

FISH RAP

Highlighting releases, returns, policy and legislation affecting the Southeast Alaskan salmon fisheries

Vol. 24 No. 2
December 2006

*A good year
for the fleet:
Ex-vessel value of
NSRAA production
tops \$13.6 million*



Kevin McDougall photo

Inside

<u>General Manager's Notes</u>	<u>2</u>
<u>Hatchery Reports</u>	<u>2</u>
<u>Sawmill Hatchery Update</u>	<u>4</u>
<u>Market Outlook</u>	<u>5</u>
<u>Field Reports</u>	<u>6</u>
<u>Board Member Profile</u>	<u>7</u>
<u>Boat Harbor Return</u>	<u>8</u>
<u>New Board Members</u>	<u>8</u>
<u>Employee Changes</u>	<u>8</u>

Value to Fleet Nears \$14 Million

NSRAA is fulfilling its mission with third highest harvest value ever.

The dollar value of NSRAA's contributions to commercial salmon fisheries in Southeast Alaska topped \$13.6 million in 2006, with over 3.9 million fish harvested. That marks the third highest contribution ever.

Only the 1995 and 2000 harvests were higher.

The dollar value is 250 percent higher than the 5-year average, thanks to both higher return numbers and improved market conditions.

Contribution numbers are 170 percent above the 5-year average, mostly due to an outstanding chum return.

Net fisheries benefited the most, seeing an increase of over 275 percent of the 5-year average in the total ex-vessel value for chum.

"Hidden Falls bounced back from a poor 2005 chum return," said NSRAA data analyst Chip Blair. "The 2006 return provided the seine fleet with about 5 times the catch and value of a year ago. And Deep Inlet showed substantial increases as well."

The Boat Harbor project also had a record return of 566,000 chum, all of which went to the gillnet fleet. 2006 was a record year for gillnetters, in terms of benefit from NSRAA fish: 850,000 chum with an

ex-vessel value of \$2.6 million.

Trollers have less to crow about, since it was a very poor chinook year at both Hidden Falls and Medvejie. The numbers of chinook contributed to the trollers represents a mere 31 percent of the 5-year average.

"Chinook were down at almost all Southeast Alaska hatchery programs, so we suspect the low return was due in large part to ocean conditions," said Blair.

Despite the poor chinook return, extremely high prices kept the year from being a complete disaster for trollers, as the ex-vessel value of chinook saw a much smaller decline, dropping to 85 percent of the 5-year average.

NSRAA coho projects had a more normal year, with a contribution just slightly larger than the average. But thanks to strong coho prices, the ex-vessel value made a huge jump to 250 percent of the average, again, a benefit for trollers.

NSRAA coho projects contributed 8.5 percent of the Southeast Alaska coho troll catch in 2006. That's about 1 in every 12 coho caught.

Overall, fully 80 percent of NSRAA salmon returning this season were harvested by commercial fishermen. 16 percent went to cost recovery, and the remainder to broodstock, and sport fishermen.

Cost recovery, as a result, was a "pleasure" to manage in 2006.

"We heard a lot of favorable comments from fishermen this season, and hardly any complaints, which was a nice change from recent years," Blair said.

Improved chum numbers and stronger prices meant NSRAA needed fewer fish for cost recovery,

"both in absolute numbers and as a percentage of the return," Blair said. "In the past 5 years we've needed to take about 25 percent of the return for cost recovery, but this year, we needed much less at Hidden Falls and Deep Inlet."

In practical terms that meant cost recovery efforts had minimal impact on the commercial chum

cont. on page 4

Humpies Aided by Chum

In a normal year, the net fisheries would consider a great chum return a bonus. For seiners, especially, their "bread and butter" is normally wild pink salmon. But this year, the pink fishery came in way below projection.

"To put the 2006 pink salmon harvest in perspective, the total harvest in 2006 was about 11.7 million fish, the lowest since 1987," said Scott Kelley of the Alaska Department of Fish and Game. "Needless to say, we severely restricted many of our traditional seine fisheries this year to provide for escapement."

"The poor pink return affected all seiners. It is hard to make it without the pinks," said one seiner. "However, the chum run was the only bright spot. So NSRAA does deserve kudos for helping making

a disaster a little easier to bear."

For NSRAA, it's all in a day's work.

"The underlying concept of the hatcheries is that they are to somewhat mitigate and stabilize salmon production during poor wild stock returns, and to take the pressure off the wild stocks," Kelley said. "There is no doubt that the hatchery chum were more important to the average fisherman than usual."

The market has already adjusted for the difference. According to the *Salmon Market Bulletin*, the average price for frozen chums showed a substantial gain this fall, from 72 cents per pound to 95 cents per pound.

"Considering the harvest shortfall for pinks, frozen chum may be, to some extent, serving as a replacement product for frozen pinks."

Hatchery Reports

Hidden Falls Hatchery Report

Hidden Falls met or exceeded all its production goals for 2006, reported hatchery manager Scott Wagner.

"With the exception of the chinook return, we had excellent releases and returns this year," he said.

Chum

Cooler than normal water temperatures made for great rearing conditions for broodyear 05 chum.

"The typical outbreak of Vibrio in our 'late-large' group of fish never materialized due to the cooler temperatures," Wagner said. This group was released in late May.

A high ratio of females to males made eggtakes this fall go

smoothly. Hidden Falls processed 130,000 chum in 24 days, averaging 5.61 million eggs per day, the second highest average on record.

"What is really remarkable is that this was managed with a smaller crew than in the past," Wagner said. "We had a highly motivated and hard working staff."

Chinook

Broodyear 04 chinook were released in early June in good health. Although these fish entered the saltwater last fall at a smaller than ideal size, they achieved record growth in the saltwater and were released at a typical size for Hidden Falls chinook.

