

# FISH RAP

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

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*Chum returns at Southeast Cove and Crawfish Inlet will provide a huge increase in chum troll opportunity beginning in 2016.*



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## NSRAA's Newest Programs To Benefit Trollers

As gear groups continue the often-emotional grapple for equity in harvest numbers, NSRAA has developed two programs designed specifically to help trollers raise their numbers and potentially achieve their allocation range.

NSRAA's latest projects, Crawfish Inlet and Southeast Cove, were initially conceived in an effort to increase chum production away from the Sitka area. But as the projects were developed, the board realized they would be ideal opportunities for trollers.

"In a sense, it's a little bit of happenstance," admits Steve Reifentstahl, NSRAA General Manager. "Where the opportunities happen to be fits in well with what the trollers' needs are. The beauty of these two locations is they are not near any net fisheries. There's no chance fish can get intercepted on the way and there's no terminal fishery for seiners or gillnetters at either of these sites, as well."

Both Southeast Cove and Crawfish Inlet are remote release sites. Southeast Cove is located on Kuiu Island, which includes 50-60 miles of traditional troll drags along its shoreline.

"Trollers have fished Kuiu Island for decades and decades," Steve explains. "This will be a new fish coming in there, with maybe slightly different timing, but they'll already have good knowledge of the troll drags and the land and the ocean bottoms. It's set up very nicely for trollers to come in there and catch chum salmon as they return to Southeast Cove. They still have another 15 miles they can follow the fish on around from Kingsmill and they can continue catching them all the way to Southeast Cove. I expect that it will be a major opportunity."

The geography of Crawfish Inlet, a deep fjord located on the western shore of Baranof Island, south of Sitka, makes this project ideal for trollers, as well.

"Trollers fish on coho and Chinook in the area out in front of Crawfish Inlet," he says. "They'll be able to fish anywhere out there when they figure out how these chum filter in through these islands. They'll be able to harvest them, at will, anytime of the week, anytime of the troll season, which is most of the summer for chum salmon."

In addition, the trollers will also have access to the chum once they enter Crawfish Inlet. NSRAA is developing a Terminal Harvest Area there, specifically for trollers to fish the returning chum.

NSRAA anticipates the annual value of each of the two new projects to be an estimated \$4 million.

"If the trollers can catch half of them – that would be \$2 million at each site – that would be close to sufficient to put them in their allocation

range," says Steve.

Though NSRAA expects some chum to return to Southeast Cove this season, it will only be a small number of 3-year-olds. Those fish may help NSRAA determine marine survival as it forecasts returns for 2016, when the first major return is expected at Southeast Cove. NSRAA doesn't have forecasts yet, but expects tens of thousands of chum to return next season. Crawfish Inlet chum are expected to return beginning in 2018.

"By 2020, 2021, we should be ramping up to having something on the order of two-million chum salmon available," he says.

### NSRAA FY16 Budget

Projected Income - FY16		
Year	Income Source	Amount
2014	Enhancement tax	\$1,856,472
Revenue - Fish sales / Assessment tax:		
2015	- Amount required from Chum	\$0
2014	- Excess chum CR	\$35,346
2014	- Chinook	\$105,653
2014	- Coho	\$1,470,241
2014	- Incidental species	\$5,944
2014	- Roe	\$90,399
2014	- Carcass	\$98,575
Other Revenue / Funds from Reserves		
2014	Rental Income	\$42,000
2014	Investment Earnings (net of fees)	\$359,000
2014	NSE account (DIPAC)	\$2,000,000
2014	Crawfish Operational Loan	\$375,000
2014	From Unrestricted Reserves	\$1,052,145
<b>Total</b>		<b>\$7,490,775</b>
Projected Expenses - FY16		
Expense Source	Amount	
Operational Budget	\$7,092,475	
Capital Budget	\$398,300	
	\$0	
	\$0	
	\$0	
<b>Total</b>	<b>\$7,490,775</b>	

## Hatchery Reports

### Record Chum Eggtake Goal for 2015 At Hidden Falls

With returns averaging 1.7 million in the first decade of the 21st century, NSRAA's Hidden Falls Hatchery produced a larger chum return for common property fisheries than any other facility in North America. These days, Douglas Island Pink and Chum (DIPAC) has taken that title, but Hidden Falls has increased chum production by 50 percent for its Southeast Cove project.

NSRAA began releasing chum fry remotely at Southeast Cove several years ago, as part of a cooperative project with Kake Non Profit Fisheries Corporation (KNFC). The project was conceived in an effort to increase the number of fish produced by the struggling Gunnuk Creek Hatchery, located off of Kuiu Island, near the town of Kake.

