Nobody knew what was there. Boats don't normally go in that area, but they still had to delineate where it is for their approaches on the inside of that. So it was not a normal survey conducted by Terra Surveys for shallow water in Alaska.

MR. GIBSON: And if I may add on to that, you know, in fairness to what I think Larry's getting at, that was a 2001 cost analysis based on real data for what we did that was used in that cost analysis. Not every survey that we've done since then has cost that same amount per square nautical mile. So that's why we need to redo this analysis.

CAPTAIN PARSONS: Roger Parsons. And again, this 58 or the 35 or whatever, we're looking at contracted costs, this is not an average of shallow -- a series of shallow water surveys in Alaska or it's not an average of deep water surveys in Alaska. It's

a single survey cost?

MR. GIBSON: There were a few surveys of that survey type and geographical region that were used to come up with an average, but it's not a big statistical sample.

CAPTAIN PARSONS: So it's going to be encumbant upon NOAA to make sure, and I'll use the word "normalize" again, that we're comparing apples and apples?

MR. GIBSON: That's right.

CAPTAIN PARSONS: And certainly these numbers -- if these numbers are not comparing apples and apples, we're not doing justice to throwing these numbers out.

MR. GIBSON: Right.

MR. WHITING: Amen. Because what this does is allow the contractor -- if I'm one, I'm going to be upset with this, if this is being shown to the Hill to justify where the money goes. And you've added a second problem by rolling it all up into one now as to no matter how you parcel off your 31 million or whatever it is, they're not going to agree with the proportion, I don't think.

MR. GIBSON: Right. But the difficulty that we have -- and we certainly don't disagree. That's

why we want to keep doing these cost analyses, we want to see if in fact what we learned early on was anomalous or if that is going to have a trend line that's going to be down and we're going to be more effective per square nautical mile at using any approach.

But what we have to answer sometimes on an annual basis, when we get questions from the Hill and O and B, "What did it cost you to do this work this year with these appropriations?" We have to answer that question.

MR. WEST: I understand. And had you said that before the New York City briefing, what you just said there, then I would have had a better understanding of this. Because if you take this slide, it looks like you can't -- the contract is twice as much as the Federal Government, across the boards, forever. So why should I, you know -- and that's a little misleading and you just opening yourself up to some heartburn on the Hill.

CAPTAIN PARSONS: And certainly one of the goals of a renewed study is to eliminate those inadequacies and to normalize those comparisons. That's certainly what we will strive to do with the help of this panel.

MR. DASLER: I just had another comment. I don't know if at any point are they looking at -- granted, these are the large operations in the big critical areas, but for contracting, too, I mean there's other areas, critical areas throughout the United States. There's regional issues, and NOAA is heavily geared up right now for the large, big operations.

There is the NRT teams that are out, but there's still a significant amount of other areas as you get from navigation advisors critical areas that are popping up around the country. Is any of that ever going to be considered into the mix in terms of cost analysis or is it mainly the bigger operations? Again, it's more difficult because not every square nautical mile is --

MR. GIBSON: That's exactly right. And NOAA -- and not only that, is not every square nautical mile the same in terms of, you know, environmentally or remoteness and that sort of thing, but I mean I think when you look at the NRTs, they're actually doing a different type of work. They're not conducting basic hydrography. They're not out there mowing the lawn the way that the -- the NRTs do not work for the hydrographic surveys division, in other

words. They're doing a different type of chart adequacy-type work.

MR. DASLER: Yeah. And just from the contracting standpoint, there's a lot of assets throughout the U.S. that are geared up for that kind of operation on a more regional level that could be beneficial.

MR. GIBSON: So, yeah, we're open to recommendations on alternatives and what we should possibly try and acquire costs -- or evaluate costs of doing business in certain ways.

CAPTAIN PARSONS: Roger Parsons. And let me point out one more time that you brought up navigation response teams. Navigation response teams are not tasked with the responsibility of conducting basic surveys. They investigate specific items and issues of interest to port authorities and pilot associations and interested constituents; they validate ENCs and they respond to emergency situations.

They are not set up to conduct basic hydrographic surveys in the traditional sense of the word. So that is one of the reasons we have not proposed the NRTs be included in this study. I certainly would not say that that's not a recommendation that should come from this panel,

but that again elevates the disparity between what you're comparing. I just want to point that out.

MR. DASLER: You know, it's funny, not it's -- I guess with more mobile survey operations you're more geared up for the large ship operations than doing surveys throughout the nation on a smaller scale.

MR. GIBSON: Right, on the average, I would say that's true.

CHAIRMAN RAINEY: Larry, did you have a comment?

MR. WHITING: I was going to talk about the NRT, but I'll save that.

CHAIRMAN RAINEY: John, do you have a comment?

MR. OSWALD: I have one, just a comment. I've worked for a lot of federal agencies. I've never seen cost studies done like this before.

Will O and B or NOAA request of this committee in the next few years cost studies or input like this for the other contracts -- the National Geodetic Survey has contracts, CO-OPS has contracts, there are A & E contracts, and Roger's group has yet other contracts for ENC, we had briefings on that. Is this going to keep coming up? I mean, when we finish

this one, are you going to study, like, shoreline mapping? You know, NGS I think does some still in-house and they contract some.

CAPTAIN PARSONS: Not speaking for NGS or CO-OPS, I certainly would say that any of these type of activities, we owe it to ourselves and our taxpayers to know exactly what we're getting and for what cost. So I would certainly say it is not out of the bounds of possibility that we will see other program offices conduct similar cost analyses, and hopefully the model that is perfected here can be utilized elsewhere.

Charlie?

MR. CHALLSTROM: Yeah. This came about in Coast Survey because of that part analysis O and B program review tool. We expect to have to do a similar type of analysis within National Geodetic Survey, not this next year but perhaps the following. But the difference here is that the shoreline contracting, for one thing, is a whole lot smaller effort, at this point, and we're making a concerted effort to push that to the private sector in order to leverage the capability and, in fact, leverage the interest that translates to more advocacy going to the Hill.

So there is that very recognized strategy that we're using for shoreline mapping. It isn't necessarily working as well as we would like it to, judging by you the -- you know, we're not showing great accelerations of support for shoreline mapping on the Hill, but some. So we're motivated anyway by pushing this to the private sector, but we're going to maintain our own in-house capability, as well, too. It's not just pushing it to the outside. We're trying to make sure that for a collection of reasons we maintain a constant response type of capability and be able to generate more standards. So that's sort of the outlook for shoreline mapping.

MR. WHITING: Larry Whiting again. I would like Barb to put up what's the OCS survey cost analysis sheet here? No, the one before that.

DR. LAPINE: The historic, '98 to 2004, one of the first.

MS. HESS: Page 6.

MR. WHITING: Here's a quick audit of your figures. We just added up the square nautical miles completed by contracts; that's a little over 6,000, and it came to $156 million. Dividing that up comes out to what? 25.98 per square nautical for contracts, so --

CAPTAIN PARSONS: This is all areas, Alaska, Gulf of Mexico, East Coast?

DR. LAPINE: It's a mix of everything, a good sampling.

MR. WHITING: That's your average right there, 25.98. It looks to me like it's about equal to what NOAA's in-house capabilities are.

MR. GIBSON: I guess you could look at it that way.

CAPTAIN PARSONS: Microphone, Mike.

MR. GIBSON: The math is the math. I mean it's like, you know, what story do you want to tell with statistics, I guess.

MR. WHITING: I'm just showing what could be.

MR. GIBSON: But I think when we start looking at what's the most effective use of what resources and what region and for what purpose, then you start getting down to, you know, a little bit finer analysis, possibly.

CAPTAIN PARSONS: And let me just state that NOAA is committed to these contracting partnerships. We are not debating on whether they are beneficial, whether we get adequate data. We certainly embrace the processes that we're using and the data that we're

getting. We couldn't do what we're doing now without the private sector partnering up with us on a contract basis.

And I certainly see your point here. There's a number of things you can do with numbers, and we're certainly not trying to sway it one way or the other. And that's the difficulty we've had with our discussions with O and B and others is to define what it costs per square mile, because it's a multi-parametered figure -- weather, area, time of the year, you name it -- and it all affects cost. I'm preaching to the choir on that.

MR. WHITING: Dick West. And that's what you have to say before you put figures like this up, so there is no confusion on that.

CAPTAIN PARSONS: Agreed.

MR. WEST: Don't get me wrong, I'm not trying to turn NOAA's fleet into the contractor. You have a great partnership here. You've got to have a core capability within the Federal Government, but you've also got to have a very effective partner with a contracting firm. And this is just creating a little bit of friction here, in my opinion, by putting it out like that.

MR. DASLER: And I'd just like to follow up

with a comment, too. There's other intangibles, I think, that go into that. And I think you expressed it right in that it's a partnership in working with private industry. There's a lot of R and D that goes on, exchange of technology and information and advances on the contracting, and a lot of R and D might be amortized. But there's a lot more going on, I think, than people realize.

CAPTAIN PARSONS: And there will be a natural follow-on discussion this afternoon about the contracting strategies and the opportunities for expanding those partnerships that Brian Greenawalt will give, and a little further discussion on Brooks Act A & E and how that process works, for those that are a little unfamiliar with that. They're very related, but what we're going to be asking of the working group of the panel is to provide us information on two slightly different topics, and that will become more clear this afternoon.

CHAIRMAN RAINEY: Okay. Thanks, Mike, for the flexibility and coming earlier. That allowed us a lot of comment after the fact, so we really appreciate that and thanks for the presentation.

I think we'll go ahead, and we're pretty much on schedule now. The break was refreshed back there

at 11:00, so there is some new things out there, as well. But we'll go ahead and adjourn for lunch here. And we're on our own for lunch. There's a lot of places around, close by.

If you notice on the agenda, we don't return here. We'll reconvene at the hydro session that John's moderating. It's over in I think it's Randall A and B, so that's where we'll reconvene at 1315. Thanks.

AFTERNOON SESSION

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CHAIRMAN RAINEY: You wanted to add something?

MR. WHITING: Whenever the court reporter starts up, I wanted to change that figure from Page 6. It's not 25 thousand per square mile. It's 20.7. My math was off in my head, I'm sorry.

CHAIRMAN RAINEY: I'll turn the floor over to Captain Parsons.

CAPTAIN PARSONS: A number of the panel members had requested that NOAA review the Navigation Services Budget for '05, and the President's request under navigation services for '06.