An alternative rearing strategy is being tried on broodyear 05 chinook,

"Over a 5 week period we use warm water from the near surface lake pipeline, 24 hour light, and a new feeding regime," Wagner said.

The fish were moved to straight saltwater in late September, and have put on a record amount of

weight since then.

"That's an encouraging sign," Wagner said. "These fish look and act similarly to Medvejie /Green Lake chinook, and we're hoping this strategy will boost chinook survival from Hidden Falls. Only time will tell."

Staff collected 1.8 million chinook eggs for Hidden Falls programs and an additional 1.7 million for Medvejie, to meet their shortfall. A portion of the Hidden Falls eggs are destined to become a "zero-check" trial group, to determine the suitability of this rearing strategy for Hidden Falls chinook.

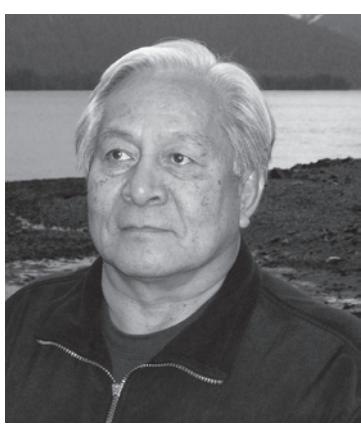
Coho

2.8 million coho were released from Kasnyku Bay this year, an increase of 600,000 from 2005. Wagner reports these fish grew well in the saltwater and should do great on their own.

Staff is now rearing 2.7 million coho for release in 2007. This group's numbers were reduced by

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General Manager's Notes



As most of you know, the 2006 salmon season was full of surprises, most notably the very weak run of pink salmon throughout many areas of Southeast Alaska. Fortunately, the lack of large numbers of pink salmon was somewhat offset by strong chum salmon returns to most areas and stronger demand in the marketplace. It is in times like these that we can see the obvious benefits of having a diversified salmon fishery composed of numerous healthy wild stocks and a good strong salmon enhancement program. We are quite pleased to report that except for Chinook, all of our other adult returns came in at or above our preseason forecasts. We are projecting fairly similar returns for the coming season. The distribution will be somewhat different, however. (See related articles in this edition of the Fishrap.)

If you were one of the many fishermen fishing in the Deep Inlet terminal fishery this past season, you know how congested the area became for everyone. Despite the horren-

dous amount of boat traffic in the area, we managed to get through the season without too much conflict. I want to thank you all for being as courteous as you could throughout the season. The people living on the islands appreciated your willingness to respond to their requests to "slow down" when asked. I can only think of one instance last season where someone was rude or uncooperative. That situation was later remedied with a little talk and education!

I have been pleased with the responses to my last newsletter article concerning NSRAA's reserve fund situation. Most responses have been positive and several individuals said that they were happy to learn that the NSRAA management and Board were "looking out for the organization's future". Only one individual commented that he felt that NSRAA should not be so concerned about the future, because we could always get State loans.

If there are other topics that you would like more information on, I hope you will feel free to bring them to our attention. I can be reached at 907-747-6850 or you can e-mail me at: pete_esquiro@nsraa.org.

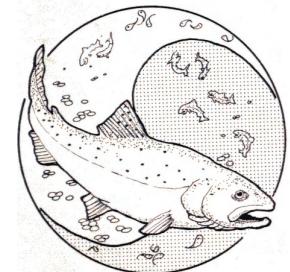
Finally, on behalf of the NSRAA Staff and Board of Directors, I'd like to wish you all a Happy Holiday Season.

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an outbreak of Phoma, an airborne spore that occurs in the spring.

"The only treatment for this is to maintain good culture practices and let it run its course," Wagner said.

Broodyear 06 eggtakes took place at the end of October and in early November. 1.6 million eggs were taken for Deer Lake program and 3.6 million for the Hidden Falls program.

Infrastructure

Major projects were completed at Hidden Falls this past summer, including re-roofing of the hatchery building, painting the hill houses, improving the dock float moorage, and adding additional anchors for both of the chum net pen sites.

"Next year we plan on repainting the bunkhouse and repairing some of the siding," Wagner said. "The maintenance staff has been kept busy but they feel they are making headway now."

Medvejie Hatchery Report

This year saw the beginning of the "zero-check" chinook releases at Deep Inlet, which, in combination with other Deep Inlet programs, stretches hatchery operations at the site from mid-February until mid-July.

Zero-check chinook are reared and released their first summer, rather than being held over a winter at the hatchery.

"It's a far cry from the old days when we were rearing chum at Deep Inlet for just 45 to 50 days," said Medvejie hatchery manager Lon Garrison.

Ninety million chum fry later: Staff celebrate the end of another successful chum rearing season at Hidden Falls.



Chum

NSRAA released the greatest numbers of chum fry ever into Sitka Sound in the spring of 2006. 50.8 million fry were released in Deep Inlet, with another 9.2 million released at the hatchery for future broodstock.

2006 was the third year for the "late-large" chum program at Medvejie. The late-large program chum are held longer and released at a larger size, which seems to increase their marine survival rates.

"The 2006 post-release chum fry monitoring in Sitka Sound showed that these late-large fry moved immediately offshore, which bodes well for them," Garrison said.

Adult chum returns to Medvejie were very strong this year.

"Cost recovery and broodstock management worked out well this year with only a slight amount of excess broodstock," Garrison said.

A total of 41.76 million eggs were taken in 21 days. Currently Medvejie is incubating 66 million chum eggs, the most ever.

Chinook

Medvejie is now producing just under 4 million chinook smolts per year, for 3 different Medvejie programs as well as the new Deep Inlet zero-check program.