For the first two years, NSRAA was permitted to take and incubate enough eggs to release approximately 9 million fry from Southeast Cove each spring. When the Gunnuk Creek Hatchery closed its facility last year, NSRAA's permits were updated to compensate for the gap in production.

DIPAC will help NSRAA with its expansion at Southeast Cove this season by collecting 30 million chum eggs at its Macaulay Hatchery for

the chum project. Those eggs will be transported to Hidden Falls, relieving some pressure on NSRAA to meet its eggtake goals, while also allowing 30,000 more chum in Hidden Falls' Terminal Harvest Area for commercial fisheries.

Hidden Falls ponded 111.1 million chum this winter. Those are eggs collected, incubated and hatched within the facility. That's a record for the remote hatchery, but it doesn't end there, says Carrington Gorman, Hidden Falls' Assistant Manager.

"This year, we're going to surpass that by a huge amount," he says. The goal for this season's chum eggtake at Hidden Falls is approximately 140 million. "It's the largest ever – and that's just chums."

All this is in addition to the hatchery's normal production schedule, which also includes Chinook and coho. NSRAA completed construction of a new building last year and staff continues to make improvements to accommodate the increased production.

"It's a lot of work that still needs to happen to get this to all come together," Carrington says. "There's still a ways to go to see it to fruition."

## General Manager's Notes

*Hatchery Reports cont. on page 3*

The Board of Fisheries met in Sitka for ten days this past February. We were successful at getting two regulatory changes to small portions of the Hidden Falls and Mist Cove terminal harvest areas. These closed areas have been in place by emergency order or via Sport Fish closures for many years; they protect broodstock, economic harvest and operating equipment, and provide for staff safety, with little or no impact to commercial fisheries.



A slightly more intense issue at the meeting centered on allocation of enhanced fish, specifically on a proposal to modify how allocation of fish and programs are conducted at NSRAA and DIPAC. Ultimately, the board did not support the proposal, but the proposal did necessitate a thorough discussion of what the aquaculture producers are doing to move

the allocation imbalance in a positive direction.

Allocation of salmon, whether wild or enhanced, has long been a contentious issue both within the state and outside its borders (think: Pacific Salmon Treaty). From its earliest days, NSRAA has worked closely with fishermen to develop major troll programs such as Deer Lake, with 2.5 million smolt in 1984; Chinook expansions through PSC Treaty monies in the late 80's, with 3.5 million smolt; Hidden Falls coho, with 3 million smolt; and, most recently, Sawmill Creek Hatchery, in 2012, with 2 million coho smolt.

NSRAA's latest plan to increase troll opportunity consists of development of Crawfish Inlet, near Sitka, and Southeast Cove, on Kuiu Island, both chum salmon programs totaling 85 million eggs. These programs have well-known troll drags encompassing many dozens of miles leading up to the terminal areas. The most recent move was in April, when the Regional Planning Team passed a new 30 million egg chum project in Port Lucy designed to provide Port Armstrong hatchery with cost recovery revenue and troll opportunities. The benefits of these programs are not immediate, but will begin to return adults in 2016 and increase every year through 2022. Expected value of this new production is \$12 - \$15 million.

Have a great fishing season, and please stop by if you get a chance. We at NSRAA continue to work hard for you.

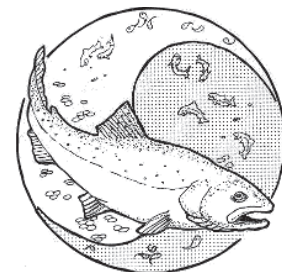
*Steve Reifentstahl*

Northern Southeast Regional Aquaculture Association

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NSRAA  
1308 Sawmill Creek Road  
Sitka, Alaska 99835  
Phone: (907) 747-6850  
Fax: (907) 747-1470  
E-mail: [nsraa@nsraa.org](mailto:nsraa@nsraa.org)  
Web: [www.nsraa.org](http://www.nsraa.org)

General Manager  
President  
Vice President  
Secretary/Treasurer

Steve Reifentstahl  
Kevin McDougall  
John Barry  
Deborah Lyons

Gillnet  
Seine  
Crew member

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Juneau, Alaska 99801

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James Moore	Troll
Mike Nilsen	Gillnet
Zachary Olson	Troll
Dan Pardee	Gillnet
Justin Peeler	Seine
Lars Stangeland	Gillnet
Sven Stroosma	Seine
Karl Wolfe	Interested Person

FISH RAP STAFF:

Chip Blair - Editor [chip\\_blair@nsraa.org](mailto:chip_blair@nsraa.org)  
Lu Snyder - Writer [www.lusnyder.com](http://www.lusnyder.com)

*Hatchery Reports, cont. from page 2*

## Sawmill Creek Operating Smoothly Following Shutdown

After several years of delays and interruptions, Sawmill Creek Hatchery finally has the chance to focus solely on rearing fish for remote release from Deep Inlet and Crawfish Inlet.