There's a presentation in your book under

Tab K that will also be projected up here. I've asked both Charles Challstrom of NGS and Mike Szabados of CO-OPS to chime in at any point, particularly as it relates to their particular programs, and the Charlie, as the commence and transportation goal lead, as it pertains to a process. I want to give you a sense of where we're at in '05 in terms of budgets and what the President has requested in support of navigation services in '06.

A slight reminder. I think you all are aware that under the PPBES process, that's program, planning, budgeting, execution system, NOAA's programs and budgets fall under five primary mission goals. Those are the mission goals within the strategic plan. There's ecosystems, there are climate, weather and water, commerce and transportation, and what is known as organizational excellence or critical support.

Now, while a majority of navigation services -- by far the majority of navigation services falls under the commerce and transportation goal team, that's not to say that the products and services that result from these programs do not impact ecosystems, climate, weather and water, to some degree. But I think it's safe to say that commerce and

transportation is primarily where the funding for this program resides.

Another thing to keep in mind. That at any given time NOAA, as most organizations, are working within four budget cycles: Currently executing FY '05, budgeting for '06, programming for '07, and planning '08 through '12. It is a continuous process and one that has been serving us well for a couple of years now.

A look at where the funding for Marine Transportation Systems and Geodesy -- and again, the program -- while it's under the commerce and transportation goal team, the program that most of this funding falls under is Marine Transportation System, MTS. This slide shows the FY '05 request and the appropriated amounts, and it's a little misleading. If I can point out under Electronic Navigational Charts, although the request in '05 was for a 2 million increase over the previous year, there was no increase appropriated. So that particular line for electronic navigation charts is funded at $4.2 million. A survey backlog, although the request was 20 and half, appropriated this year is a little less at 18.7 and so forth down the line.

I think it was mentioned earlier, the time

charter, while certainly, if you take a look at the right, the 1.9 million appropriated will not fund the time charter for a year. That amount that was appropriated will extend the existing contract roughly two months. So the performance period for the time charter will end roughly early July. The 1.9 million will take it an additional two months, and so forth on this list: National Water Level Observation Networks, 2.7 million appropriated, and so forth.

The address survey backlog of 18.7 is supplemented by a number of earmarks. As you see down below, 6.6 million in earmarks, 4.4 which we have been directed to spend on survey activities in the waters of Alaska. Somebody had asked before whether there is a Hill interaction with our budget to the extent that it involves operations, and this is a clear example of where that is. There were four separate earmarks under address survey backlog, of which 6.6 are able to apply to the survey backlog.

Mike, Charlie, do you have any comments on any of the other earmarks down below in '05?

Pretty self-explanatory there.

Next couple slides talk about the Integrated Ocean Observing System and the Navigation Services piece of that. One thing I think you will hear from

Admiral West tomorrow when he briefs that on the two Hill visits that were made over the last couple weeks is that there is a misunderstanding or a confusion on the Hill between what IOOS is and what Navigation Services programs, how they support IOOS. What I want to do is take you through again, step-by-step, how we envision IOOS and how we see NOAA's Navigation Services programs being part of that.

There are seven bullets below the IOOS statement there, and these are the goals of the Integrated Ocean Reserving System. And while the second one improved the safety and efficiency of marine operations is particularly interesting and relevant to this committee, I would equally say that Navigation Services supports, in some degree, in some shape and form, all seven of the goals of IOOS. And so while we hang our hat on the safety and efficiency of marine operations, understand that the data we produced, the products and services we produce, can also support those other goals.

And so under Integrated Ocean Observing System, this is how we envision, this is what we see as our piece of IOOS on the Navigation Services side in FY '05. Now, if you look through the FY '05 budget, you won't see these items identified as IOOS,

but we clearly have delineated these as supporting the Integrated Ocean Observing System. And the FY '05, most of these -- some of them are base and some of them are active. But I think it's safe to say that these are the FY '05 enacted portions of Navigation Services that provide support to IOOS: Tides and currents program, the hydrographic survey, and shoreline mapping programs, the Nowcast forecast models, the VDatum, and the last one is better placed as NGS base. That's, in fact, $22 million and not 6.4.

So there's a consideration chunk of navigation services that we see as supporting directly the concept of IOOS. And oftentimes folks are looking into the line items for NOAA looking for an IOOS line item, and while there are several, these are not identified specifically as IOOS but they do support that concept and that program.

And then there are a number of specific earmarks in '05 which are readily identifiable as IOOS or, in this case, Integrated Coastal and Ocean Observing Systems. There's some $24.5 million under ICOOS, and another 30.8 understand the Coastal Observation Technology Systems Grants. So there are a number of IOOS-identified lines that have an

application to navigation services that are identified as IOOS or, in this case, ICOOS.

In FY '05, navigation services is directly benefiting from some of that IOOS money. The Office of Coast Survey is being allocated roughly half a million dollars for some additional work on autonomous underwater vehicles. And NWLON, National Water Level Observation Network, is receiving approximately a little under $2 million for tsunami and storm surge work and to fill some NWLON gaps in the system.

MS. BROHL: Can I ask a question on the previous slide?

CAPTAIN PARSONS: Sure.

MS. BROHL: Thanks. Helen Brohl. On the previous slide you have the earmarks for IOOS, the IOOS-specific earmarks of 55.3 million. Could you clarify those? I know of a 16 million in regular NOAA appropriations under '05, but I don't -- could you explain where that 55.3 million came from? It's from this here?

CAPTAIN PARSONS: I'm sorry. Say that again, Helen.

MS. BROHL: Okay. I guess I'm seeing a little bit more. 55 is the summary of these on the

right, okay, and so you had the first one, the ICOOS, where did that earmark come from?

What I recall is in the '05 appropriations for NOAA, I recall the 16.5 to go for ICOOS, essentially.

CAPTAIN PARSONS: Correct.

MS. BROHL: But I don't recall where the other ones came from. Where did they come from?

CAPTAIN PARSONS: Well, there's a line in the budget for weather service buoys that are envisioned to be part of ICOOS.

MS. BROHL: Okay. So it came under weather service designated for IOOS?

CAPTAIN PARSONS: I believe that's correct.

Mike?

MR. SZABADOS: If you're referring to the weather buoys under NDBC, that was in the NOS budget identified for the weather service buoys.

MS. BROHL: Okay, but it was identified as IOOS-related stuff for weather buoys, or you're breaking it out now to be something that was IOOS-related?

MR. SZABADOS: Helen, I think it was under the IOOS, but I'm not a hundred sure.

MS. BROHL: Okay. And the 24.5 million for

ICOOS, where did that show up?

MR. SZABADOS: That probably showed up in --

MS. BROHL: I see. That's together, okay. All right.

MR. SZABADOS: That's under the Coastal Service Center is managing that.

MS. BROHL: And then the joint NOAA/UNH Observations, the 4.4 million earmark, where in the NOAA line item did that show up as an earmark?

MR. SZABADOS: Roger, do you have that?

CAPTAIN PARSONS: I'd have to search through the actual proposed operating plan to find that, but it's one of a -- it's another joint center earmarked for the University of New Hampshire.

MS. BROHL: It came out -- it's an NOS earmark?

CAPTAIN PARSONS: Correct.

MS. BROHL: Okay. An NOS earmark under what? I'm just asking because I want to understand, you know, how much is just -- what I recall is seeing 16.5 million for IOOS that went to NOAA overall, and then NOAA distributed that somehow.

CAPTAIN PARSONS: Correct.

MS. BROHL: So when I see the balance of that, I mean, gee, where did it come from? Was it

identified as IOOS, in particular, or was it generated -- did NOAA get to distribute it?

I mean, 55.5 million for IOOS is a huge sum of money, and I'm just trying to identify how much of that was identified by Congress specifically to go to these areas or how much NOAA identified it to go to those areas.

CAPTAIN PARSONS: I'd have to get back to you on that, Helen. I don't think I could answer that directly right now.

MS. BROHL: And then if you could add to that, the Coastal Observation Technical System Grants, were those also under NOS?

CAPTAIN PARSONS: I believe they were.

MR. SZABADOS: They were.

MS. BROHL: Okay. Thank you.

CAPTAIN PARSONS: Go to the next slide, Barbara.

Again, there were some increases on the '05 budget directly associated with IOOS, and those are listed here. Again, some of these were under the NOS line, and I believe there may have been several of these under the weather service line, as well, but they are perceived and envisioned to have direct IOOS implications. Some of them again affect the commerce

and transportation budgets.

Next item, the '06 request. There is a total of 18.7 million in requested increases over the previous year. And what I'll do is run down them quickly here and then describe them in detail in the next couple slides.

Data acquisition and processing improvements, vertical datum transformation tool, the ENCs. And there are several full-time equivalents and people associated with some of these increases that are being requested in the '06 request, as well, and all the way down to the end. So let me go through individually what we are requesting, what the President is requesting for increases in the navigation services area.

There is $1 million to work on addressing survey backlog and improving the capability to acquire and process hydrographic data. You see some three components on the bottom. Most of this $1 million is going towards the procurement of three GPS-enabled buoys to assist in obtaining water level correcters in the field, again roughly a third of the time required to get data from the field to the chart is involved with the acquisition and processing of water level data. We hope to see this diminished considerably by

having this capability in the field.

Also, the procurement of satellite imagery for update of shoreline and the change analysis program and support the field units again with some additional equipment purchases. So we have this all under heading of "Data Acquisition and Processing Improvements." It's part of the streamlining of the data pipeline to get data from the field to the users in a more timely manner.

$2 million for the vertical datum transformation tool. I think on several occasions we have briefed the committee on the value of VDatum and the ability to combine datasets that were collected on different vertical datums. This will be the first time, if the President's request is realized, that NOAA will have appropriated funds to begin developing, in earnest, vertical datum transformation tools for particular geographic areas. We see this as a real big plus enabling us, the three programs in here, to do their work more efficiently, and also enable a number of programs that utilize our data to start utilizing a lot of this data that heretofore they've been unable to because it's been collected by a number of agencies on different vertical datum.

The President's request in '06 also includes

again a 1.9 million request for the ENC program. That would bring, if realized, the total ENC funding in '06 up to a little over $6 million. This will also enable us to add an addition 145 ENCs to the suite, the entire suite, by the end of '06, with the goal at this level of completing the entire nation's ENC suite by the end of 2008. That will bring the total electronic navigational chart cells up to roughly 980, and we see this as a realistic goal at these levels of funding.

And there's only so fast that we can move this along. More money for this particular program will not necessarily produce ENCs faster. We have a partnership with a number of private sector contractors to build and maintain the ENCs, and there's only so fast we can push that process along. So we see roughly 1.9, $2 million increase as being very beneficial.