"The new project went well," Garrison said. "One requirement of the new program is moving these fish up to Green Lake for freshwater rearing, then back to the hatchery, and finally out to Deep Inlet. By the time the season was done, we'd transported 6 million chinook fry, and lost almost nary a fish

Coho

Bucking the trend, the Medvejie coho program became simpler this year. No Indian River coho broodstock were released at the hatchery, but rather transferred to Sheldon Jackson College for release there.

10,000 Plotnikof - origin smolts were released at Medvejie to provide broodstock for the developing Sawmill Cove coho program and the remaining 119,000 were reared and released at Deep Inlet.

On hand are 235,000 Plotnikof Lake fingerling coho that are in freshwater raceways for the



The Medvejie crew transfers chinook fry into net pens from atop the Green Lake dam.

thanks to good planning, vigilance, and patience."

Green Lake rearing went well, with very few health problems for the fish and good growth performance despite cooler water temperatures. Medvejie reared chinook grew almost too fast, nearly outgrowing their raceways.

Adult chinook returns to Medvejie were, however, disappointing this year.

"If we'd known how poor the return would be we would have skipped cost recovery harvesting, because as a result we weren't quite able to meet our broodstock needs this year," Garrison said. Hidden Falls staff harvested excess chinook broodstock to make up the difference, however.

Currently, 3.9 million chinook eggs and yearling fish are on hand at Medvejie.

winter. No Indian River stock coho eggs were taken although a return of about 200 adults was observed.

Infrastructure

No large infrastructure projects were undertaken at Medvejie this year, although plenty of smaller but essential projects received attention, such as replacing the main compressor, repairing the forklift, and rebuilding the outboard motor for the Whaler.

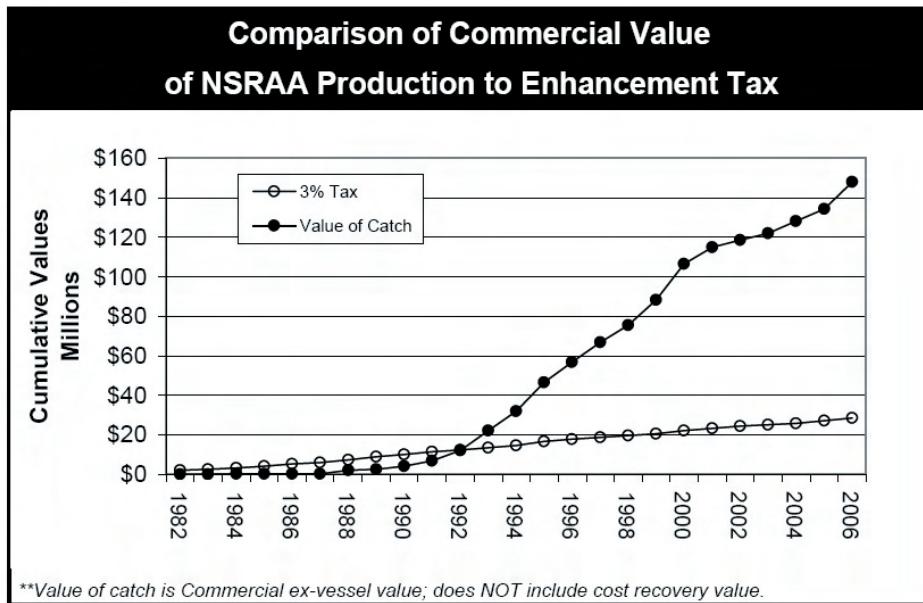
"We do need to be thinking about adding additional housing at Medvejie," Garrison said. "With so many programs that have grown, and our growing dependence on pumps, we need to make sure we have adequate staff to cover standby all the time," Garrison said.

Medvejie staff continued to work with Sheldon Jackson College students and the SJC hatchery program, which continues to serve as a great source of NSRAA employees as well as increasing fishing opportunities for the common property harvest in Sitka Sound.

Allen Marine Tours were fewer this year than in previous years, but they hope to continue bringing tourists from all over the globe to Medvejie.

Third graders from the Sitka School District visited the hatchery once again in late September, much to the delight of the kids and the staff.

"It's great to see the wonder and enthusiasm on their faces," Garrison said. "And I think many of the parents are equally impressed."



NSRAA has received \$28 million in 3% tax. In return, fishermen have realized \$148 million in ex-vessel value from NSRAA salmon.



The F/V Perseverance makes a cost recovery set in Bear Cove.

Sawmill Creek Hatchery

NSRAA's plan to build a new coho rearing facility at Sawmill Cove in Sitka is moving forward, with groundbreaking tentatively scheduled for spring of 2007.

On December 6, ADF&G's Regional Planning Team met to consider the hatchery permit application. Also on the agenda was the new facility's allowed level of production, the monitoring period for the facility's initial releases, and when to allow increases in production levels.

"We're thrilled that the Regional Planning Team approved the Sawmill Creek Hatchery for a new private non-profit permit at 4.33 million summer coho eggs," said NSRAA operations manager Steve Reifenstuhl. "This establishes what is called the Basic Management Plan for operation capacity and sets a maximum egg limit."

The RPT also passed the initial coho smolt release numbers for the next three years.

In 2007, NSRAA will release 10,000 coho at Bear Cove, and 210,000 at Deep Inlet.

In 2008 and 2009, Bear Cove releases will increase to 20,000 and then 50,000.

These increases are contingent upon NSRAA demonstrating that the adult summer coho are not straying into Salmon Lake and Sawmill Creek.

In addition, the RPT recommended to allow a release of 500,000 coho smolt at Deep Inlet in 2009.

"Those eggs will need to be taken in the fall of 2007, which is a tall order considering that we will have only 500 adults returning to Medvejie for broodstock," Reifenstuhl said. "Since we won't be able to release larger numbers at Bear Cove in 2007, we will likely need to go back to Plotnikof Lake to supplement the Medvejie broodstock."