Though NSRAA's newest hatchery was conceived and construction completed more than six years ago, operations there have suffered numerous setbacks over the years. First, the broodstock selected proved to have high incidence of bacterial kidney disease and NSRAA was forced to look and get permitted for an alternative source for broodstock – delaying the opening of the hatchery by several years.

The first generation of fish for Sawmill Creek was reared at Medvejie and later transferred to Sawmill Creek when the hatchery opened in December 2012. It wasn't until 2013 that the eggs were incubated and raised at the new facility. But then, staff was forced to move the fish back to Medvejie last summer when the penstock for Blue Lake, the water source for Sawmill Creek Hatchery, was shut down for several months of construction.

Now that the fish are back in house at Sawmill Creek, with no further interruptions or delays in sight, the staff can focus on operations.

This being the first winter after the Blue Lake Dam expansion, the staff wasn't certain whether the raised dam would change water temperatures, says Rebecca Olson, Assistant Manager at Sawmill Creek. Whether the result of the expansion or an unseasonably warm winter, the water temperatures remained about 2 degrees Celsius above normal.

Those warm water temperatures proved advantageous for the hatchery's brood year (BY) 2013 coho, which were smaller than usual last fall, likely the result of being reared and held at Medvejie last summer. Once back at Sawmill Creek though, the fish not only gained the weight necessary to meet their size goal for saltwater entry this spring, they surpassed it.

Now that NSRAA has added Crawfish Inlet to its list of enhancement projects, Sawmill Creek is also responsible for raising the chum for that project. The hatchery completed its first incubation of chum for Crawfish Inlet successfully this winter.

The staff at Sawmill Creek transitioned from winter to summer operations with the release of BY13 coho – the biggest release on record for Sawmill Creek, with more than 950,000.

“With operations back on track at Sawmill, we really hope to meet our eggtake goals this fall and finally be up to full production going into next year, with 2 million coho and 30 million chum, which is double from this winter,” says Rebecca.



*Jess Eller oversaw the first year of rearing at Crawfish Inlet this spring. 13.4 million 4.0g fry were released in early May.*



*Chum fry at Hidden Falls. For all sites combined, NSRAA expects to release about 182 million fry this spring. Of these, 60 million (one third) were reared to 4.0 grams.*

## Medvejie Continues Work to Increase Capacity

Last year, the staff at NSRAA's Medvejie Hatchery worked almost frantically to increase capacity and improve the hatchery's systems to care for the increased number of fish raised there. Though much was accomplished last year, this year's list of projects is even more challenging.

NSRAA's efforts to increase its chum production translated to an additional 40 million chum eggs held at the hatchery last year – a number that will increase again this year. In order to incubate the large jump in numbers, the staff at Medvejie has worked on a long list of projects to increase its capacity, including changes to water sources, holding raceways, spawning equipment and incubation buildings.

Last year, the staff revamped incubation buildings, fabricated air-lift baffles for holding raceways, and installed a new water intake in the north fork of Medvejie Creek to increase the hatchery's water supply. This year's list of projects includes a revamp of the adult raceways and substantial drainwork and demolition. Also on the list of projects is the installation of a new water connection to the hatchery's adult holding raceways.

After NSRAA installed the new water intake last year, it became apparent the hatchery's water line was undersized for the increased water supply. Though the new intake successfully provided more water for the facility, the line feeding the hatchery from the reservoir was too small.

This summer, construction begins to install a new, separate water line to feed the adult raceways. This will free up plenty of water for the juvenile holding raceways and the incubation buildings. Sound easy? Unfortunately, it's not, says Angie Bowers, Manager.

“Concrete and existing water lines will make this a very challenging project,” she says. “It will involve running a new line around existing lines and under existing concrete.”

Though challenging, the project can be completed without affecting rearing.

“This will allow us to hold more adults and increase daily egg-take numbers,” says Angie. “Along with this, further improvements are planned for our existing eggtake set-up in order to become more efficient. Going from an annual chum eggtake of 50 million to 95 million is very challenging, but, hopefully, with the improvements this summer and those of the past couple years, our eggtake goals will be quickly and easily met.”