Also on the increase of .7 to the mapping and charting base, and this is primarily to fund two additional navigational response teams. The goal currently is eight navigational response teams regionally based around the country, and this will enable us to fund NRTs five and six with some additional FTEs, as well.

And the Joint Hydrographic Center, there is

no change. The request is for $7.5 million, which is the funding realized in FY '05 for the joint hydro center. Again, a commentary here, keep in mind joint hydrographic center has two primary functions; one is the education of future ocean mappers and hydrographic surveyors, and the second is research and development of new technologies for data acquisition and data processing, as well.

Survey backlog is unique in the '06 request. Monies that were allocated or appropriated to a specific time charter line item in the past has been rolled up into the address survey backlog. We briefly discussed that before. This will bring the entire address survey backlog line up to $31.5 million. And again, this is funding that is appropriated for outsourcing of hydrographic services.

Next one. The Geodesy increase requested is a little under a million dollars at 900,000.

And Charlie, if you want to talk about some of the benefits of this increase.

MR. CHALLSTROM: It's predominantly focused on restoring support for efforts in California and in South Carolina. It's roughly split between those two. These are centers of excellence that have been functioning before, and in this last gyration got cut

out of the budget. So this has restored roughly a half million to each of those state efforts.

CAPTAIN PARSONS: Next slide. This is a requirement across NOAA that funding be allocated for socioeconomic studies; in this case, a determination of the value of navigation services and products. We have not done a particularly good job over the years of quantifying the value of our products, the products of the navigation services programs, to its users.

We have a lot of anecdotal information on how -- a lot of intuitive understanding of how our products and our services benefit the users, both in the marine transportation system and the coastal zone management system. But this money will be used to analyze and quantify exactly the benefits of this program. It's not a lot of money. It's only the beginning of a socioeconomic study. And I think you will see this across the board in NOAA, more and more of this type of funding for this type of studies.

MR. McGOVERN: Excuse me, Roger.

CAPTAIN PARSONS: Yes.

MR. McGOVERN: Andrew McGovern. Is that for all of NOAA or just --

CAPTAIN PARSONS: This is just navigation services, this 300,000.

MR. McGOVERN: Okay.

MR. GRAY: Roger?

CAPTAIN PARSONS: Sir.

MR. GRAY: Can you give an example of the type of study you can do to get a number, kind of thing?

CAPTAIN PARSONS: Yeah. Charlie?

MR. CHALLSTROM: We've got, for instance, one of these studies going right now that costs about 100,000 -- I'm splitting it with the Department of Transportation -- but it's to quantify the benefits for the improvements to the GPS signals improved civil signals on GPS constellation that are coming along, L2C, in particular, that study is going.

So we're looking for efficiencies that can be realized and their economic impacts. This kind of information is very useful when you're justifying increases to congressional staffers, so -- we have several others we'd like to get underway, including looking at, for instance, the footprint for coverage of ports is one of those kind of studies that we believe we can do more with. That's another example.

CAPTAIN PARSONS: And, Mike, I believe CO-OPS has a study underway in the Tampa area on the value of ports data to shipping companies?

MR. SZABADOS: That's correct. And we're anticipating that to be within the month we should have that completed.

CAPTAIN PARSONS: So again, there is a lot of anecdotal information, not only on navigation services and products but throughout NOAA, but not a real good job of quantifying the value of those products to the users.

MR. GRAY: Do you ask the users?

CAPTAIN PARSONS: I'm sorry. Do we ask the users?

MR. GRAY: Yes.

CAPTAIN PARSONS: Oh, certainly, and that's where the anecdotal information comes. But these are more quantitative studies.

MR. CHALLSTROM: We are trying to come up with some of the numbers. For instance, as an example, this week on the GPS improvement study, we're finding the value of some of those observations to the energy and utility industry and how that can improve their efficiency on planning, as an example. And there is some quantification happening with those economic benefits.

MR. GRAY: Well, again, I've beat this drum before, but the value of accidents prevented, and

that's where the big money is, for sure --

CAPTAIN PARSONS: I wouldn't disagree. And that's information we don't have. It is difficult to quantify the calamities that don't occur because of the products and services you provide. That's what this attempt is.

MR. GRAY: But I'd go back to what I said this morning about Delaware River; it's in excess of $100 million that's been spent. There's a lot more still to be spent. And I know that may not be on NOAA's watch, but it's on the Government's watch and that comes back.

And I still see that the whole thing out of the five goals, that the commerce and transportation one is pitifully funded, and that's where you can really make some money if you want to get things that are valuable to prevent bad things from happening.

MR. McGOVERN: Mike, you just had mentioned that you was doing that study on ports in Tampa benefiting the shipping companies, but it benefits a lot more. Are you doing it, I mean, on the benefit to Tampa or just to the shipping companies?

MR. SZABADOS: It was a benefit to Tampa. It was more than the maritime industry. It was actually the recreational industry, the coastal managers, the

city managers were all included.

MR. McGOVERN: Okay.

MS. BROHL: Excuse me. Could I add, Mike, could you give us an example of one of the quantifiable benefits you think that you're going to be seeing from the PORTS site in Tampa?

MR. SZABADOS: Let me repeat what I think the question is. From this study, what may be the benefits?

MS. BROHL: Yes.

MR. SZABADOS: I think we'd hope to quantify some of the economic benefit of having that information, from the mariner who can, first of all, potentially lower their vessel a little bit more. Actually, from the recreational area, number one user for winds, PORTS winds, is the windsurfers. That supports the recreational community, as well as when there's an incident that does occur, in the cleanup and the placement of any booms and whatnot, they use the PORTS information for placement of that information.

Again, all this was hopefully captured in this. I forget the name of the economist who ran the study for us --

CAPTAIN PARSONS: Hykeypal (phonetic).

MR. SZABADOS: -- who's a renowned economist in the marine industry. I'm looking forward to seeing that. I haven't seen it yet.

MS. BROHL: How will that information be presented? How will it be published or presented for the public or for any of us to -- is that going to be an internal document?

MR. SZABADOS: No. Once this document is available, it will be made available to the FACA as well as the public. What we'd like to do is use it as a basis for follow-on studies for additional port areas. We could use this as a model for going out and doing additional studies.

MR. CHALLSTROM: Roger, I might mention that NOAA now has a chief economist on board to coordinate these studies, and we've been working real closely with Rodney Weir, the economist, to identify a number of candidate opportunities, and we have probably about a dozen ideas, and about five or six are already started.

CHAIRMAN RAINEY: One comment I had on this approach. Some of our experience within the marine transportation system in looking at some of these things, have any of these that you have gone through the process and then used, I assume the premise is

that you'll show that there's great benefit and therefore it's worth pursuing. But in the context in some of the cases with marine transportation infrastructure improvements, it almost comes full circle. They're saying, "Well, look at the economic benefits, then thereby we need user fees, you know, would be appropriate to cover some of this, in some cases."

Have you seen any of that with the effort that NOAA has done as far as -- I mean, I assume that the premise is that there's a great value in these hydro services, and that would obviously be the message we're trying to get, but I'm just curious, when you've gone forward with a report like this, if you've seen that kind of reaction to it.

MR. CHALLSTROM: I might use as an example the report to Congress that we did along these same lines on the value to constituents of height modernization which showed values of $12 billion for the type of investment that was proposed. That was a report done in 1998, and as we've seen in the Congressional support for the Geodesy program, it's been reflected in significant increases, showing that it's worth the public investment.

There had been no discussion or, as far as I

know, even any hints of any type of generating user fees from it. What they really were doing was showing that it was worthy of the public investment. The same thing has come out and will come out, I believe, under the studies for improvements to the GPS infrastructure for the civil sector.

I will say that there are certainly defense department elements who would like the civil agencies to help pay for those satellite improvements, so it may cause some internal jugglings of budget, but still it's still being used to justify the significant public investments on improving the next couple of generations on GPS.

CAPTAIN PARSONS: Next line is a $1.5 million increase for Nationals Current Program. And, Mike, I'll let you comment on the specifics here.

MR. SZABADOS: This is a major upgrade to our current program, which was basically in the '80s, basically eliminated. This information goes into what you probably traditionally know as our tide or current tables. Basically the flood net into our main waterways. This again is a substantial investment in increasing that capability. The majority of this will be contracted out. That's basically it, unless you have any questions.

CAPTAIN PARSONS: Again, these '06 increases represent nearly a $19 million increase over FY '05 appropriated levels. Adam McBride had asked me just a couple minutes ago whether these included earmarks, and the answer is no. The President's request obviously does not include earmarks. So whether we will see earmarks in the actual appropriations for '06 is time-dependent. The President's request does not reflect a number of the items that you see in the '05 appropriations.

Comments about the '05 nav services budget and/or the '06 President's request?

MS. BROHL: Thank you. Helen Brohl.

I'd like to go back to the FY 2005 page on NOAA Navigation Services IOOS increases. The first one at the top says Autonomous Underwater Vehicles. Actually, the question is about NWLON and the 1.94 million, Mike, address tsunami, is this part of a supplemental or is this part of your regular line item appropriation that you're crediting to IOOS?

MR. SZABADOS: There's a supplemental on the Hill right now for an increase for tsunami observing systems. This does not include that. There's a $1.1 million on top of this which is potentially coming later this year.

MS. BROHL: Out of all the extraordinary sum of money in '05 that went to IOOS-related stuff or tsunami -- and let's say IOOS first -- how much of that went to the core programs that you manage which we've stated in other parts of our discussion today -- first parts of this are clearly the backbone for IOOS, how much of it came to you or to your --

MR. SZABADOS: This 1.94 is included.

MS. BROHL: That's it?

MR. SZABADOS: That's included. And a portion on the second page at the very bottom, Data Management and Communications, there's $1.3 million for the National Data Buoy Center and NWLON and PORTS. A portion of that, I'm not sure exactly, I think a little less than half of that, also went to us for some data management issues for developing IOOS data management standards.

MS. BROHL: That's actually a very good thing.

I guess I just have to say that it's an extraordinary sum of money went to IOOS and how very little of it went to the core programs that, as it said here earlier, are the backbone of IOOS. It's unfortunate there isn't more.

Had there been the possibility in the

discussion, Mike, that when you got these supplementals for IOOS, that some of it could go towards PORTS, recognizing that it's a one-year type of an opportunity and that that in itself is a precarious question, whether you want to invest one year in something, you don't know what's going to happen the next year, but was there any discussion about that, internal discussion and talks about moving forward?