Concerns about hatchery coho conflicting with wild salmon stocks in Sawmill Creek had delayed the permitting process for the Sawmill Creek Hatchery, but NSRAA modified its plans in order to prevent any problems.

Gets ADF&G Approval

"No fish will be released from the Sawmill Creek site," said Reifenstuhl. "It will be used only for incubation of eggs, ripening adults, and rearing fry to smolts."

All smolts will be transferred by boat for imprinting and release at Bear Cove or Medvejie, and returning adults will be captured at those sites. Broodstock will be transported by boat or truck back to the Sawmill Cove facility.

"Our program goal is to release 300,000 coho smolt at Medvejie, and 1.7 million at Deep Inlet," Reifenstuhl said. "But our initial production will be smaller, to see how well the adult returns are managed and to make sure there's not a negative impact on wildstocks."

A public meeting in Sitka will be held within 30 days of the Regional Planning Team's December meeting, and public comment on the matter will be allowed for another 60 days after that.

NSRAA is optimistic that by mid-March, all permits will be approved and the \$2.3 million construction grant contract signed with

the State of Alaska.

"Since we made the program changes I haven't heard any negative comments, so we're looking forward to getting underway in the spring," Reifenstuhl said.

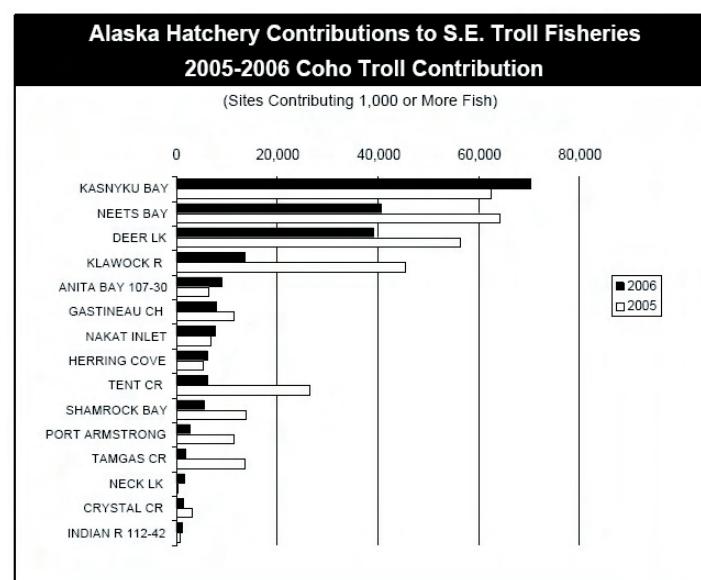
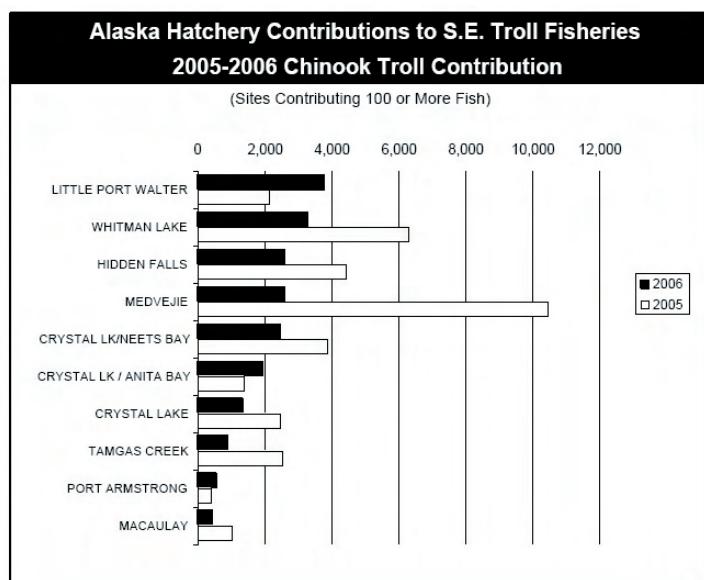
cont. from cover: Value to Fleet

fisheries, with not a single closure.

"We had originally planned on closing the inner bay at Deep Inlet during August, but cost recovery was going so well in July, we extended the [more restricted] early season schedule for another week, believing that we would then be able to finish cost recovery fishing outside the terminal harvest area in August," Blair said.

That decision paid off, as Deep Inlet's full terminal harvest area was open to the commercial fleet for the rest of the season, with a double rotation fishery.

"It's the first time this has happened in years," Blair said.



NSRAA Contribution to Southeast Alaska Commercial Fisheries Number of Fish : 2005 - 2006								
	Gillnet		Seine		Troll		All Gear	
	2005	2006	2005	2006	2005	2006	2005	2006
Chinook	1,454	778	3,710	3,939	14,794	5,187	19,958	9,904
	510,095	849,459	906,426	2,830,598	165,049	141,145	1,581,570	3,821,202
	303	596	23,917	7,281	132,685	115,034	156,905	122,911
	2,043	906	-	-	-	-	2,043	906
All	513,895	851,739	934,053	2,841,818	312,528	261,366	1,760,476	3,954,923

Market Outlook

Market Outlook

As Wal-Mart goes, so goes the rest of the country. That might be why the market for wild salmon is much healthier than it was just a few years ago.

Earlier this year, Wal-Mart announced that within 3 to 5 years all wild-caught seafood from North America they sell will be certified by the Marine Stewardship Council (MSC).

In August of this year, at least two MSC-labeled seafood items in stock were identified as being from Alaska: 'Seafood Tonight' Alaska salmon patty cakes, and wild Alaskan pollock fillets. Wal-Mart also sells MSC-labeled "wild salmon fillets," without identifying their origin.

