

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

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After almost 30 years of leadership, Pete Esquiro is retiring.

Pete has guided NSRAA from its infancy to a leader in the salmon industry.

Steve Reifentstahl will take over as General Manager.



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Thank You, Pete!

At the end of May, Pete Esquiro left the work world behind him after almost 30 years as NSRAA's General Manager. Several of Pete's friends and colleagues shared their memories of his time at NSRAA, his person and accomplishments:

Dennis Eames, former NSRAA president

Dennis was on the board when NSRAA interviewed candidates for the General Manager position.

"We interviewed all these people," he says. "When (Pete) came, there was just no one else as far as I was concerned and I think the board agreed. We had people who wanted to make us into a world-class organization. Pete was one of the few who understood that's not what we were all about. He had a real perspective."

Dennis says he was impressed by Pete's character, knowledge and fiscal responsibility.

"He was awesome," Dennis says. "He was perfect for what we were doing. I hope he enjoys his retirement – he deserves it. NSRAA became the standard of the industry, you could say, after Pete had been there a while."

John Burke, SSRAA General Manager

"I've known Pete since I came to Southeast Alaska – for 20 years now," says John. "He had a clear view of what he wanted to accomplish. I think, through the years, it's matched up with what the fishermen wanted."

"There were a lot of hard things that had to be done (over the years) and Pete certainly had a hand in a lot of that – to make the program what it is today. When I say that, I mean Southeast-wide, not just NSRAA."

When asked what he will miss most about Pete, John says, "That's an interesting situation. Someone almost becomes an icon when you've been there as long as Pete. I probably won't know until he's gone. We'll just miss Pete – a million different things. We will miss him, you bet."

Alan Andersen, NSRAA board member

Alan has served on NSRAA's board for close to 15 years. He's served on enough boards to know how difficult it is to get a small board to work together, let alone one of 25 that represents three gear groups and various public interests.

"There's tremendous conflict (but) Pete had an ability to get the board to work together," Alan says. "He just had a tremendous ability to lead."

In the 15 years Alan has been a board member, NSRAA has paid off what it owed to the state, put funds aside and expanded its production. Alan credits

these accomplishments to Pete's fiscal responsibility.

"Of the aquaculture associations in Alaska, we're the only one that's paid off its debts," he says. "He was frugal, but he wasn't miserly. He knew when you had to spend and how to do it wisely. I've never run into a person who could manage and run things as well as Pete could. I think the whole organization will miss his leadership."

Deborah Lyons, NSRAA Secretary/Treasurer

"There's an old saying; When the student is ready, the teacher will appear," says Deborah. "I ran for the NSRAA Board in 1993, after a rocky, unsuccessful fight to remain on the State Fisheries Board in the face of opposition from Anchorage sport-fishing interests. I came to the Board...with a spirit of wanting to

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Steve Reifentstahl Returns to NSRAA

When Steve Reifentstahl resigned from his position as NSRAA's Operations Manager last year, he never imagined he'd be asked to come back a year later as the new General Manager. But when NSRAA's longtime General Manager, Pete Esquiro announced his resignation this year, Steve seemed like the perfect fit.

Steve began working for NSRAA as a biologist in 1980 – back in the organization's early years (NSRAA started in 1978). He was the organization's Operations Manager when he resigned in January 2009 to work as Fleet Manager for Silver Bay Seafoods.

"I was looking for a new challenge," explains Steve. "I had an opportunity offered to me and I wanted to give it a try. I was really thrilled to work for Silver Bay."

Steve never anticipated being asked to come back, he says. But when he was, it seemed like "a real natural fit."

"I have wanted to be the General Manager, so I am thrilled to be back," Steve says. "It's like family to me here."

"For all the people I've met, he's the best person for the job," says Kevin McDougall, President of the NSRAA board. "Steve is the natural candidate to run the organization for us."

In the past 30 years, Kevin explains, Steve has grown from mere biologist

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Hatchery Reports

Hidden Falls

NSRAA's hatchery staff is breathing a collective sigh of relief this spring. For the first time in several years, the winter was mild and crews aren't bracing themselves for a season of cold waters and slow fish growth.

"We were really impacted by all of the snow we had gotten the past three years," says Scott Wagner, Hidden Falls Hatchery Manager.

After three years of record snowfall (close to 20 feet annually), this winter surprised everyone with the smallest snowfall of the past eight years – about three feet.

"I think there was one day this winter when we shoveled snow," Scott laughs.

But that's good news for the fish hatcheries. Not only did crews avoid shoveling much snow this year, but by the end of April, water temperatures were two months ahead of last year's.

"Turnover should be about two months earlier than last year, too," says Scott. "We went from the worst-ever to best-ever."

The lake was already free of ice by April, so rather than struggling to get fish to their target size, staff should be able to meet size goals easily this year.

"We're on track for numbers and sizes," Scott says. "Everything appears to be going well."

With the fish requiring less attention this year, Hidden Falls staff has focused on completing several capital improvement projects at the site.

The biggest improvement, probably, is the replacement of the site's



Hidden Falls has a new mini-excavator. The machine allows staff to work in much smaller spaces than in the past.

125-kilowatt backup generator, which was not powerful enough to handle the load. The new 250-kilowatt generator will be able to supply power to the entire site, almost regardless of load.

The new generator is autostart, so the generator will come on automatically if the power were to go out in the middle of the night, making it more reliable and efficient. The generator and the hydro will be tied into a load bank.