MR. SZABADOS: There was a discussion on potential for PORTS for this supplemental for IOOS, and the decision was not to do that for -- a basic reason is that right now PORTS O and M, it relies on that partnership, a cost-sharing, and that one-time funding in that partnership would not be manageable or practical.

MS. BROHL: But could there have been some of that to go to, let's say, maintenance, at least, which is, you know, fixing the hardware a little bit, which is more one time in the short run, as compared to the operations, which is dependent upon -- I mean, I would that any of the existing PORTS sites could use a boost in just hardware improvements, which is different than ongoing operations, which relies much more heavily on the partnership, and could that have happened?

And then the second question is back to NWLON. Given the fact that you have 175 sites out there, outside the Great Lakes, that are in desperate need, could more money have gone into that to upgrade those even further for preparation for real-time?

MR. SZABADOS: As far as part of the funding which went to part of the backbone, the 1.94 did go to part of the backbone, which basically we see that as a contribution to the PORTS system, where we do have an NWLON station, and the maintenance of that, it helps support that. But as far as for the additional sensors funded by the partner, we did not consider it funding that, no.

MS. BROHL: Let me ask again. I know you answered this, but I want to make sure. This 1.94 million for NWLON was out of IOOS money separate than your regular line item?

MR. SZABADOS: Yes.

MS. BROHL: Okay. Thank you.

CAPTAIN PARSONS: Yeah, if I'm not mistaken, and perhaps Charlie or Mike can correct me on this, that this half a million and the 1.9 million was NOS's appropriations that came out of that 16.5 million on the one slide earlier.

MR. SZABADOS: That is correct.

CAPTAIN PARSONS: Helen, if you swing back, you can see the 16.5 there. NOS distributed that money through a number of programs, and those that directly benefited navigation services are reflected in that following slide for AUVs and NWLON. So that was internal NOS decisions for reallocation.

MS. BROHL: One more?

MR. WHITING: Go ahead.

MS. BROHL: All right. I want to ask. You might not know this, but out of that 16 million that NOS distributed, how much actually went to the creation of regional associations which are new, brand new bureaucracies to create solely different and outside observations when we already have one in our hand, which is called PORTS and NWLON. So I just have to ask, how much of that 16 million went to regional associations to create new bureaucracies as compared to the investment of the federal backbone?

MR. SZABADOS: Helen, we'll have to get back to you on that one. I don't know.

MS. BROHL: If it's more than what it takes to support PORTS in one year, then --

DR. LAPINE: Helen, ask where the other 14 million went.

MS. BROHL: You mean ask specifically?

Yes? Thanks.

It would be nice to have a report on how the 16 million was -- 16.5 million was distributed by NOS.

CAPTAIN PARSONS: We can certainly provide that information. But again, 1.5 million went strictly to support those activities related to navigation services.

Larry?

MR. WHITING: NRTs, right?

I see you have asked for an increase to support an expansion of your NRTs, but you only have down .7 million for that for an increase. What is the base item on that?

You're asking for an increase against the complete mapping and charting. How much does it cost us for the five or six NRTs that are in place now?

CAPTAIN PARSONS: It costs roughly a million dollars to establish a navigation response team and a little less than that to operate it.

MR. WHITING: That's every year?

CAPTAIN PARSONS: Correct; it's been coming out of base.

MR. WHITING: A million dollars per team --

CAPTAIN PARSONS: To establish.

MR. WHITING: -- to establish, and a little less than a million dollars to operate?

CAPTAIN PARSONS: I think it's about $700,000. I'd have to get back to you on specific numbers there.

MR. WHITING: I'd love to have one of those contracts. Yes, sir.

Are they being contracted?

CAPTAIN PARSONS: They are not.

MR. WHITING: Is not this type of work contractible?

CAPTAIN PARSONS: We don't see it as being contractible.

MR. WHITING: Any particular reason?

CAPTAIN PARSONS: A number of reasons. The function of the navigation response team, keep in mind, is primarily to address specific items regionally that port authorities, pilot associations, and the maritime community have.

The navigation response teams are staffed and headed up by government employees that consult on a daily basis other government agencies. This is not something that a private sector contractor can do, consulting and representing the Government on a day-to-day basis, particularly during emergency

responses.

MR. WHITING: Emergency responses, we did, what, three or four in the same time period that you did for eight of them with three teams, or however many in Florida. We did those same responses, Terra Surveys did, and probably for a lot less money than your teams cost to the Corp of Engineers. When we were finished, we called up the client, said it's clear. We found some items that were out there, the same as your teams probably did. And so it is contractible, and I, for one, can't support added NRTs without some facility in there for contracting.

You have navigation officers in almost every one of the states that contact the government, various governments around. You have a proven method of contracting now. I just cannot support the continued use of just NRTs. That's $5 million a year that you're talking about, or a little more, once you're in place. At a million dollars, there's a lot of companies out there that are small businesses that would very much like to have a definite contract, indefinite delivery contract for these items, so --

CAPTAIN PARSONS: Your observations are noted.

Other comments?

MR. OSWALD: Yeah, I just have one. Do you know what's happening with the fiscal year -- John Oswald -- the fiscal year '05 supplemental budget? Is that subject to discussion here or is it legal to discuss that?

MR. CHALLSTROM: All I know is there's about 35.9 -- 39.5 million in tsunami funds, mostly for dart upgrades in Hawaii and Alaska, some of that will affect CO-OPS. But is there other items that we should be interested in here? The supplemental --

CAPTAIN PARSONS: Mike, I'm not aware of those.

MR. SZABADOS: My understanding of that is I believe it's passed the Senate but hasn't been past the house yet. And I've been told not to expect those dollars, because we're getting a portion of that. I said 1.1, but we're actually getting $1.4 million to install more tide gauges to support a tsunami warning system. I think we're expecting those resources sometime May/June time frame, but I don't think it's been passed yet.

The other components are the dart buoys. I don't know specifically how many buoys there are going to be installed, and that's really the National Weather Service who's managing that component, and I

can't answer that question.

MR. 0SWALD: And you don't know of any other things that affect navigation services in the supplemental?

MR. SZABADOS: In that supplemental?

MR. OSWALD: Yes.

MR. SZABADOS: That's the only ones I can think of, that I'm aware of.

CAPTAIN PARSONS: Additional comments?

We'll get back to you on some of those numbers and some of those sources of funding that we didn't have.

Larry?

MR. WHITING: I have just one more kind of a comment in general. Some of these items show increases, some of them show decreases, some of them show the base. You know, they're back here in a table here. Can we put down the base, plus or minus the increases, on each one of these sheets next time? Just so we won't -- I've got to thumb back and forth through these things, and I'm a little bit slow.

CAPTAIN PARSONS: We can provide you whatever you'd like.

MR. WHITING: I'd sure like that.

CAPTAIN PARSONS: Okay.

MR. WEST: Dick West. Now that you've rolled up this survey backlog, I assume you have a procedure or a process whereby you determine what's to be done in-house and what's to be done by contract, and is that publicly aware? I mean, does everybody know how that's done?

CAPTAIN PARSONS: That's correct. I might state that on Friday a National Hydrographic Services contract was awarded. There were five private sector companies that were awarded a part of this contract, of which task orders will be awarded against them.

What occurs now is with the -- take a look at this year's budget with the roughly $18 million in survey backlog money, plus some additional funding that were earmarked, we roughly have about 23 to $24 million for survey backlog.

We take a look -- and we have already taken a look at that last year -- what areas we will need to cover based on the NOAA Hydrographic Survey Priorities Plan. We will take a look at what areas will go to contractors, what areas will be apportioned to NOAA's survey assets.

Again, we have two survey assets up in Alaska, two on the East Coast, and the rest of the work will be done through contract. So it's a

multi-year planning process, and the areas we address depend upon the money we get. I'm not sure if that answered your question or not.

CHAIRMAN RAINEY: Thank very much, Roger, Mike and Charlie.

CAPTAIN PARSONS: The next briefing we have, which again will lead to a task --

MR. McBRIDE: Are we finished with the budget?

CAPTAIN PARSONS: Unless there are other questions. Sorry.

MR. McBRIDE: Just an easy question, I'm sure, Roger, on the budget. Adam McBride speaking.

The terminations or rescissions as noted in these various documents, I don't understand what those are. Can you help me out on those?

CAPTAIN PARSONS: I believe I'll have to defer to Charlie on this one.

MR. CHALLSTROM: I'm really clearer on what rescission means, which is usually a situation which results when Congress first appropriates funds, and then in order to make some adjustments, they pull it back. So a rescission is money first given and then pulled back. It's usually done as across the board, relatively small percentages but it's across the board

type of amounts pulled back, and that's why you see some funny numbers that don't really -- in the detailed tables, for instance, that won't add up to exactly a million dollars or a half million. They started out that way and then they ended up at 467 or something like that. Those were resulting from various process rescissions.

Terminations, in general, when they're specified in those budgets tables, are showing that a program itself is no longer needed. That's the intention of a termination, trying to be that explicit. What sometimes happens in these tables, though, is that they show a termination of that, but in fact the base amount has been rolled up, and so that no longer has a specific line item for that particular item, and so it's shown as a termination, but usually the amount goes up into the base.

MR. SKINNER: Tom Skinner. Just a question. I'm trying to sort of add up things here. Going back to the IOOS earmarks, the 55.3 million, if you take -- let me see if my math and the way I'm looking at this is correct. If you take the total that goes to navigation services -- these don't have page numbers, but -- which I came up with 10.7 million and the amount going to the weather buoy, the total

comes to about 18.7 or roughly a third of the total that is in the IOOS earmarks, is that -- am I reading that correctly?

CAPTAIN PARSONS: I'm sort of missing you there, Tom. The 55.3 million is specifically IOOS earmarks in the '05 budget. Of that amount, I think we said before roughly a million and a half was allocated to nav services programs on the next page.

MR. SKINNER: Okay. Then the following page, though, says NOAA's IOSS increases that impact navigation services. Is that from that amount?

This is the one that has .25 million for demonstration project.

CAPTAIN PARSONS: I'm pausing because I'm trying to make the connection here. I'll make a statement, but I will certainly check on it.

I believe the additional funds on that next page are also monies that come out of that $55.3 million, which have a bearing on navigation services programs but are not directly associated with navigation services. For instance, AUVs an NWLON upgrades are certainly identified with navigation services. These are other allocations of that money, which if you take a look at each of the items has a navigation services application.

MR. SKINNER: Okay. I guess that's my question. So that comes to a little over 10 million, plus the 8 million for the marine weather buoys?

CAPTAIN PARSONS: Right, but that they don't fall under the Marine Transportation System program, specifically.