Astaxnathin in your salmon, anyone? Consumers in larger numbers are saying no - to farmed salmon, that is, and yes to wild.

"Salmon's on a roll," said Chris McDowell, a fisheries economist, in the *Alaska Journal of Commerce* in October.

According to the *Journal*, both supply and demand for wild salmon are up, although they are

still competing in the marketplace against cheaper farmed Atlantic salmon from Chile and British Columbia.

"[But] the sustainability message carries a fair amount of weight" against the food purity and environmental issues associated with fish farming, McDowell said.

"And I think people are keenly aware of the health benefits of eating fish, salmon in particular."

This positive market trend is despite U.S. salmon sales to Japan described as "soft" in an industry publication, *Quick Frozen Foods International*. The publication noted that the Advertising Standards Authority (ASA) has ruled frozen foods company Birds Eye in the United Kingdom can continue to slam farmed salmon in its ad campaign touting frozen wild Pacific salmon, despite complaints from Atlantic salmon farmers in Scotland.

The statewide chum salmon harvest of 21.4

million fish ranks as the second best of all time in both numbers of fish and in the ex-vessel value at \$56.3 million, according to the Alaska Department of Fish and Game's (ADF&G) season summary as of November, 2006.

Despite the increase in supply, chum salmon prices increased from 2005 by 5 cents a pound, a 19 percent increase.

"Strong market performance for chums drove a significant increase in ex-vessel price for the species, to the 35-cent-per-pound range in Southeast Alaska. As recently as 2003, statewide average ex-vessel price for chums has been as low as 19 cents per pound.

The stronger ex-vessel price stimulated fishing effort for chums in the driftnet and seine fleets, particularly in areas with a shortage of pinks this season. The combination of strong Alaska harvest and rising first wholesale value for chum prod-

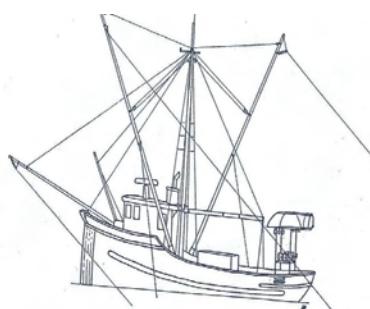
ucts indicates genuine growth in demand." (Seafood Market Bulletin, October 2006)

Coho salmon prices increased from \$0.75 per pound in 2005 to \$0.99 per pound in 2006, and chinook salmon prices increased from \$2.23 per pound in 2005 to \$2.77 per pound in 2006.

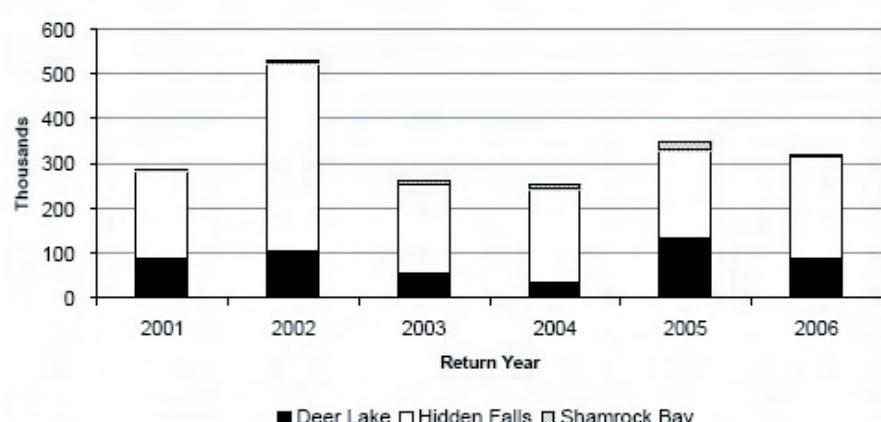
"21.4 million chum ranks as the second best of all time"

Ex-vessel prices for dressed, troll-caught coho reached record levels in September, topping out at \$2.85 per pound; the chinook harvest was below projections despite increased effort, driven by higher prices, according to the *Seafood Market Bulletin*.

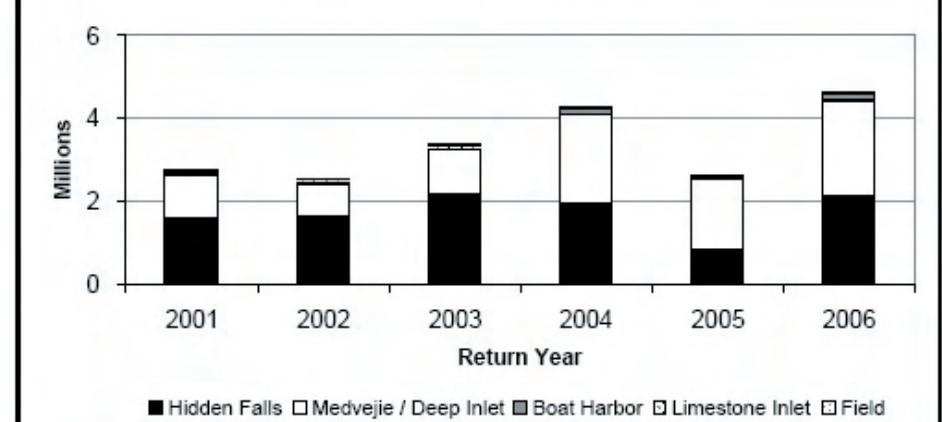
Overall, 2006 was a great market year for salmon in Southeast and there's no reason to expect 2007 to be significantly better or worse. According to ADF&G, the value, \$308.8 million, of the state 2006 salmon catch is higher than the most recent 10 year average (2005-1996) of \$279 million, but \$25 million less than fishermen earned in 2005, a record harvest in numbers of fish.