The load bank will perform two duties. The first is that staff will be able to place a load on the generator during regular testing of the generator without transferring the load from the hydro (thereby shutting the hydro down). Second, the staff will be able to dynamically adjust the load on the hydro via the load bank.

"This would automatically set the load on the hydro to provide just enough water without any weir spill, eliminating waste of water," explains Scott. "It allows us to operate more efficiently water-wise."

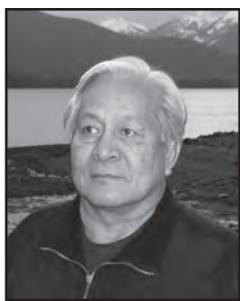
Other projects include expanding the alarm/monitoring system (new last year) throughout the site, allowing staff to monitor water levels and flows on all incubation and rearing containers.

"It gives us an ability to analyze data (hydro bearing temperature, weir levels, etc.) we never had before," Scott says.

General Manager's Notes

One last note.

As I near retirement, I would like to take this last opportunity to thank the many people who have contributed to the successes we at NSRAA have experienced over the last 30 years.



Some of you may remember those early days when NSRAA was considered by many to be the least likely Regional Association to survive and become self-sustaining. Many thought that NSRAA needed to borrow huge sums of money and build huge facilities in order to have a successful program. Instead, we planned slowly and methodically, and developed a highly diversified enhancement program. Concurrently, we created a financial plan that did not rely only on overly optimistic marine survivals.

We also formed positive and lasting relationships with commercial fishermen, seafood processors, cities and boroughs in the Northern Southeast Region, other common property users, fishermen organizations, the State of Alaska through its ADF&G and DCED, and the US Forest Service. These were some of the things that allowed NSRAA to continuously move forward over the last 30 years.

The foresight of the founders of NSRAA and the contributions of each and every one of the past and present members of the NSRAA's Boards of Directors can be very proud of the accomplishments of your corporation. As NSRAA's General Manager for the past 29+ years, I feel privileged to have had the opportunity to play a meaningful role in achieving NSRAA's level of success. As the history of the evolution of Southeast Alaska salmon fisheries over the last few decades is written, you will come to fully understand the significant influence NSRAA has had on salmon fisheries development in Alaska. We should all be very proud of what we created and accomplished and I'm sure that much more will be achieved into the future. NSRAA has a great staff, Board of Directors, and is well-situated, both organizationally as well as financially, to meet the future needs of Northern Southeast Alaska's common property salmon users. If you continue to take good care of NSRAA, NSRAA will always be around contributing salmon for future generations. Hope you have a safe and prosperous season. Pete Esquiro

Northern Southeast Regional Aquaculture Association

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Medvejie

With winter weather and water temperatures back to historic averages, the salmon season has started smoothly.

Green Lake / Medvejie BY 08 Chinook

Both Green Lake and Medvejie Brood Year 2008 (BY 08) yearling Chinook survived well over the winter in saltwater net pens, with low mortality rates. The Medvejie group's growth exceeded expectations, as these fish were only slightly smaller than last year's (which were the smallest ever to enter saltwater net pens). Fish culturists expect these fish to reach their target size of 70 grams by their release in June.

By the end of April, the estimated total for the two groups was 2.2 million Chinook yearlings.

Medvejie Zero-check Chinook

The Medvejie staff ponded the BY 09 zero-check Chinook into rearing tanks the first week of January – about a month earlier than last year. By the end of April, those fish averaged 1.8 grams and were in excellent health. Incubation and rearing losses were minimal. Staff took advantage of the warmer water temperatures and enumerated fish and moved them to net pens in Green Lake for the earliest lake entry in more than five years.

Green Lake/ Medvejie BY 09 Chinook

The Medvejie BY 09 Chinook were ponded more than a month later than normal, but have grown well over the past few months and, by the end of April, were just slightly smaller than the zero-check Chinook. Crews ponded the Green Lake BY 09 Chinook on schedule in mid-March and expect them to reach their target size before they are transferred to Green Lake in mid-July.

Medvejie Hatchery Manager, Bill Coltharp, estimates a total of approximately four million BY 09 Chinook, between Green Lake and Medvejie.

BY 09 Chum

Despite losing some incubating chums to crib death, it's been a good year.

"Survival during the egg stage was better than any previous years that I have been here," says Bill.

The ponding session – mid-February to early April – was the shortest on record. Crews transferred 50 million of the 59 million chum salmon reared at Medvejie by boat to Deep Inlet. The remainder will be left at Medvejie for brood stock.

Summer Projects

Among the maintenance projects on tap for this summer at Medvejie is the cleaning and reconstruction of one of the hatchery's water intake structures. This should reduce incubation issues such as fungus and crib death. Staff also will repair the damage sustained during a storm to the saltwater net pen complex and will work to complete the Sawmill Cove Hatchery.

New Barge in Deep Inlet

It's an understatement to say NSRAA staff is pleased with its new Deep Inlet barge.

"It's a floating castle," says NSRAA's Operations Manager, Lon Garrison, with a chuckle. "It's amazing. It's basically a big warehouse with living quarters on a barge."

In a little more than a year after NSRAA contracted with PR Concrete Floats to build a new barge for the Deep Inlet rearing site, the barge was built, delivered and is now home to about 300,000 pounds of fish food and an NSRAA crew.