MR. SKINNER: Per se.

CAPTAIN PARSONS: Correct.

MR. SKINNER: But that will still have an impact, and that's out of the 55.

MR. SZABADOS: Tom, let me try to hopefully help and not confuse. If you go to one page where it says 55.3, there's 16.5, and right underneath there's the $8 million, okay?

MR. SKINNER: Yeah.

MR. SZABADOS: The next two pages, we're starting with a .49, then a .194, and then the following page is a breakout of -- I believe it's a breakout of how that 16.5 and 8.0 was spent in support of navigational services. Based on the NOAA IOOS is a committee that manages those resources, and under that committee felt this is a breakout with supporting navigational services.

MR. SKINNER: Okay. Thank you.

MR. SZABADOS: That's the best of my

knowledge.

MR. SKINNER: The one that starts with the 55.3 is sort of the overview, and then the next two pages sort of break it out?

MR. SZABADOS: Break it out, what they felt was supporting the navigational services.

MR. SKINNER: Okay, great. Thank you.

MS. BROHL: The IOOS committee, is that an NOS group or an NOAA group? Who makes up the committee?

MR. SZABADOS: Right now it's a working group on NOS staff that's doing that in consultation with members from the other parts of NOAA, NASDIS, National Weather Service and so on is supporting that and providing guidance and direction.

CAPTAIN PARSONS: Other comments on budget?

Thank you.

The next briefing is on NOAA's mapping and charting contracting strategy and ways that we can improve or expand the opportunities for the private sector.

Back in FY '04, a house conference report requested of NOAA, and let me read here: "The committee expects NOAA to work with the private mapping community to develop a strategy for expanding

contracting with private entities, to minimize the duplication, and take maximum advantage of private sector capabilities in fulfilling NOAA's mapping and charting responsibilities." And that asks for a report on what strategy NOAA will utilize.

NOAA submitted a report to Congress, which unfortunately has not yet made it to the Hill and is therefore not a matter of public record, but one of the items in that report, we told Congress that we would consult with the Federal Advisory Committee on our current strategy for contracting. NOS has policies since the late '90s on ways we will go about contracting for mapping and charting services. Specifically we got guidance from the Hill to focus this on NOS navigation services type mapping and charting, not all the fisheries and not other areas.

So the response that we gave and the input we are looking for from this committee relates to navigation service-related mapping and charting activities. What we've asked Brian Greenawalt of the hydrographic services division to do is give you an overview on how we go about contracting, what the current policy is, and lay out some expectations we have of recommendations from the panel on this particular issue.

Brian?

MR. GREENAWALT: Thank you, Captain Parsons.

SECOND PRESENTATION

BRIAN GREENAWALT

NOAA Hydrographic Surveys Division

MR. GREENAWALT: On this slide, this was No. 16, your handout, this is a synopsis of our budget for mapping/charting Geodesy tides and current programs. It's grown from 1994 at 50 million to about 140 million in FY '05.

CAPTAIN PARSONS: This is Tab L, by the way.

MR. GREENAWALT: These figures include funding for both in-house efforts, administration, and outsourcing. Most of the increases since 1994 have been for outsourcing. This graph shows the contract awards made by OCS and NGS over the past few years.

Spikes in 1999 is from 1998 funds that were carried over and awarded in '99. And the spike in 2004 was due to the funds appropriated for the time charter between 2002 and 2004. Those were awarded in 2004.

CAPTAIN PARSONS: And, Brian, these are for all mapping and charting activities?

MR. GREENAWALT: On this one I believe it's just NGS and OCS mapping and charting activities.

Captain Parsons covered this slide. This is direct from the house appropriations committee report.

In 1996, National Ocean Service put together its contracting policy. A copy of this is included in your binder. For NOAA's navigational services, this is the policy that we've essentially followed since '98. Policy states that contracts for survey and mapping services will be awarded in accordance with the Brooks Act. And that direction for using Brooks Act was reiterated in the '98 Hydrographic Services Improvement Act, which authorized contracting to the greatest extent practicable and cost-effective in the use of Brooks Act for services contracts.

The policy states that unless it procures surveys and mapping services from qualified commercial sources when such procurements are the most cost-effective source, unless product or services inherently governmental in nature. There is no commercial source capable of providing the needed product, government production and manufacture of provision of products and services necessary for government service or for national defense, national security, and procured services cannot be reasonably

quality controlled to ensure safety of navigation.

The Brooks Act, that's covered in the federal acquisition regulations, part 36.6, and it's basically a qualification selection procedure in which the competence and qualifications of the firm are considered during selection, but price is not.

Under Brooks Act-type contracting, NOAA announces the contracting opportunities on the Federal Business Opportunities Website. In that synopsis we describe the services that we are seeking and we provide instructions for the firms which are interested in pursuing the contract what they must follow to be considered. It also gives them a deadline of about 30 to 45 days after the announcement appears in which to respond with their qualifications statements.

At NOAA we have a source evaluation board made up of government employees who are collectively experts in the services that we're seeking that can sit down and read the qualifications statements and make the informed decisions. The board members evaluate the qualifications as submitted in terms of professional qualifications necessary to do the work, their specialized experience and technical competence in that work, the capacity to work to do the work in

the required time, their past performance, their location and/or knowledge of the project area, and acceptability under other appropriate evaluation criteria.

For most of our contracts, since they are not set aside for small business, our evaluation and criteria, No. 6 there, would be the utilization of -- proposed utilization of small businesses in a technical capacity on the contract.

Once the board sits down and does their review individually, they meet as a group, discuss the strengths and weaknesses of the qualifications, and provide a rank list of the most highly qualified firms. This list could be three to five firms, possibly more. If the contract is a single award, what we'll do is hold discussions with each of the firms to satisfy our questions about their capabilities and qualifications and then provide a report to a selecting official which lists the qualified firms -- the most highly qualified firms in ranked order.

After the selection official reviews this, it's passed to the contracting officer and general counsel for their review, at which point the firm -- if this is a single award, the firm that is on top of

the list is given a request for proposal to which they must respond with their prices and technical approach to the work to be done.

If we're awarding -- as in this last case where we selected five firms for nationwide contracts, all five firms received requests for proposal at the same time. In this case, we'll be negotiating indefinite delivery contracts. We'll negotiate labor rates, rates for equipment and so forth, and then when the task orders are awarded, at that point we will negotiate level of effort and technical approach to the individual task orders.

CAPTAIN PARSONS: Brian, if I can interrupt for a minute. Can you describe what you mean by "negotiate"? For those that are not familiar with contracting, how do you sit down with a contractor and negotiate a price?

MR. GREENAWALT: The initial negotiations will be between the contracting officer and the firms. We will be -- the contracting officer will be looking at labor rates for different classifications of employees that will be employed, such as lead surveyor, hydrographer, the tides expert; rates for different class vessels for the type of work to be done; rates for the survey equipment. Each piece of

equipment will have a rate associated with it or a suite of equipment will have a rate associated with it.

Once those rates are agreed on as being fair and reasonable, a contract's awarded. And at that point, we will issue a task order with the specific survey area as the goal, and we will negotiate the level of effort, the individual people that will be put on that work, the exact equipment that will be used, number of days to do the work. And again, we negotiate a fair and reasonable price on each individual task order.

Now, these task orders are not competed between individual firms. If we have three companies under contract and we have a task order, say, Wrangell Narrows, Alaska for 40 square miles of survey, we will select only one firm which we believe has the best capability and expertise to do that work and the capacity to do that work and negotiates directly with them and not the other firms. So there is no direct competition between firms on price.

Now, initially, in 1994, we were reluctant to use this method of contracting. It wasn't until '96 that it was put in our appropriations bill that we shall use it, and that was followed up in the Hydro

Surveys Improvement Act of '98, which said that we shall use Brooks Act for contracting for hydrographic services.

It was an unfamiliar process, especially at NOAA. It had never been used. Our contracting officers were not familiar with it, and they were reluctant to use it because there was no price competition. Because there's no price competition, direct price competition, the feeling is that there's -- the procurements are more costly than price competition, but we realized the process is successful. And because the program office is directly involved in the negotiations as opposed to all negotiations of the technical work going through the contracting officer, we feel that we can get a better product and a more realistic product out of the contractors.

As I stated, the Hydro Surveys Improvement Act of '98 for the acquisition of hydrographic data made a requirement to use the Brooks Act, and therefore NGS uses the same contracting method for their acquisition of shoreline and height modernization of geodetic activities. However, NOAA, as a whole, stays with the traditional contracting method with price competition for hydrographic support

on the electronic nautical charts and master chart maintenance, tide gauges, installation of maintenance, and current meter deployment and retrieval.

CO-OPS' use of the traditional contracting methods, price competition was challenged last year at the general accounting office and that protest was denied. The CO-OPS work contracted so far is for tide gauge installation and maintenance associated with the NWLON and short-term projects on systems that NOAA operates but contractors maintain.

We've also contracted for the deployment and retrieval of current meters, where we conduct the surveys but the contractors just deploy or retrieve the equipment. To date, this has been done only on a limited basis with earmarked funding, and this year, I believe, looking at longer term work, we'll be implementing a five-year national contract to do tide gauge, current meter, and PORTS maintenance.

In the '98 Hydrographic Surveys Improvement Act there's a statement saying that NOAA may procure, lease, evaluate tests, develop and operate vessels, equipment and technology necessary to ensure safe navigation and maintain operational expertise; its core capability. However, there's no official determination of what core capability should be.

However, since '98, Congress has appropriated additional funds to support the five survey vessels, new funds for vessel equipment replacements, and significant increases for PORTS, Geodesy, height modernization works with states.

To meet the requirement for the high quality data that we maintain, we need the core capability. It makes us an informed consumer, an informed client for the contractors. And in order to maintain the capability, we need to continue our investment in the fleet survey capabilities to continue to press for improvements in equipment in our products. Core capability and expertise are critical components of NOAA's mission, especially when we're accepting data from multiple sources.

In the interests of public safety, NOAA should maintain -- it's our feeling that we should maintain federal expertise in shoreline and hydrographic data acquisition and continued R and D for efficiency gains and technology improvement. We have the personnel and equipment to operate the platforms and most efficiently maximize data collection.

Our federal expertise in data processing analysis to quality control data from multiple

sources. The expertise is needed in electronic nautical chart database maintenance to quality assure the data and contract hydrographic work. It's also needed in the tides and current data collection and maintenance of the NWLON. And the federal expertise in geodetic reference systems to support steady national needs for the positioning framework. This framework is important for transportation, navigation, communications systems, land record systems, mapping and charting efforts, defense operations, among other reasons.