NSRAA Coho Return History



NSRAA Chum Return History



Field Reports

Deer Lake

A fish population that's starving is not usually good news, but when it comes to the rainbow trout in Deer Lake, hunger is great. It means that the coho salmon now rearing inside protective net pens in the lake – a strategy implemented in 2005 – are no longer providing breakfast, lunch, and dinner for the voracious, non-native trout.

"We had an encouraging 58 percent survival rate for the fry that didn't migrate out of the lake last fall, which suggests that the rainbow population may be experiencing some dietary hardships," said Deer Lake project manager Todd Buxton.

Even more troubling for the rainbow trout is that zooplankton populations in the lake are decreasing by half each year NSRAA doesn't fertilize the lake.

"So while the larger trout are being starved by rearing fry in net pens, we're also putting the hunger on smaller trout by not promoting zooplankton blooms through lake fertilization," Buxton said.

By these two approaches, all age classes of trout in the lake should be experiencing some pretty uncomfortable hunger pains, the effect of which should be decreased reproductive success and outright mortality.

This year's pen-reared fry met or exceeded all growth expectations, despite early mortalities due to the stress of transporting them to the lake, and the levels of saturated

gases in the lake water due to the large snow pack.

The coho fry get an extra snack from the naturally occurring zooplankton that drift through the pens, which provide a little extra boost to fry size and condition.

Around 940,000 fry were released into the lake in late November when the water's surface temperature cooled to less than 4 degrees Celsius. This is the temperature at which the lake's surface water "sinks" and the deeper water in the lake rises to the surface.

This reversal results in lake temperatures that remain a nearly uniform 2-4 degrees Celsius throughout winter. These low temperatures lower the fry's metabolism and likely encourage the coho fry to stay in the lake over the winter rather than emigrate to salt water before spring.

Marine survival of age 1 smolt released last year was 12 percent, which resulted in an adult return of approximately 86,231 fish.

While the percentage of coho caught by trollers and seiners this year was below last year's, the high fish prices in 2006 generated an income (\$780,485) that was better than average, and was in fact the 7th highest in the history of the project.

Deer Lake coho also outperformed Hidden Falls coho both in marine survival (12.1 percent versus 9.9 percent) and in average size per fish (7.7 pounds versus 6.8 pounds).

Bill Holton and Josh Homer spawn chum at Herman Creek Spawning Channel.



Winter came early to Southeast this year. The view from Deer Lake camp.

Although the season started on a difficult note, with all the damage to the camp infrastructure from last winter's floods, everything has been repaired and improved.

It's an appropriate finish for a project that has improved its benefit to cost ratio to 3.0, up from 2.2 last year.

Haines

Thermal (otolith) marking of chum fry at 17-mile incubation boxes for the Haines project was successful this year. That's just one of several accomplishments for the Haines project in 2006.

Successful otolith marking resulted in the Alaska Department of Fish and Game (ADF&G) authorizing NSRAA to double the number of eggs seeded at 17-mile.

"For this increase, we increased the number of incubation boxes from 4 to 8 to accommodate the 2.4 million eggs that can now be seeded there," reported Haines project manager Todd Buxton.

Buxton noted that a smaller number of thermally-marked eggs at 17-mile survived than he had hoped – a mere 73 percent rather than the expected 90 percent.

"So, dye tests were used to find a way to improve the distribution of flow through the incubation boxes, which should help egg-to-fry survival in the future," Buxton said.

A state legislative grant funded the rejuvenation of spawning channels at 24-mile this past spring, and the results were immediately apparent.

"It attracted more than 1000

fish this fall, where fewer than a dozen fish have entered the channel in the past several years," Buxton said.

While 5000 spawners used the channel in the 1980s, the spawners this year were purposely limited by the use of movable weirs in order to prevent later arrivals from destroying the redds – or nests of eggs – built by earlier spawners.

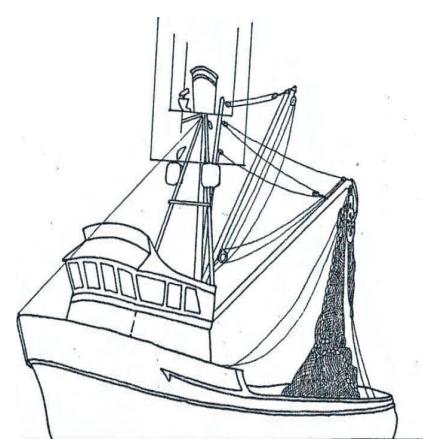
"With this strategy, fry production is maximized and the excess spawners are redirected to spawning habitat in the Chilkat River," Buxton said. It also keeps the channel from needing rehabilitation too frequently.

The Herman incubation site was expanded to full capacity this year with the addition of a 7th incubation box.

"For the first time in the history of the Haines project, we've taken the fully permitted numbers of eggs at both the Herman and 31-mile incubation sites," Buxton said. 1.6 million eggs were taken at Herman and 800,000 at 31-mile.

Chum escapement into the Herman spawning channel was also managed with weirs, limiting

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the number of spawners to just over 700 fish.

NSRAA continues to monitor potential spawning channel sites for chum salmon in the region.

"Elevation and archeological surveys were completed near the confluence of the Chilkat and Klehini Rivers this summer, and it is likely that these channels would attract spawners," Buxton said. Permits for this site have been applied for, and Buxton hopes that construction of the channels can begin in February of 2007.



NSRAA Employees At Work & Play.

From left: Judd Kirkness and Josh Benassi closing camp at Deer Lake; Matt Golden vaccinating chinook fry at Green Lake; Angie Bowers with sport caught coho at Hidden Falls.

Board Member Profile: Carl Johnson

Serving on the NSRAA board runs in Carl Johnson's family. His father was on the NSRAA board "in its early days," and his brother, Paul, is a current board member.