The new barge replaces an old steel Navy barge NSRAA used at Deep Inlet for the past 20 years or so. NSRAA resupplied the barge with fish food throughout the season – both inefficient and costly. In addition, the old barge required maintenance upwards of \$65,000 every five years or so.

The new barge is 110-feet long and 40-feet wide. The warehouse portion houses the fish food. The living quarters are utilitarian, but up-



The new barge is a major improvement to rearing operations in Deep Inlet.

graded compared to the old barge.

"The previous barge had a little cabin on skids," explains Lon. "It worked fine, but it was a little more rough around the edges, certainly. While we've had women work out there before, sometimes it was a little uncomfortable because it didn't have the desired separation for privacy."

The new crew quarters includes a kitchen, a full bathroom and three separate bedrooms.

"It's well-built, well laid-out and should serve our needs for quite a long time," Lon says.

NSRAA hopes to sell the former barge by early summer.

Troll Opportunities and Line Changes

NSRAA collaborated with trollers this winter to implement two boundary changes and expand troll-fishing opportunities this season.

Bear Cove

In an effort to provide a broodstock sanctuary and reduce the snagging issue, a line running from the north to the south shore and west of the net pens will close the inner portion of Bear Cove to commercial trolling.

Hidden Falls

Last August, the Alaska Department of Fish and Game (ADF&G) expressed concern over wild stock interception in the Hidden Falls Terminal Harvest Area (THA) during the coho troll closure. The entire area was closed. In response, trollers requested that trolling be allowed in a reduced area this year, to ensure fishing opportunities during the closure.

ADF&G will set the exact coordinates of the new boundary, but the area will run from 57 degree 10'0" N Latitude (north of Takatz Bay) to 57 degree 15'0" N Latitude (north of Cosmos Cove) and extend approximately one mile offshore.

ADF&G is requesting that trollers separate or flag all coho caught in the THA for coded-wire-tag sampling.

Trollers also requested that NSRAA modify its cost recovery (CR) operations in the THA to allow for a potentially higher terminal troll harvest of coho. NSRAA has several concerns. If trollers cannot keep up with a larger run, it could result in lower quality of CR fish and would attract large numbers of sea lions into the area -- dramatically hampering harvest operations.

NSRAA has agreed to accommodate trollers as much as possible and will evaluate management options daily. Communication between trollers and NSRAA is integral to the success of this agreement.

Deep Inlet

NSRAA added an extra troll day immediately after the THA reopens. The two full days should give chum trollers the opportunity for a successful harvest, especially if there is a large buildup in the inlet.

Sealaska Selects Hidden Falls in its Land Selection Bill

NSRAA's Hidden Falls Hatchery is one of the most important hatcheries in Southeast Alaska, but its future is uncertain now that the Sealaska Corporation has it listed in its land selection bill.

NSRAA officials learned in March that Sealaska selected eight acres at Hidden Falls as one of the cultural/historic sites in its land selection bill.

"We still don't have a precise map," says Steve Reifenstuhel, NSRAA's new General Manager, "(but) eight acres would be almost the entire site."

Construction began for the Hidden Falls Hatchery in 1979. During construction, workers found evidence of shell midden (an archeological feature indicating a prehistoric dinner site). Workers reported the discovery and the approximately half-acre area was the site of an archeological dig from 1979 to 1981.

In addition to the midden, archeologists found tools and pieces estimated to be 6,000 to 8,000 years old. There was no evidence of a burial site, but the small area has been protected ever since.

"We understand the importance of the site, culturally," says Steve. "It's well-protected and it's been well-protected ever since it was discovered."

NSRAA is concerned that if Sealaska's request for eight acres at Hidden Falls is granted, the organization could eventually lose control of its hatchery. Steve has been meeting with Sealaska officials in hopes of reaching a compromise.

"We're trying to navigate how we can ensure that the fishermen of Alaska don't lose what this facility means to them," he explains. "The best-case scenario is that we convince Sealaska to drop the site. That gives us the greatest confidence that we can continue operating the facility. (Another option) is they narrow the site to the half-an-acre (where the midden was discovered) and we get an iron-clad easement to guarantee that we could continue operations."

Sealaska officials had not yet agreed to a compromise by the end of April. Fishing groups were lobbying Congress to get the Hidden Falls site dropped from the bill.

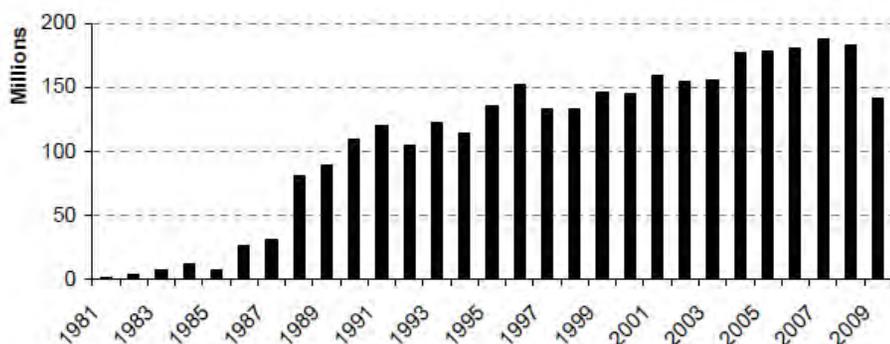
"We don't know what the outcome of this will be," Steve says, adding that it's in the state's interest that NSRAA continue its operations at Hidden Falls.