And as Captain Parsons mentioned, what we'd like the panel to do is review our current contracting strategy in a means to achieve an expansion of the contracting opportunities for the private sector. I'd like you to reexamine and validate the process by which NOAA procures mapping/charting support, and recommend core capability levels for NOAA. And additional areas of focus could be better coordination with other agencies, minimization of duplication, and how best to work with private sector on improving NOAA's contracting strategy.

Next, this is the schedule we'd like to see. Right now we're having our public discussion. There will be a federal register notice for comments on the

current policy published after this meeting. And we'd like to see draft recommendations within six months, after which we will draft a revised policy and publish it for comment, and then finally a year from now publish the final policy.

Thank you.

CHAIRMAN RAINEY: Thanks very much.

Any questions?

MR. WHITING: I've got one, but I've got to find it.

CHAIRMAN RAINEY: While Larry's looking, can I ask, is the policy in its entirety, what we're seeing here, included in our materials?

CAPTAIN PARSONS: Yes. If you'll look right after your power point presentation, there's a letter dated June 19th, 1996; this is the NOS contracting policy for surveying, mapping that's been enforce for the last eight years. This is the primary document that we're asking the FACA to review. Again, this is a eight-year-old document. We'd like you to review it and provide recommendations on ways we might strengthen the policy we're currently operating under, strengthen it from the standpoint of does this give us the maximum -- or does this afford the maximum opportunities for private sector contractors to

perform some of the work that we are currently doing.

Again, most of the opportunities right now are afforded based on our appropriations in specific line items. What we would like your opinion on is whether that is effective enough to engage the private sector to its maximum. We are proposing that we will publish this policy over the course of the next -- probably within a month, and solicit public comment on that, evaluate public comment on this policy along with input from the FACA, and then come out with a revised policy, as necessary, and put that in the federal register, as well, for one last round of public comment.

Again, keep in mind this is the NOS policy. This is not NOAA-wide policy. And this specifically addresses survey and mapping activities as defined within the Hydrographic Services Improvement Act. And if you go back and look at that, that's a fairly expansive definition of what hydrographic data and hydrographic services are. It's fairly all-encompassing.

The fact that we utilize Brooks Act A & E processes, that is a requirement of the Hydrographic Services Improvement Act. So that, at the current time, is not up for debate. You can certainly offer

your opinions on that, but the reason again we go Brooks Act -- two reasons. One, it's legislated; and two, we found it to be a beneficial way of assuring quality data.

I think Brian pointed out, and appropriately so, that when this was first ventured into back in the late '90s, there was a lot of apprehension on the part of NOAA to go this route. It's something we never did. Those that are familiar with Brooks Act must realize that it was initially enacted to control quality in building construction; hence it's called Architectural and Engineering, Brooks Act A & E.

The definition of what comes under Brooks Act has been widely expanded over the years, and it's fairly well-defined in the federal acquisition rules as to what services must go Brooks Act A & E. So that's not a bone of contention, certainly, here, but we would like you to take a look at the policy and at the same time provide us some of your recommendations on what you think "core capability" means.

Obviously, we maintain a certain level of expertise in hydrographic surveying in the geodetic capability, in the capabilities within CO-OPS, but that has never been fully defined as to what a core capability is. And we can certainly provide you

documentation on what we see our core capability to be and ask that you take a look at that and see if that makes sense to you and offer recommendations if it does not.

And then the third component of this is what strategies we might implement, beyond what we currently do, to expand opportunities for outsourcing to the private sector. Again, I think I made several comments during the hydro conference that this program fully recognizes and endorses the fact that partnerships with the private sector are important. We can't do our work without it.

Larry brought up a point here a moment ago, which is certainly fair game in your evaluation, on whether there's some activities that we are currently involved with that we don't outsource. Certainly, we would like to hear your opinions and recommendations on those, and I'm sure you've got several.

MR. WHITING: A couple.

CAPTAIN PARSONS: So to that extent, we'd like you to just take a look at the overall approach that NOS, in particular, is taking for mapping and charting services.

MR. GRAY: Bill Gray. In the slide very near the end called Charts To Panel, the third bullet says

"Recommend core capability level for NOAA," and the next one says "Addition areas of focus: Better coordination with other agencies."

And I guess my question is, in asking this advisory committee to recommend core capability level and to focus on better coordination with other agencies, can this task be interpreted to include -- again, I brought this up before -- how navigational safety monies should be spent: Coast Guard, NOAA, Army Engineers.

And I mentioned in my example that if you put it all together, all the money that's being spent by the Federal Government on these things, I have a hunch I would say, "Get rid of half the navigational aids and give the money to hydrography and other things of that type."

Now, that probably sounds like anathema because it's a different set of organizations and different departments in the Federal Government and so forth; whereas you've got a policy that is just an NOS policy dealing with a specific thing and doing just a specific task with the private sector, and to me, again, it's to the right of the decimal point.

The thing we ought to be concentrating on is, for navigational safety for this country, an overhaul

of the way the coordination across the several agencies work, I think is what's needed, and I would regard all this stuff as a minor detail. Thank you.

CAPTAIN PARSONS: In response to that, I'd say certainly your opinions and recommendations on how we can better coordinate with other agencies is certainly important. However, I would caution you on venturing out into areas that are not directly related to NOAA's navigation services, such as your comment on Coast Guard aids to navigation. That's certainly not an area that this committee has been tasked with on recommending or providing advice to the NOAA administrator. You may want to, as a private citizen or as a member of your organization, to talk with Department of Homeland Security on that.

MR. GRAY: Well, I'll think about it, Roger, because it's just mind-boggling to me how important some of the things you've had to do that are being spanned over 20 years are compared to some of the other things that are going on in regard to your mission.

And again, back in the document we have the five goals that were in the priorities for NOAA, mission goals, and I'll get this out.

Ecosystems gets 29 percent of your budget,

climate gets 6 percent, weather and water get 23 percent, mission support gets 36 percent, and commerce and transcription gets a little less than 5 percent. That's a disgrace, in my estimation. Now that's just staying within NOAA. And if I try and lump it with these other things -- I think if we really want to encourage commerce and transportation in a safe manner, it has to go broader than NOAA.

CAPTAIN PARSONS: Again I would remind you of the charge to this panel on what you are charged with in recommending to the NOAA administrator, without elaborating much further.

And also I'd caution you. When you take a look at the apportionment of funding to each of the goal teams, and I've heard this stated several times, not only in this group but others, that NOAA has five primary goals. The assumption being that 20 percent of all of NOAA's budget ought to be appropriated to each of those goals, and that's not a fair way to take a look at it.

There's a good portion of NOAA attributed to some goals that are larger than commerce and transportation. While I wouldn't disagree or dissuade you from believing that commerce and transportation ought to have a larger budget, you've got to take a

look at it in the larger context.

MR. GRAY: That's what I'm trying to do, and I feel we're being reined into, as I say, deal to the right of the decimal point, and to me that's almost a waste of time.

MS. BROHL: Helen Brohl. Brian, could you clarify the order in which you want us to address this? I know you said it, but if you could repeat it so I understand it. Post this meeting, you're going to issue a federal register notice for comments, but then we provide draft recommendations within six months. So I'm a little confused in the order.

Are you expecting to have enough comments from us today, such that your federal register notice would go out based upon those comments?

MR. OSWALD: No.

MS. BROHL: But then -- that's fine. If they could clarify the order. I'm just kind of missing --

You've got recommendations -- could you just repeat so I understand a little bit better, because you've got two federal register notices, and I'm confused on that.

CAPTAIN PARSONS: Maybe I can clarify this one more time. Our intent is to publish the current NOS mapping and charting contracting policy. We're

going to solicit public comment on this. In addition to public comment, we want to incorporate recommendations from the Federal Advisory Committee on this very same policy. So two sources of input.

We would like input from this panel within six months, so that's going to require tasking to a work group; that we will specifically draft tasking tonight and deliver to the panel tomorrow for their approval.

We will revise the existing policy after consideration of public comment and Federal Advisory Committee recommendations. We will publish that revised policy for, again, public comment and then publish the final policy.

MS. BROHL: How long do you expect the public comment for the federal register notice to be?

CAPTAIN PARSONS: I suspect it will be 30 days.

DR. LAPINE: I guess the follow-up is we can have their comments while we're working on our comments? I mean, they're liable to give us some very good comments that we could include in our report, I presume.

CAPTAIN PARSONS: "They" being?

DR. LAPINE: Public comments, we'll have

access to the public comments?

CAPTAIN PARSONS: Certainly we can make those available, yes.

MR. WHITING: Okay. I found my question.

Brian, hearing the Brooks Act back near the beginning of your presentation, you said that Hydrographic Services Improvement Act required Brooks Act for contracting, and you have down tide and current observations, and then a little bit later you say that tide gauge installation, maintenance, current meter deployment and retrieval comes under standard contracting procedures with price competition. I assume you meant that was under the GSA schedule on these things?

And why is not tide gauge and current meter under the Hydrographic Services Improvement Act as required to be under the Brooks Act? I don't have a page number on that, on your slide.

CAPTAIN PARSONS: Mike, you may want to address that. There was a challenge to an award of a contract last year in CO-OPS, and Mike can explain why the decision was made.

MR. SZABADOS: I'll take a run at it.

First let me just put a little caveat. I'm not a contract specialist or a lawyer. I'm a simple

doctor oceanographer, I mean country oceanographer.

My understanding of that ruling that was made, that the contract which went out for the installation and maintenance of instrumentation does not fall within the Brooks Act, because the Brooks Act involves the actual management of the data. There was no data management included in the Brooks Act, I mean in that procurement. So it's strictly the installation of the instrumentation and the operation of maintenance, I think was based on that ruling.

MR. WHITING: Okay. Extending this question, then, is the five-year national contract to maintain those PORTS and NWLONs going to be under the Brooks Act or under the GSA schedule or price competition or fair and best value?

MR. SZABADOS: That is an ongoing process right now, the procurement. In a public meeting I don't think I can make a comment on that.

MR. WHITING: Okay. So you -- all right.

CAPTAIN PARSONS: Yes, I think there was a differentiation made between an installation, a deployment and retrieval and in the HSIA which talks about tide and current observations. So there's a level of involvement in data analysis inherent in the HSIA definition that is not inherent with a simple

contract to install a gauge.

MS. DICKINSON: Elaine Dickinson. I probably know less about this subject than anyone in the room, but by Brian's assessment, he said that this program has been quite successful. I heard him say that. So I guess my question is, is there a compelling reason why you feel it needs to be revised, or is there a basic problem that needs to be addressed that we're unaware of, or is it because someone challenged it with GAO?