## Board Member Profile: Jim Moore

Not many people come to commercial fishing with a background in art, but that's what Jim Moore did. In fact, his love of creativity is part of his draw to fishing.

"Fishing, for me, involves a lot of creative energy," he says. "It's not like you drive around and wait for something to happen. You're involved. You've got all this wonderful instrumentation and technology, but you have to integrate that information and put it together and process it in such a way as to develop the sense of what is actually going on beneath the surface. It's tremendously creative."

Jim has been trolling for 45 years and still loves it.

"The thing that's rewarding is that at the end of the day, if you've collected a big pile of fish, you've got it right," he says. "Every single day is different. Things that worked in the past don't necessarily work now. There are so many variables, it's a different world every single day."

Jim and his wife, Pam, came first to Sitka when they moved to Alaska from California in 1970. Though Jim still fishes out of Sitka, the couple moved to Haines in 1977. In that time, they've built a home from the plywood shack it was when they arrived – a creative project Jim is still working on today – and raised three children. They opened a restaurant together that, though it wasn't a financial success, made it into the New York Times Travel section. On his free time, Jim enjoys making art, painting and building. He also plays the violin – sometimes with the Juneau symphony.

Jim fished for more than 40 years before he became involved in fish politics, when he was asked to serve on the Chum Trollers Association Board. Soon afterwards – unknowingly to Jim – voters wrote his name as a board candidate for another fishing organization and he tied with his opponent.

## Deep Inlet 2015 Schedule

### June 1-June 20: Chinook management with 4:2 days gillnet to seine.

- Seine – Sun /Wed
- Gillnet – Mon/Tue/Thur/Fri
- Troll - Sat

### June 21-July 25: Chum management with 3:3 days gillnet to seine.

- Seine – Sun /Thur /Fri
- Gillnet – Mon /Tue /Wed
- Troll – Sat

### July 26-end of season: Chum management with 4:2 days gillnet to seine.

- Seine – Sun /Wed
- Gillnet – Mon/Tue/Thur/Fri
- Troll – Sat

"I didn't even know I was a candidate – I had no idea," he says, laughing. Jim declined a runoff election, but "I began to think, perhaps, I should be contributing something here. Apparently some people think I have something to offer. So when a seat became available at NSRAA, I decided to run for that. I have always been fascinated with hatcheries and production and, philosophically, with our creative involvement with nature."

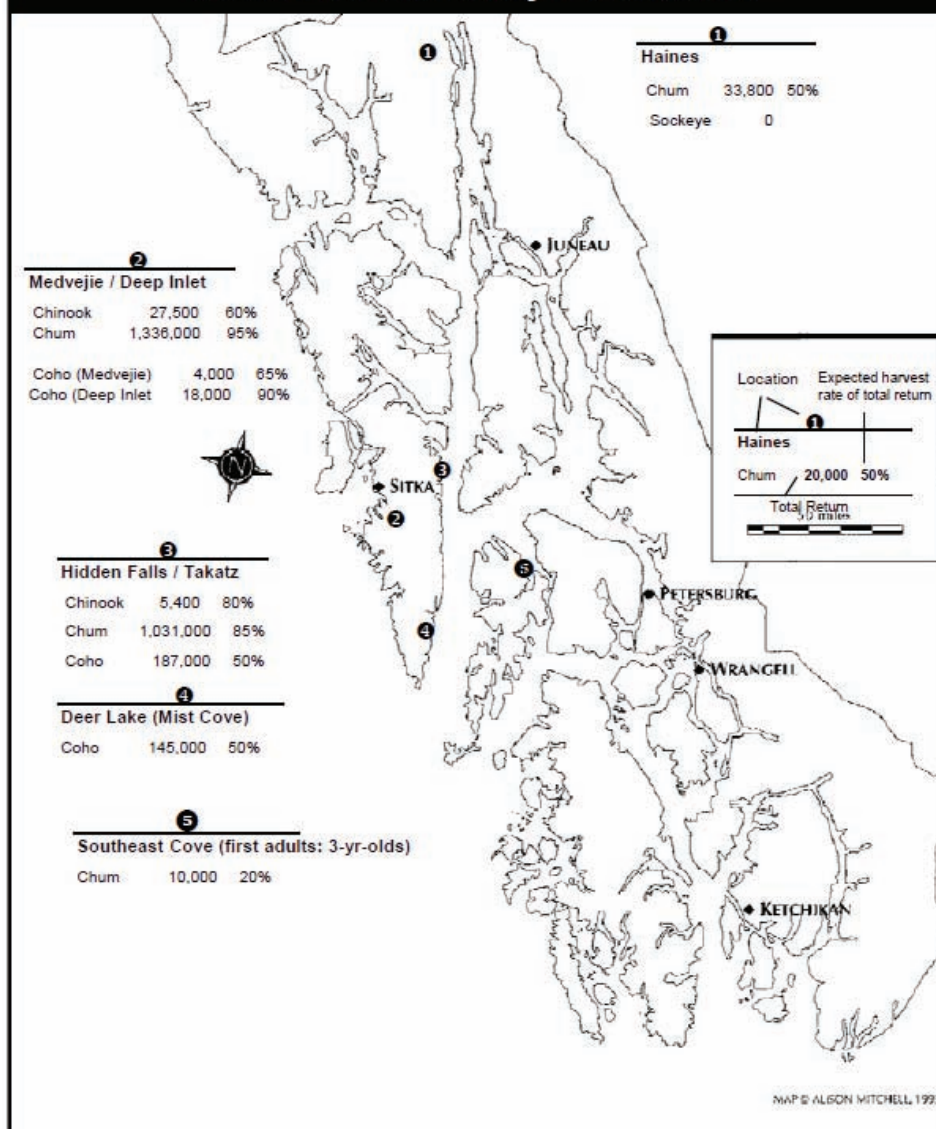
Jim joined the NSRAA board in 2012. A short time later, he was also elected to the board of the Alaska Trollers Associations.