Pete's Tenure

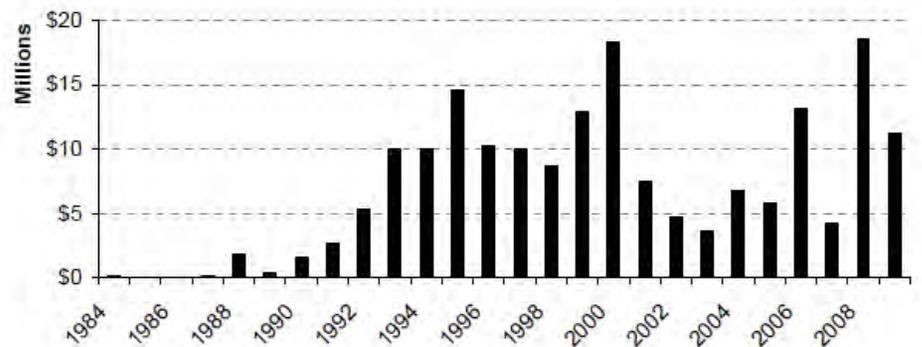
During the nearly 30 years of operations under Pete's guidance, NSRAA has:

- Released nearly 3.2 billion fry and smolt.
- Provided nearly 65 million salmon to the commercial fleet, with an ex-vessel value of \$182 million.
- Contributed thousands of fish to the Southeast Alaska's sport and subsistence fisheries.

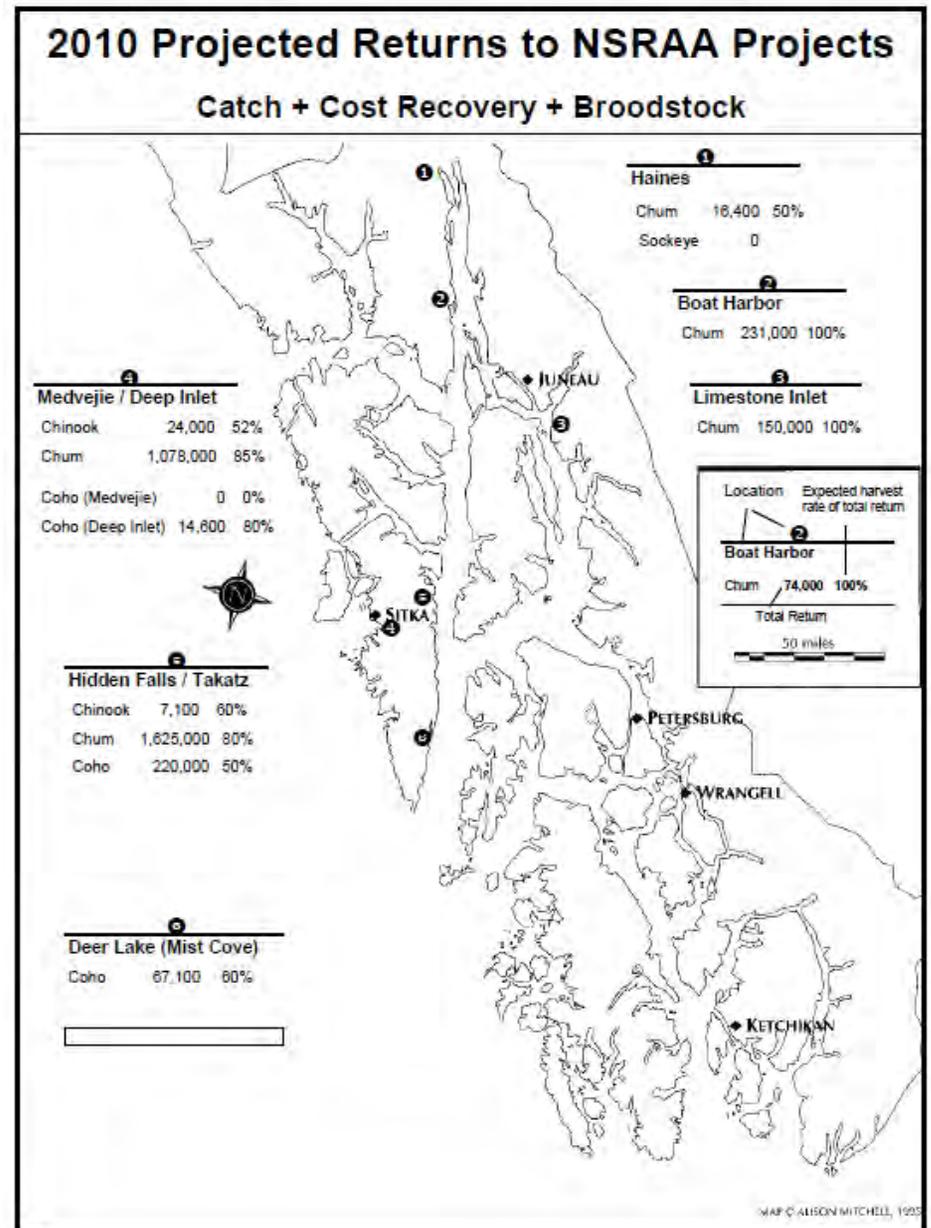
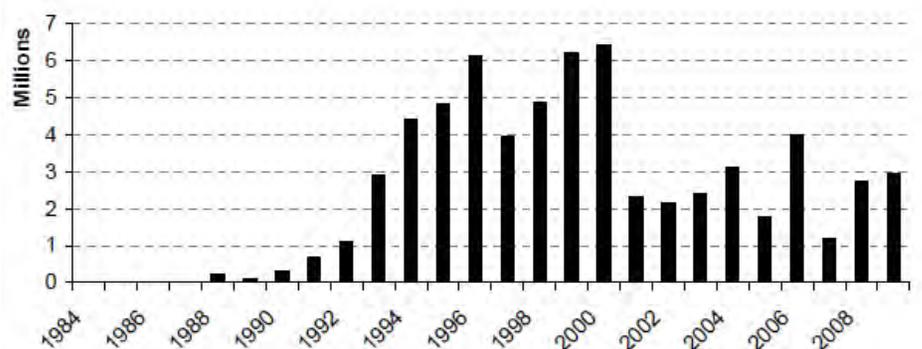
Salmon Releases 1981-2009
3.17 Billion Fry and Smolt