CAPTAIN PARSONS: No, we're not asking that the utilization of Brooks Act be reviewed. That's a requirement we have. We're going to utilize Brooks Act contracting processes.

What we're asking is that you take a look at the overall strategy. What we in the NOS policy now states the type of things that we will consider for contracting, and Brian gave four or five items that we currently do not consider for outsourcing. Those are the type -- let me just run back real quickly to -- among the things that we'd like you to review and consider, we will not -- we do not consider outsourcing for services that are considered inherently governmental, no commercial sources available -- that's fairly a no-brainer -- for

services necessary for national defense. That's our current policy. Certainly, there's nothing that requires us to do that, but that is an NOS policy. And where services cannot be reasonably quality controlled, among some other things within the policy.

So we'd ask that you review the policy in its entirety to see if it's a fair way to go about outsourcing in our decision-making process and at the same time determine whether this is the best way to expand contracting opportunities.

As I said, right now there's a number of services that Coast Survey, NGS and CO-OPS, in particular, do in-house. And we're not just talking here about hydrographic surveys. We're talking about the production and the maintenance of nautical charting products; we're talking about acquisition of shoreline data for shoreline mapping, a number of which are required through Brooks Act, but the fact is we do outsource those.

So we will certainly provide you with the information of the type of services and activities that we outsource, utilizing this policy as a guideline, and ask that you review that, and if it's an acceptable policy. Maybe the answer is "This is fine; march forward." If there are other areas that

we can strengthen to provide additional opportunities to the private sector without impacting our ability to do our job and provide the services and products that we do, that's what we'd like to hear from.

MR. DASLER: I just have a question, it's probably more on procedure, and maybe you addressed this already, that you're going to look at that tonight. But since we only have six months to respond back, how is this going to be broken out into work groups? It seems like it may be a larger effort than one group. More procedurally.

CAPTAIN PARSONS: Right. And again, this evening the chair and vice-chair and the working group chairman will sit down with the representatives of NOAA and sketch out a -- based on the conversation today and the input that we've heard, sketch out the outline for specific taskings of what NOAA would like to receive and appropriate time lines for response.

Certainly, we are going to ask the panel to -- and provide the panel with sufficient information that they can provide us with recommendations within six months. Again, it's primarily a review process of what we currently do and what opportunities that enables the private sector.

MS. DICKINSON: Elaine Dickinson. I'd suggest a 60-day comment period. I think 30 is cutting it a little short. Not everybody reads the federal register the way some of us do, and by the time word gets out into private sector, I think 60 days would be a more reasonable time period.

CAPTAIN PARSONS: That's a fair comment. We've not yet decided that, but I'd certainly take that into consideration, the longer the better.

MR. WEST: Dick West. You mentioned you had a protest last year. What was the basis of the protest?

MR. SZABADOS: We contracted out services deployed, tide gauges and current meters, and we'd used GSA's schedule, and the protest was that we should be using Brooks Act for the mechanism. And the ruling -- again, I'm not a lawyer, but --

MR. WEST: No, you've answered it. I got it. Thanks.

CHAIRMAN RAINEY: Any further discussion?

All right. You've got a comment?

MR. WEST: Dick West again. Well, we've got contractors here. Are you guys happy with it?

MR. WHITING: Happy with the Brooks Act, GSA, or fair value?

MR. WEST: The NOS policy.

MR. WHITING: NOS's policy -- let's see. As far as NOS -- I think that there's three line officers here from NOS. Their policy at Coast Survey, NGS, has been to let our Brooks Act contracts. CO-OPS I don't know about. I don't have any contracts with them. I'm not a subcontractor on any of their things. They did use the GSA schedule on the last -- this one. I was well aware of it. I tried to get on the GSA schedule. I've tried three, four times -- three times now, I believe. Each time I've been turned down by the GSA.

The GSA should be very simple: Submit your rates, let's go to work. But no, there's a lot more to GSA than meets the deal. So I am not happy with GSA's schedule. Okay, if they're going to use the GSA schedule, they -- what would I say -- they have to be very specific in how those rates are put in there. You can't do professional services, as this is determined -- I think the Brooks Act has made this professional services -- and you can't do that under the GSA schedule. So we have to drop all references to professional opinions and how things go.

In general, I am very happy with the way NOS has treated the contracting. I think there's a couple

contractors out here that -- I see three of them out there -- that are more than happy. It's a fair deal. I don't mind at all showing what my costs are. "Here it is: This is what it costs me to put that person in the field; here's what it takes to do your job."

I haven't had it happen with NOS or Coast Survey yet, but I have -- with the Corp of Engineers I have not been able to arrive at a fair and reasonable price to the Government's -- what they thought I should do it for and what I thought I should do it for. So I turned the work down and it went to two, and that happens because of the way this law is out there. If I don't feel I can do it for that, I don't have to negotiate that price.

NOS, it just hasn't happened with us because of one reason, they know what they're supposed to do. They know what it takes to do those jobs. The Corp of Engineers uses contracting officers. They're kids that don't really know all they should about the process of the hydrographic survey.

I think I'm preaching here. Should I stop?

Anyway, generally I'm very happy with the way things are going. Like I said, CO-OPS on this one here used the GSA schedule. I couldn't get on the GSA schedule. The ENC work, I'm a subcontractor on

the GSA schedule to LIGIS, and most of that work is being done by IIC; they had a booth here.

LIGIS, as far as I'm concerned, is a front. It's just one lady and her machine. A front, but she had the schedule and we came under it. Is that right? I think it raised the price of ENCs, and I don't think they're here to defend themselves, so --

CHAIRMAN RAINEY: Jon?

MR. DASLER: Yeah, I'd like to comment, as well.

We are a contracting firm, and we do contract both under GSA and under Brooks Act. We've been selected and do work for NOAA on both, and, you know, we're happy with that selection process.

The work that's being done for CO-OPS is not of the nature that would fall under the Brooks Act. They have their professional staff out on those projects, and it's more deployment of equipment and doing maintenance on equipment, and they're doing all the analysis. I mean, I guess we're an example that it can work both ways, and it just depends on the needs of project and what the tasks are.

CHAIRMAN RAINEY: John?

MR. OSWALD: Yes. I'll try and make it not too controversial. I'm also a contractor. I work

for the National Geodetic Survey under Brooks Act on multiple contracts, multiple areas of the United States. I work for the Office of Coast Survey for multiple prime contractors and vessel time charter, et cetera, et cetera, different, you know, contract vehicles. And then I do some work through CO-OPS through the GSA, and it's an extremely fine line.

What I do for Office of Coast Survey and National Geodetic Survey are almost identical work that I do for the CO-OPS group under the GSA. In my view, GSA limits competition. It could be considered almost a restraining of trade issue, in my view, because very few people in the United States in the mid-ocean industry, which is what CO-OPS wants (inaudible) is pre-certified with the GSA. You have to be pre-certified. It's like an 8-A type arrangement. And it's all doable.

I think it also limits CO-OPS. If CO-OPS wants to contract things that they're deficient in, services, data processing, they can't do it legally through the GSA in a cost competition, the way I read the rules.

I have crossed over all different ways of contracting, and I would say it's a very fine line between what I'm doing for CO-OPS right now and what I

do for the Office of Coast Survey. They use the same people, same type equipment, except now with CO-OPS, for instance, they -- it's interesting, I've been doing this for 35 years, so when I do my survey leveling, survey task CO-OPS person is there with me, you know, after having done this for 35 years. So that's sort of part of the process, but -- I just thought I'd make that comment.

MR. WEST: Are you happy with the criteria that NOS uses to determine whether it's going to be contracted out or whether they're going to do it in-house? In other words, the four things inherently government, et cetera, is that good enough?

MR. OSWALD: Well, I would just rate it -- I'd say 90 percent they're doing a real good job, you know, I'd give A-minus. There's always room for some improvement. I would disagree with a few things, but I think it's -- if you look at the chart, you know, going from 50 million to $140 million. And there's some trade organizations that would say that the NOAA contracting in these mapping services is a disaster, and I actually think it's quite a success story.

I've not seen it in other civilian parts of the Federal Government. The hydrographic survey was zero contracted, to my knowledge, in 1997, and it's

about 31 million -- well, say 31 million proposed for fiscal year '06. That's a major success story there. And they are getting data and it's going on the charts, et cetera, et cetera.

MR. WEST: I think that's important. Because there are people who go to the Hill and say that they are not getting enough out of NOAA through the contracting. In fact, they would probably say, "Give it all to me, I should do it all."

There's a happy medium there, and I'm hearing from you all that it's not bad. But the word is, the people that go over there are not saying that, so you've got a little bit of a public affairs-type process here. And that's why I asked. If this is criteria you're comfortable with, then they need to shut up, I guess.

MR. WHITING: Yeah, Larry Whiting again. I'm happy with the overall policy of NOAA's contracting, and I have pushed as hard as John has and Jon for more earmarks, more funding for these contracting line items. There's national associations that go out and lobby for this stuff.

But what I am not happy with is the use of the assets of the contractors versus the use of the assets of NOAA. There's times when they're surveying

the same area or don't use the assets that are available for contractors.

A prime example, one this year, that I'm going to go do the job, but they're sending us to Nome to do 30 square miles in two areas, so it would be a total of about 60 square miles. We have to hire a ship to get us there, we have to figure out a way to support ourselves in that area, and how to go about supporting ourselves in what is -- Nome's just south of the Arctic Circle. We have to get there roughly the first part of June and be out of there by the 15th of August.

They could bring in one of their big guns, I think is what the term was this morning, and be out of there in two weeks. We're going to be there for two months, two and a half months. That's the window of the frame for surveying there. Is that the best use of us?

Wrangell Narrows, 40 square miles. We surveyed there every year for the last 10 years for the Corp of Engineers. Why don't we go down and do this one? That's the type of thing that I'm not happy with as far as NOS's contracting. I'll go to Nome, I'm a contractor. It just costs more. That bumps up that square miles that we were talking about, so --

CAPTAIN PARSONS: Surveying certainly is a rough business.

But if I could ask Brian, we just awarded a contract and selected five contractors. This year we will obligate roughly $24 million. How do we go about selecting contractor A, B or C to survey in location one, two or three? What is the process by which that is evaluated by which Terra Surveys or Fugrow or whatever company it is are assigned task order to address a specific area?