The seafood business is a family affair, too. Johnson is the Petersburg plant manager for Ocean Beauty Seafoods, and his father was manager of Juneau Cold Storage.

"I was born and raised in processing," Johnson said.

Ocean Beauty's Petersburg Production Facility produces ikura, sujiko, and canned salmon, as well as chum, coho and sockeye salmon for both fresh and frozen markets.

Johnson sits in the processor seat on the NSRAA board, joining in 2004.

"I threw my hat in the ring and have found it to be fascinating," Johnson said. He's served on boards before but "never one this big."

Usually 20 or so members are at each board meeting, Johnson estimates. He finds the meetings to

be well organized and successful.

"Of course, there are a lot of different ideas with that many people, but things get hashed out and it runs pretty smoothly," Johnson said.

Johnson grew up in Juneau and spends his summers working in Petersburg, but he and his wife live in Lake Stevens, Washington during the rest of the year. His children have "grown and gone" but he and his wife enjoy camping, fishing, and traveling during their free time.

Johnson doesn't find himself taking sides at board meetings very often.

"I'm more of a listener and an adviser. I'm a neutral seat on some issues that have to do with gear groups," Johnson said. "But some-

times I'll get input from other processors if there's something concerning us in an upcoming meeting. And sometimes other board members will ask my opinion."

One thing Johnson did advise against was the possibility of NSRAA building a coho processing facility in conjunction with its Sawmill Cove hatchery, an idea that arose a few years ago.

"There was some interest in doing a coho plant as well as a hatchery, and that was a concern for the processors," Johnson said. "We didn't feel that getting into the commodity side of the seafood business was part of the organization's mission. Do what you do best: get fish into the ocean."

NSRAA hopes to break ground on the new Sawmill Cove facility this spring, and

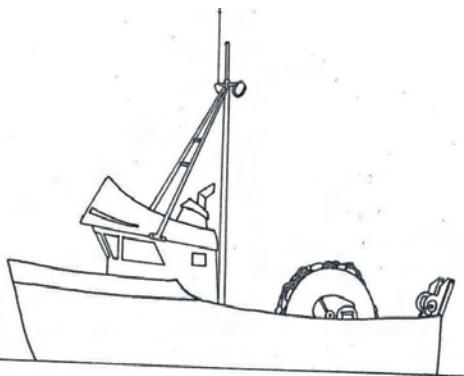
Johnson anticipates that the project will be NSRAA's main "challenge" for the foreseeable future, although ongoing capital improvements on aging facilities remain on top of NSRAA's list of things to do.

"We need to decide what to replace, in what order," Johnson said. "Fortunately, NSRAA has always had a good economic base, with conservative management, and well balanced books. We want to keep that."

Johnson is glad to see the back of some economically tough years – 2002 through 2004 - for the seafood industry.

There are lots of reasons for the improving market conditions for Alaska seafood, but Johnson believes that one of them is educated seafood buyers.

"Consumers are asking for wild fish over farmed," Johnson said. "We're on an upswing now."



A Hidden Falls chinook sport-caught on a fly by seasonal employee Brad Olszewski.



An eagle watches a family of bears in the Hidden Falls Lake outlet stream this summer.

Boat Harbor Sees Huge Chum Return

Record year at Boat Harbor, improvement anticipated at Limestone Inlet

"This was a phenomenal year for chum salmon returns, and nowhere was it more dramatic than at Boat Harbor," reported operations manager Steve Reifenstuhl.

565,000 chum were caught in 2006 at the Boat Harbor terminal harvest area, the biggest return ever for that site. The catch was about 3 times the forecasted numbers for this NSRAA field project, which is operated cooperatively with Douglas Island Pink and Chum (DIPAC).

The excellent return allowed gillnetters to fish in the area for seven days a week for almost a month.

"A fair portion of those fish were from the late-large chum rearing strategy implemented at that site 4 years ago," Reifenstuhl said. Late-large chum fry are held longer at the rearing site and released at a larger size than their "traditionally" reared counterparts, in what seems to be a successful effort to increase their marine survival rates.

The 2006 return was comprised mostly of 4-year old chum. The 3-year old component of the run was strong as well, which

"This was a phenomenal year for chum salmon returns, and nowhere was it more dramatic than at Boat Harbor"

ers in the future."

Both programs have benefited from experienced – and motivated - caretakers. Gillnetter and former NSRAA board member Chris Crowe works at Boat Harbor, and his son, Brent Crowe, also a gillnetter, works at Limestone Inlet. They've been on the job for a combined 15 years.