Commercial Value 1984-2009
\$182 Million Ex-Vessel Value



Salmon Returns 1984-2009
64.8 Million Commercial Fish



U.S./Canada Treaty Chinook Fishery Mitigation Funds

Southeast Alaska fishermen – hook and line, in particular – are waiting anxiously for federal funds to help mitigate their losses from the recent renegotiations of the Pacific Salmon Treaty, but it's unlikely they'll see much this summer.

Southeast Alaska takes 15 percent cut

As part of the renegotiations of the Chinook fishery provisions of the treaty, Canada agreed to a 30 percent reduction in Chinook harvest off the West Coast of Vancouver Island and the U.S. to a 15 percent reduction for Southeast Alaska.

Reaching a coast-wide agreement was difficult, due to the wide migratory range of Chinook and because some salmon originating from the Pacific Northwest are listed under the U.S. Endangered Species Act.

"It was an allocative cut," says Dale Kelley of the Alaska Trollers Association, explaining that Canada and the lower 48 called for cuts in Alaska's quota in return for reduced harvests off the West Coast of Vancouver Island. "This was pure politics."

"We didn't believe that the reduction in Alaska harvest was justified for conservation reasons," agrees Gordy Williams, Special Assistant for the Alaska Department of Fish and Game (ADF&G), adding that treaty provisions also put significant money toward documenting Chinook returns to spawning areas in Canada and the Pacific Northwest in order to have better quality data for future negotiations.

Alaska's mitigation funds

To secure the 30 percent reduction in Canadian Chinook harvest, the U.S. agreed to provide Canada \$30 million in mitigation funds, to be paid in two equal installments by 2011. U.S. negotiators also agreed that Alaska should receive mitigation funds; a first installment of \$7.5 million will be available July 1st.

Dale was one of nine representatives on a stakeholder panel convened to develop a prioritized list of mitigation measures and make recommendations to the State of Alaska for allocation of these funds. The panel included troll, sport, processor, tribal and community representatives.

"This money was targeted at hook and line fishermen because we are the most impacted" says Dale. "We don't want to deny the fact that other fishermen are affected incrementally, but trollers regularly get shut down on Chinook and the quota directly affects how our entire fishery is managed."

The panel was asked to recommend categories and allocations for the mitigation funds. It identified four categories for 2010: enhancement, infrastructure, direct payments and fish quality/consumer research issues.

The process has included a solicitation of hatchery operators for conceptual enhancement projects. NSRAA is among those submitting proposals.

While sport representatives are primarily interested in Chinook enhancement, Dale says trollers suggested a mix of Chinook and coho projects.

"Trollers need time and area to catch king salmon," she explains, adding that low quotas and limited fishing areas have made it difficult to catch large numbers of the kings produced. "The fleet has been able to catch hatchery coho in better numbers, so while kings will always be an essential part of the mix, coho provide good opportunities to mitigate losses in production."

Richie Davis, the panel's processor representative, agrees.

"We don't believe there's a lot of room to expand (Chinook) production in this region," he says. "Right now, the king salmon survival rate is not high. Based on the amount of money (of mitigation funds)... (we) believe that coho is our best bet."

The panel submitted an initial round of recommendations for enhancement projects in April and will be reviewing additional proposals – for projects demonstrating benefits specific to sport fisheries – later this spring.

Waiting for the money

By May, there were more questions than there were answers to how the funds would be used and when fishermen and communities will benefit from them.

"The fleet has infrastructure needs that must be filled this season and that looks to be impossible with this round of money," says Dale.

"This summer season is kind of out," agrees Gordy, explaining that the monies won't be available until July 1 and it will take time for the appropriate state agencies to distribute funds.

"We are in the process of gathering the information we need to implement the contract and grant funding processes required," he says. "We're going to try and get the funding out in as timely and responsible a manner as we can and there is more work we need to do to accomplish that."

"But it may be possible to undertake some of these projects this year," says Ron Josephson, ADF&G Section Chief. "It depends on the project."

Ron points to one of NSRAA's proposed projects, to install more underwater lighting in the Medvejie saltwater net pen to lengthen the rearing season and improve smolt growth and quality, as an example.

While that project won't affect the summer season, he says, if approved, NSRAA could receive the funds in time to purchase and install lighting before the end of the year.

Direct payments to eligible commercial trollers may also be distributed before the end of the year, Gordy says.

Dale says Alaska Trollers Association is hoping for direct payments to fishermen.