MR. GREENAWALT: Okay. First we look at the funding that's available, and from that -- and the companies that we have under contract and their capability, and we look at what are the highest priorities that we need to address. And in that mix, too, is, of course, our in-house assets, and our operations branch goes through and makes the determination which assets need to go where. We're trying to address the highest priorities first.

CAPTAIN PARSONS: And it's safe to say that each of the five contractors selected for this most recent contract are not equally qualified to conduct surveys equally every place in the United States based on their level of experience?

MR. GREENAWALT: That's correct. Many of

them have more experience, say, working the Gulf of Mexico, East Coast or West Coast, than they do in Alaska. All firms, to some extent, have some experience in Alaska but not the same level.

The assets that they propose, such as the type of vessel that they have under subcontract, comes into play as whether we're going to put them out on the peninsula or some open coast or areas like Nome, where Larry has some smaller vessels that can be barged out there, or he has the experience taking his equipment and installing them on vessels of opportunity, so we would rely on him to tackle a project such as Nome because of his experience. He's had experience working in that area. We take all of that into consideration when we're assigning work.

CAPTAIN PARSONS: Larry, without addressing specifically this survey you brought up, I can assure you that we take a look at -- and we certainly want the most bang for the buck, so we certainly take a look at what the capabilities of our in-house assets are, what the capabilities of our contract assets are and assign them accordingly. And again off line and with the folks at HSD, they can certainly describe to you why in the case you brought up your firm was

selected for that particular area.

But we do take a look at, overall, what our ships and our field parties are capable of doing, what our contractors are capable of doing, and where the best assignment of resources are.

MR. DASLER: I just wanted to make another comment, Richard, to some of your remarks.

I think the big thing now -- I mean, with the award of five contracts, the assets are significantly increased in pursuing the critical backlog. And probably the big effort now is getting the funding in place to support all of those assets, and I think that's again something that the panel, even if we can get letters of support going through Lautenbacher, it would just be more ammunition for him to support that effort.

MR. McGOVERN: Andrew McGovern. I just noticed Larry before, I think he gave a good reason for keeping that core capability up when he was talking about the contracting officers; that when he works with a contracting officer from NOAA, the guy knows what he's talking about, he's been there, done that. And when he's working with a contracting officer from the Corp, who's maybe a kid right out of school or something, "Okay, this is your job now,"

he's not -- you know, it's hard to negotiate with somebody who doesn't know what they're talking about. So it seems like that's a good reason, that's a good plug for keeping that capability.

MR. WHITING: I believe that, too. And I also think that it's a good plug that they selected Terra Surveys to go to Nome. Nome is really bad off shore, okay? So anyway, thank you.

MS. BROHL: I have a question about the -- to follow up on what Larry said, it doesn't sound like the universe of contractors is so enormous, and you obviously have a rapport with NOAA. You've been doing this for a long time. Is there not an avenue to communicate concerns or to go back and -- I mean, it just -- I guess I'm missing -- is there just not something built in here? Is it this decision-making's so much in a vacuum that those kind of concerns cannot be expressed on the front end?

MR. WHITING: We express our concerns to NOAA, and they have asked us for several different scenarios of where we thought we could go. And it's just an informal "Here's a little letter and we think we can go here or we could go here, but why don't we go here?" And that does take place. There were five or six of them over the course of this fall and winter

in anticipation of this field season.

One thing that I'm not happy about with NOAA is the inability of -- and I understand Government regulations, sometimes, anyway, about RFPs going out to a contractor before they have the funds established. So the thing is is that if we knew where we were going in November, if we knew in November where we were going to go in June, and we had a contract or a task order in place, things would be less expensive for everybody involved in that.

So that's one part of this thing that doesn't happen. We don't get an RFP until probably tomorrow for this work that's going to be taking place in June, and that doesn't leave much time to get things out there. This is "Let's go to work and let's do overtime."

CAPTAIN PARSONS: But certainly the procurement process is one we could debate for several days, as well, but again, without appropriations we can't award a task order, and you know all that that goes along those lines.

But again, let me make one last comment on this; that certainly it is in NOAA's best interest to facilitate these contracts so that we don't set up -- and I use that term loosely -- so we don't set up a

contractor for failure. It does us no good, it does you no good, it does the public no good.

Certainly we're looking for success stories, and we're looking to award contracts and task orders in those areas that we know the contract's been handled based on experience. And for new contractors that are new in the arena, I think it's safe to say that we probably award less demanding surveys than the more experienced contractors. And as those less experienced contractors grow in capacity, they will normally be assigned the more difficult ones, as well.

So are each of our contractors equally capable? I would say they're capable but not equally capable, depending on the area and what's being asked of them. And again, it's a negotiated process.

MR. DASLER: I think the panel should be aware, too, there are some tremendous success stories. I mean, I think most of the contractors, We believe it's a partnership in working with NOAA. And there were some papers presented at this conference, and then we presented some in the past on TSOA.org (phonetic), papers from this conference and from the 2003 conference that address some of the partnering and the great working relationships and the exchange of information, and it's been real

rewarding for both NOAA and private sector.

CAPTAIN PARSONS: Right. And as the admiral pointed out a minute ago, perhaps these are the type of stories that need to be told. We hear an awful lot from detractors of the process that go up to the Hill and perhaps state some things that are a bit different than what we've heard here today. That will always occur.

But it's encouraging, from my perspective, and I think Charlie and Mike can agree, as well, that the successes we've experienced and the successes that I hear today are certainly something we want to continue.

MR. WEST: Dick West. Continuing on that theme, I think it would be good if this FACA could endorse -- or I'm not sure what the right word is -- the fact that you've heard that NOAA believes they have to have an inherent capability to train NOAA, and we should say we support that. Because some of the detractors on the Hill are saying it all ought to be done by contracting. And I don't agree with that, and I think most of us don't, and I think we've seen why NOAA does that, and the Federal Government has to have some inherent. So for us to say, as we're reviewing all this, to make that statement, too, may

help a little bit for this discussion on the Hill.

CHAIRMAN RAINEY: Okay. Well, Brian, thank you very much.

That brings us to the conclusion. And I guess I just wanted to steal the mic here and just make a couple comments here and we'll adjourn for the day. But I appreciate everybody's interest and attention and patience.

Again, I passed out the letter to Admiral Lautenbacher. If you could take a look at that sometime tonight. We'll hopefully get that approved tomorrow.

The last thing is a personal favor I'd like to ask the panel. A lot of what I do here today, besides passing the mic, is just kind of looking out at everybody's face and everything. And the point I guess I want to make or an observation I want to make is over the past few meetings we've had subjects come up that are of extreme interest to some members and maybe not so much to the others, and one of my goals is to try to get the FACA process as best understood and under control for us so the process is the process, but we get to our content and can work it.

And I'm very intent and hopeful that we get, you know, contributions from all the members on what

they're interested in, and one of the ideas that I had -- and I make no promises at all, so this is just a personal request from me -- is if everybody tonight who wants to, and again, there's no promise of what I can do with it, but just write down the top one thing, or two things, at the most, that in the context of what we're doing here as the FACA, okay, in the context of advising the NOAA administration on hydro services, that you think is the most important thing to you: Why are you here on the FACA? What's your interest?

There's a few people that have been engaged on some different issues. But I have been thinking sometime about getting -- you know, about just simply going through that exercise of, you know, what is it that's important to everybody, and I'll compile that and we'll see. But I would just be personally interested if people would take the time to simply write down the content that you think is important to you here on the FACA. I'd like to kind of see that, and then I can obviously distribute that to the members.

But certainly we've tried it a number of different ways at the different meetings and over the emails, but I just clearly want everybody to have an

opportunity to weigh in from your expertise and your, you know, experience with NOAA Hydro Services. I just think that would be worth doing, taking a few minutes of everybody's time and putting that all together and just show it to folks. And we may be able to thread that back through the process, you know, through our working groups or something like that, and there may be some things that pop up that we can deal with content-wise. So that's just a personal request. I would be interested if folks would be willing to do that.

And just to, I guess, turn around here. Is there any other further comment from the public? We had some good comments earlier this morning, and we'll get them distributed and entered into the record. And we'll just open it up before we adjourn, if there's anything further.

Tomorrow is our regularly-planned public comment. But we can open it up here, if there is anything. Sir?

THE PUBLIC: I'm Don Jagoe of SAIC. Thanks. I'll just make a very short comment, because I know I'm between you and happy hour.

We at SAIC pride ourselves on being a contractor for the services and greatly appreciate

the opportunity to do this what we consider to be nationally-important work. And it is truly a partnership, and you should not be disabused by anybody, maps or any other organization. It is truly a partnership and, from our perspective, is going extremely well.

I make two very brief corridors there. One is that NOAA technical and NOS and specifically HSD have a tremendous capability that I don't believe is matched by their capability in the contracting office, purely because of resource constraints. And I think Captain Parsons is taking steps to improve that, but they need help there getting contracts through. And again, it's just resources. The people they have are fantastic. They're just overworked.

The second thing I would mention is that, compared to other agencies, NOAA does appear to have somewhat of an impediment in the process by the requirement to have legal adjudication by the Department of Commerce legal department, which is byzantine at best and slow at worst, and that does have an effect. It has an effect in the field, because as Larry said, we get an RFP -- in fact, we're waiting now for an RFP. We'll get that, and then we want to take advantage of the good weather, which is

all too brief, and if you're in fact waiting for two or three extra weeks because of a legal review, that means you're not going to get as many miles done that year. And perhaps the panel could have some affect in speeding that along. Thank you.

CAPTAIN PARSONS: Tongue in cheek, if we could change the fiscal year to match the weather patterns, I think we'd be all set.

MR. WHITING: I believe it's actually passing the appropriation bill that takes place in January, usually, instead of the end of the fiscal year.

MS. BROHL: We're in November after the fiscal year still.

CHAIRMAN RAINEY: Okay. Well, seeing there's no other comments, again thanks very much. This has been wonderful to have the public attendance.

And why don't we go ahead and adjourn for the day then. Thank you.

(Time adjourned: 5:15 P.M.)

REPORTER'S CERTIFICATE

I, PATRICIA P. MACDONELL, CSR No. 5692, Certified Shorthand Reporter, certify:

That the foregoing proceedings were taken before me at the time and place therein set forth;

That the meeting of the HSRP and public members was recorded stenographically by me and was thereafter transcribed to the best of my ability, having been told the meeting could not be interrupted in any manner;

That the foregoing is a true and correct transcript of my shorthand notes so taken.

I further certify that I am not a relative or employee of any of the parties, nor am I financially interested in the outcome of these proceedings.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated this 6th day of May, 2005.

Certified Shorthand Reporter