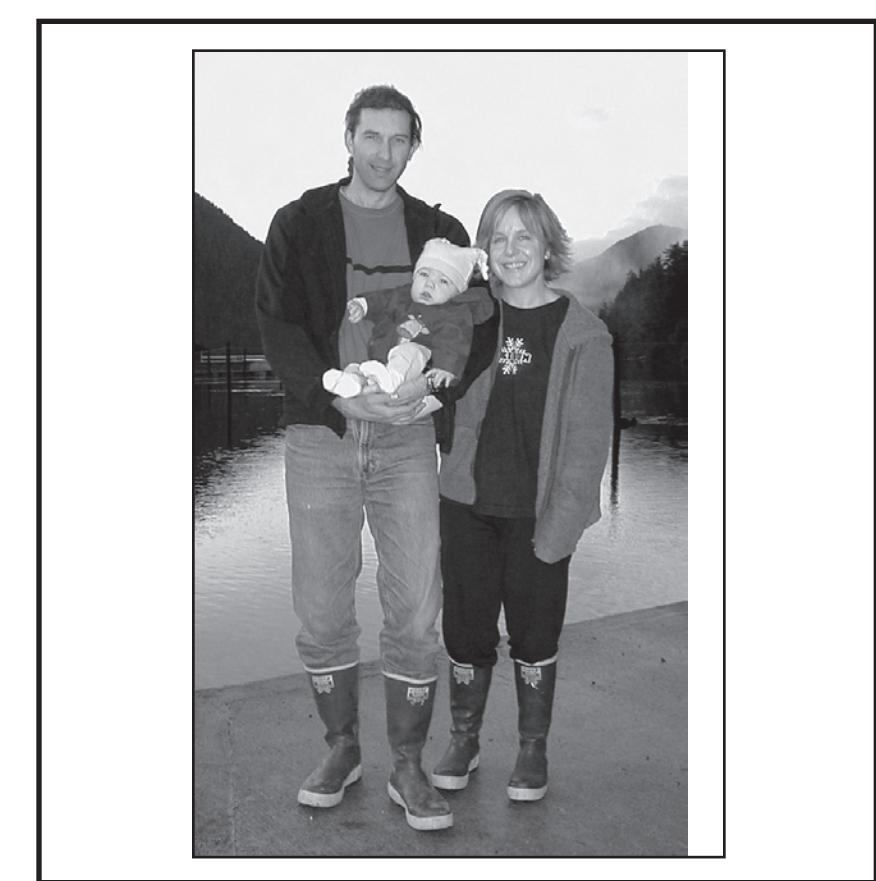
"They're out there from mid-March until early June, feeding the fish and doing the sampling," Reifenstuhl said. "Then when they've released the fish and de-mobbed the site, they start fishing. Having that consistency has been great in terms of the fish rearing."

leads NSRAA staff to predict that the 2007 return will see good numbers of 4-year olds.

Limestone Inlet is another cooperative field project between NSRAA and DIPAC. This year 88,000 chum were harvested, just 70 percent of the forecasted numbers.

However, the late-large rearing program was implemented at Limestone Inlet only 3 years ago.

"So we're hoping that the late-large component that returns in 2007 as 4-year olds will help turn that program around," Reifenstuhl said. "It's likely that both programs will be great produc-



David Fundak, his wife Beth and their son Sam are settling in to life at Medvejie Hatchery.

Employee Changes

Full Roster of Employees

No one should be shorthanded this winter and early spring, as NSRAA has all its positions filled for the first time in a long while.

Several seasonal employees moved into full-time positions, including Angie Bowers at Hidden Falls; Brandon Hummel, who moved from seasonal at Deer Lake to a 10-month position at Hidden Falls; and Jud Kirkness, who moved from a seasonal at Medvejie to a 10-month position at Deer Lake.

"Jud came recommended by Deb Lyons, as he had worked on the Sitka Trail Works crew, and he worked so well at Medvejie I knew he was the one we wanted

to be full-time in the field at Deer Lake," said operations manager Steve Reifenstuhl. "We were lucky he was interested in the position."

Tommy Sheridan is moving from his previous job as assistant manager at Hidden Falls to begin the new position of otolith lab coordinator.

"He's a perfect fit for this new position," Reifenstuhl said.

New to NSRAA is David Fundak, who is now living on site at Medvejie, after working for Prince William Sound Aquaculture.

"It feels good to be at this stage," Reifenstuhl said. "I hope it lasts for a while."

New Board Members

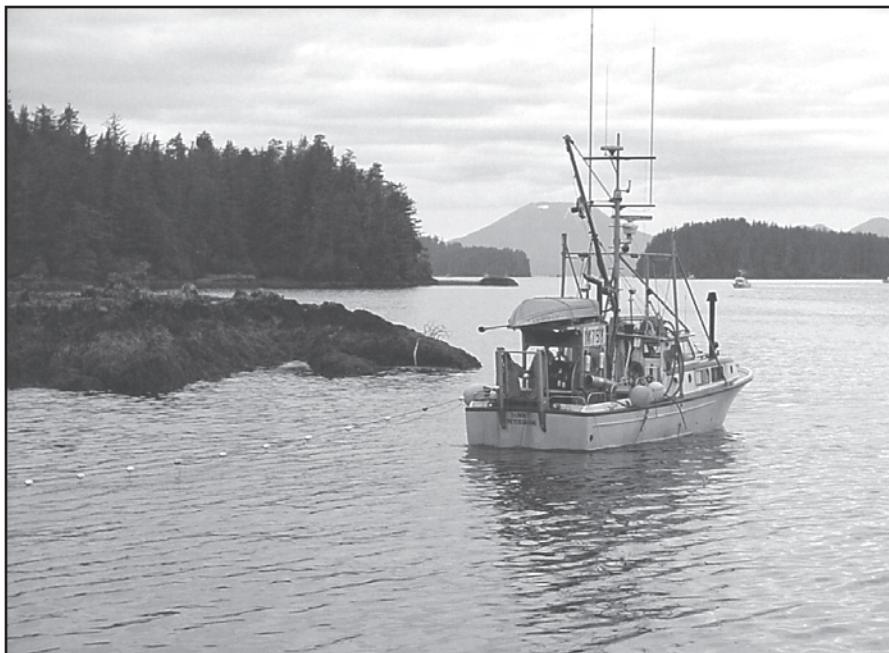
Dick Longworth, a lifelong Petersburg resident, is a new NSRAA board member, serving in one of the Interested Person seats.

Longworth, a retired elementary school teacher and biologist, brings a wealth of diversified experiences to the board, having worked many summers as a crewman on

commercial seiners in Southeast, as well as doing heavy construction and surveying work.

Now, in his "retirement," he operates what he calls his "public service business."

"Petersburg needed a bike shop, so I opened one," Longworth said.



A gillnetter hauls gear in the Deep Inlet THA.

Richard Eliason Jr. photo