"Trollers have never asked for subsidies or buy-backs, but we've just been hit so hard by this treaty," she says. "You can only mitigate so much. Infrastructure – that's fine, but it doesn't directly mitigate a family."

But most projects – infrastructure and enhancement – likely won't get funds until early next year, Gordy says.

The second installment

There is a second installment of \$7.5 million in the President's budget request for 2011, but congressional action is still pending.

"I'm not sure what will come of this mitigation money... especially in this economic climate," Richie says.

"We're told odds are good that we'll get the \$7.5 million next year, but I don't like to count those chickens too early," says Dale.

The State hopes to secure more mitigation funds than the \$15 million, but "given the budget situation in D.C – who knows," says Gordy.

"This has been a very frustrating process, actually," admits Dale. "People are very angry about their chronic losses under this treaty. This thing is like a big onion – issues within issues within issues. We're trying to do the best we can with the hand we've been dealt. Hopefully the mitigation program will provide some immediate relief for our fishing families and a few long-term investments for the fleet's future."



The troller F/V Last Dance fishes near Sitka.

Field Project Updates

Deer Lake

NSRAA opened its Deer Lake camp at the end of March. Unlike last year, when the crew spent the first few months shoveling snow to get ready for the summer season, this year's mild winter has facilitated summer preparations.

This is the first year since 2006 that Deer Lake did not ice up completely. The trail was clear of snow just a few days after the crew opened camp (compared with last year, when the crew wasn't able to clear the trail until mid-June).

The crew spent April preparing for its May smolt emigration. Josh Homer, Project Leader, and his crew finished assembling the weir and built and installed the new pipeline. So far, smolt emigration from the lake is slightly ahead of schedule. Ocean conditions look favorable, due to warm temperatures and plentiful pink salmon fry and phytoplankton and zooplankton blooms. As of this writing, nearly 1 million smolt have emigrated.

The crew transferred two million brood year 09 coho fry into net pens at the end of May. Josh says the warm lake temperatures are promising good growth this season.

"It is looking good for us to get our fry to an average of 18-plus grams this year," he says. "If the summer growing season is as good as it is looking now, I predict some very nice fish going into winter."

Among the projects slated for Deer Lake this summer are an overhaul of the damaged trail system and construction of a new fuel storage area and woodshed.



Greg Horton takes weight samples of coho at Deer Lake. The new Wavemaster pen system has been a great addition to rearing operations.

Salmon Lake

NSRAA's Josh Homer took over as the Project Leader for the Salmon Lake project when Tommy Sheridan, former Project Leader, resigned earlier this year. The project will be run as it has in the past, with one change: operations won't begin until August.

In the three years NSRAA has managed this project, operations ran from late June through early November. But the objective of the study is to monitor for hatchery-produced coho and estimate the number of wild fish returning to the lake. Because there were no coho in July, Josh says it was a "wasted" month. By delaying operations until August, NSRAA will increase efficiency and save money.

NSRAA uses mark-recapture methods in the event coho pass upstream of the weir undetected or in case the weir were to fail. NSRAA employees occasionally beach seine fish in the lake and record any unmarked coho caught in the net.

This summer, NSRAA will transfer one of Deer Lake's old net pens to Salmon Lake to hold broodstock captured this fall. The pens will increase the holding area and reduce the mortality experienced last year. About 20 percent of the broodstock NSRAA captured last fall died before spawning. Much of the loss was attributed to overcrowding in the net pens.

Last year, NSRAA estimated roughly 1,500 coho returned to the lake. Average annual escapement estimated through the operation of this weir (2001- 2005, 2007 & 2008) is 2,281 coho, with the lowest return of 1,139 fish in 2002.



Manager Scott Wagner & the Hidden Falls crew load some of the 2 million coho fry for transport to Deer Lake.

Haines Projects

After losing more than 150,000 eggs to a water system failure in one of its streamside incubation boxes last year, NSRAA is hoping for a more successful season this summer. The goal is to produce nearly 2.9 million chum fry there this year.

NSRAA will work to collect and seed 4.8 million chum eggs in streamside incubators in the Chilkat Valley – 1.6 million are designated for the Herman Creek site, 800,000 for the 31-mile site and 2.4 million for the 17-mile site (which failed last year).

"If we have a lot of trouble with 17-mile again, it will be a project we will consider dropping," says Lon Garrison, NSRAA Operations Manager.

In early June, crews will clean boxes, count dead eggs and estimate how many survived as fry.

Also in June, NSRAA will transport about 250,000 zero-check Chinook fry from Hidden Falls to a saltwater net pen in Lutak Inlet. This is a project NSRAA does under contract for the ADF&G Sportfish Division. Lon says he expects the fry to weigh approximately 6 grams at transfer but hopes they triple in size – to 15 to 18 grams – by their release in mid-July.

While marine survival using the zero-check technique is substantially less than normal (approximately 0.5 percent instead of 2.5), it costs significantly less due to reduced time, labor and feed.

"So the actual benefit to cost is about the same," Lon says.

The crew will return to Haines again in September and October for chum eggtakes.



NSRAA crew seining chum broodstock at Herman Creek Spawning Channel last fall.

Cost Recovery Goals for 2010

Last year, NSRAA simplified the process it uses to determine the revenue needed to balance its budget by implementing a new accounting method for cost recovery revenues. This is the first year NSRAA has entered the season with a portion of its revenues already in hand.

With the new method, Chinook and coho revenues are applied to the following year's budget. Chum revenue and all other incomes are applied to the current season's budget.

Because NSRAA initiated this method last season, it applied last year's Chinook and coho revenue toward 2010, making it relatively simple to determine how much chum revenue it needs to balance the budget.

The board approved this year's budget in March and determined chum revenue it requires this season. NSRAA used the McDougall formula (based on return forecasts) to split that revenue amount between Hidden Falls and Deep Inlet.

Based on chum forecasts, NSRAA needs to raise \$1,220,000 from Deep Inlet and \$1,797,000 from Hidden Falls.

Knowing the revenue must meet the budget, NSRAA requested bids in dollars, asking processors the lowest number of pounds they would be willing to accept for the designated dollar amount. By using this method, NSRAA ensures it harvests enough fish to meet budget needs, without excess.

In April, NSRAA awarded both its Hidden Falls and Deep Inlet cost recovery contracts to Sitka Sound Seafoods. Because cost recovery chum prices came in at record levels (\$1.11 and \$1.07, respectively), NSRAA's harvest will require significantly less fish than initially expected – 12 percent instead of the estimated 20 percent. That could mean as many as 225,000 more fish available for fishermen.

In an effort to minimize disruption to commercial fishermen, NSRAA has developed a new strategy for its cost recovery harvest at Deep Inlet (please see separate article). Its harvest plan for Hidden Falls has not changed.

NSRAA anticipates this season's Chinook and coho cost recovery could be more than double last year's, with a projected revenue of about \$1.2 million. The revenues collected from this year's Chinook and coho cost recovery will be applied to 2011 budgetary needs.

A New Game Plan for Deep Inlet

NSRAA created a new strategy and fishing schedule for its cost recovery at Deep Inlet this year, in an attempt to increase the efficiency of harvest in years of lower returns.

For the past several years, the annual chum return to Deep Inlet has been low – less than one million fish. As a result, NSRAA has struggled to complete its cost recovery harvest without significantly disrupting commercial fishing.

This year's strategy was developed by a group of fishermen on the NSRAA board who suggested that, in years of low fish returns, NSRAA wait until the peak of return, in August, to harvest its cost recovery fish. This should allow NSRAA to complete its cost recovery harvest in the shortest period of time, with the smallest interruption for fishermen.

Fishermen are warned, however; for the plan to succeed, NSRAA may have to announce closures and openings with less than 24-hour notice. This is especially important to trollers who wish to fish when the terminal harvest area (THA) reopens. Trollers can monitor the progress of the cost recovery harvest to best anticipate the reopening date. NSRAA staff will do its best to give as much advance notice to fishermen as possible.

NSRAA staff will monitor catch rates, sex ratios and run strength to determine when to close the terminal harvest area to commercial fishing.

Here is a brief overview of the new schedule:

- **Chinook schedule: May 30 – June 19**

No changes.

- **Chum schedule A: June 20 – Aug. 7**

There will be 3 seine (SN), 3 gillnet (GN) and 1 troll (TR) days per week during this period. (This is a change from 2 SN and 2 GN and 3 TR days last season.) The entire THA will be open. There will be no closure inside Deep Inlet as in the past several years.

- **Chum schedule B: Aug. 8 until the cost recovery (CR) closure**

The schedule will change to a rolling schedule of 2 SN days followed by 2 GN days. This sequence will be repeated until the THA is closed for CR harvest. The closure will occur some time between August 8 and 23.

- **Chum schedule C: Reopening**

Trollers will fish in the THA the first two days immediately following the completion of the CR harvest. The rolling schedule will resume with 2 SN days followed by 2 GN days and continue for the remainder of the season.

A complete schedule, including a calendar, is available on the NSRAA website at www.nsraa.org.

NSRAA 2010 Return Projections									
Site	Projected Return	Range Low	Range High	Commercial	Sport	Cost Recovery	Brood Stock	2009 Return	
Chum									
Hidden Falls	1,625,000	1,130,000	2,130,000	1,293,000	-	202,000	130,000	2,304,969	
Medveje/Deep Inlet**	1,078,000	580,000	1,580,000	875,000	-	143,000	60,000	787,827	
Boat Harbor*	231,000	131,000	331,000	231,000	-	-	-	465,000	
Limestone Inlet*	150,000	75,000	225,000	150,000	-	-	-	191,000	
Haines Projects	16,364	11,364	21,364	6,546	-	-	9,818	22,579	
	3,100,364	1,927,364	4,287,364	2,555,546	-	345,000	199,818	3,771,375	
Chinook									
Hidden Falls	7,100	4,600	9,600	3,905	250	500	2,500	6,647	
Medveje	23,800	13,800	33,800	11,900	1,190	6,710	4,000	20,744	
	30,900	18,400	43,400	15,805	1,440	7,210	6,500	27,391	
Coho									
	<u>Marine Survival:</u>	<u>6-8%</u>	<u>2-6%</u>	<u>12%</u>					
Hidden Falls (8%, 6-12%)	220,000	170,000	340,000	110,000	4,000	96,000	10,000	109,509	
Deer Lake (8%, 6-12%)	67,100	50,000	100,000	40,300	1,000	25,800	-	50,993	
Medveje (6%, 2-12%)	-	-	-	-	-	-	-	30	
Deep Inlet (6%, 2-12%)	14,600	4,900	29,200	10,950	1,460	2,190	-	810	
	301,700	224,900	469,200	161,250	6,460	123,990	10,000	161,342	
ALL SPECIES TOTALS:	3,432,964	2,170,664	4,799,964	2,732,601	7,900	476,200	216,318	3,960,108	



Mike Martello, Matt Golden and Mike Pountney get ready to deploy one of several new anchors at Deep Inlet.

Pete Retires

Cont. from front page

continue to advocate for healthy successful fisheries and wanting to learn from recognized leaders in the field of aquaculture. I can honestly say, today, that Pete Esquiro, besides being a great fisherman and a very sharp businessman, has been a great teacher... for those who have had the ears to listen."

"(Pete) has set his eye unwaveringly on the goal of creating a diverse, self-sustaining program of fish returns that benefit the people he cares most about: commercial fishermen and the NSRAA staff. It is a deep cultural thing with him and I think his pride, care and commitment to NSRAA are equal to what he tries to achieve for his own family. Also, I think he just really loves making fish... which I've occasionally heard him refer to with pride as "My fish". That's the only time I have ever heard him even come close to admitting he's responsible in great degree for the success of the NSRAA programs. The man is so naturally humble and self-effacing you really have to dial in to understand all he's done to keep the good ship NSRAA afloat."

"It is interesting to me to see the strong personalities that have flourished at NSRAA during Pete's tenure. You don't retain the intense quality of (these) people... without having a gift for leading and supporting people at the same time. And did I mention the personalities of the Board members? No matter who has come and gone on the Board, Pete has always listened, tried to understand and respond."

"I really respect the man for achieving so much for the benefit of so many and for leaving a generous legacy that will continue to enrich future generations. It has been one of the great privileges of my life to listen and learn from Pete Esquiro. I will miss his calm confidence and experience. And about those fish of yours, Pete? Thanks for sharing!"

Chuck Olson, former NSRAA board member

"I met Pete for the first time when I came down here to do cost recovery (CR)," Chuck remembers. "He was actually coming out and supervising the CR in the skiff. Pete was kind of a one-man band then. He did it all."

Chuck says he got to know Pete better once he became a NSRAA board member.

"He is a very fiscally conservative manager," he says. "He has a pay-as-you-go attitude and that has served NSRAA very well. When all the other hatcheries in the state were borrowing money to enhance their growth, Pete refrained from doing that. They got in really serious financial trouble, but because of Pete's attitude... NSRAA was able to remain strong while all the other hatcheries were faltering."

"There's a lot of contention among the user groups," Chuck adds. "Pete was always the guy in the middle that found the common ground."

"He (also) had a knack for surrounding himself with competent people – people who had a passion for their project. I think it's rare to find a manager like Pete. Pete was your friend, and you wouldn't want to disappoint him and the high expectations he had for you."

"I think the community owes him a huge thank you for the stimulation to the local economy. In terms of just making fishing a viable livelihood here in Sitka, and in the Northern Southeast, is largely contributed to NSRAA and Pete's good guidance there. I know he'll be missed, that's for darn sure. We all hope he stays in the community. He'd be sorely missed if he left."

Steve Returns *Cont. from front page*

to a "very well-rounded, well-respected and well-spoken person that not only understands the science and biology of the fishing industry, but also the issues and politics."

"It's a great thing for him, but it's also a great thing for our organization, I believe," he says. "I can't really say enough about Steve."

"Going to Silver Bay gave me an even deeper understanding and appreciation of the fishing industry," Steve says. "So I certainly learned a lot that will be applicable in my new position."

Pete and Steve have worked closely together for several months to ensure a smooth transition with Pete's departure.

"The transition of the management functions from me to Steve is expected to be as close to seamless as is humanly possible," says Pete. "The fact that we worked together for 20-plus years contributes to the smooth transition."

As he prepares to take the baton from Pete, Steve said he's looking forward to piloting the ship and leading a successful organization on a path of continued success.

"But the main excitement, really, is to work in an organization that works for the common property fisheries and one that has been very successful and that is, really, part of my DNA," he says.



Tommy Sheridan in the otolith lab.

Tommy Sheridan Resigns to Pursue Graduate Degree

When Tommy Sheridan first came to NSRAA as a Student Conservation Association intern, he had no background in aquaculture. He wasn't even sure he'd like it. But he came to love it so much, he's been with NSAA ever since.

So it wasn't an easy decision for him leave NSRAA to return to school to pursue a Master's degree. But Tommy has been considering graduate school for almost as long as he's been at NSRAA. When Oregon State University started an Internet-based graduate program in Fisheries Management last fall (allowing him to remain in Sitka while in school), "I decided it was now or never," he says.

In his eight years with NSRAA, Tommy has become intimate with nearly all the organization's projects. He started with the Green Lake Chinook rearing project and has since worked at Hidden Falls, Medvejie and Deer Lake. Most recently, Tommy was in charge of the Salmon Lake weir project, the Salmon Lake coho program (for Sawmill Cove) and NSRAA's otolith lab.

"I came to absolutely love fish culture," he says, adding that he hopes to remain in this field after graduation.

As much as Tommy loved his work at NSRAA, he says the people are what he will miss the most.

"Living and working remote is unlike any experience I've ever had (but) the potential for camaraderie is high, especially if you're surrounded by good people, which was more common than not in my time with NSRAA."

Tommy will work for NSRAA part-time this summer.