"Suddenly, here I am on three boards," he says. "That's been really, really challenging for me. About that time, too, trollers were really low on the percentage they caught overall in Southeast in enhanced salmon. It was an all-time low, around 11 percent or something like that, and we should be around 30. I wanted to do what I could to educate myself to address that somehow."

For all those years fishing, Jim says he still had a lot to learn about the concerns of gear groups and the various interests involved – a necessity for working collaboratively to produce the best results for all. Many people might find the work as a board member laborious, but Jim is passionate about his role as an NSRAA board member, particularly now, as a troller who has widened his perspective over the past several years with a better understanding of industry dynamics and the role of NSRAA in helping the fleets.

## 2015 Projected Returns to NSRAA Projects

### Catch + Cost Recovery + Broodstock



NSRAA Board member, Jim Moore, aboard his troller, the Aljac.

## Market Report:

# Low Salmon Prices Provide Opportunities

A strong dollar, large forecasted salmon returns, Russian trade sanctions on U.S. seafood and turmoil in Ukraine – all these factors have combined to put downward pressure on salmon prices for the upcoming season. Low prices may make for a tough season for fishermen and producers, but they also provide an opportunity to expand the consumer base.

### Strong dollar hard for exports

“There’s going to be a lot of salmon on the market and this is what has people nervous on pricing,” says John Sackton, Publisher of Seafood-News.com. “The dollar is just an added factor – an added negative factor – to that. What that really means is there’s going to be a big, big push to sell Alaska salmon in the U.S. market this year.”

“The dollar is very strong compared to the euro, the pound sterling, the Canadian dollar, the yen – it’s just across the board,” agrees John Garner, COO of North Pacific Seafood, a processor headquartered in Seattle. “The impact will be on flesh and roe. The domestic utilization of chum and chum roe is relatively strong, but nevertheless, there is a reliance on foreign markets for both of those things.”

Though a strong dollar is an asset for imports, it’s a detriment for exports, and Alaska salmon depends largely on foreign countries, Japan, Russia and Eastern and Central Europe, in particular, with China a major buyer for reprocessing and export to those countries and the U.S., to buy its products, specifically roe and ikura.

“The Russian embargo and, also, the Russian currency problems have meant that it’s been a lot tougher to sell pink salmon roe,” John Sackton explains. “So that has great ramifications. Unfortunately, America doesn’t buy much caviar.”

Most experts seem to think that the trade sanctions and strong dollar will have a greater impact on pink roe than chum caviar and ikura.

“I think there’ll probably be a lot more pink roe pushed into Japan and it will be at significantly lower prices than last year,” says John Garner.

“Fortunately, the demand for good chum ikura roe, fish caviar, is fairly strong,” says Randy Babich, seiner and owner of Trader Bay Limited, a seafood processor out of Lakebay, Washington. “I don’t see the chum price diminishing. One can sell ikura to numerous countries in the world, whereas, with pink roe it narrows way down.”

### Large inventory also affects prices

Another factor working against most Alaska species is the large quantities of coho and sockeye that remain on the market from 2014 as forecasts predict record sockeye returns to add to the supply this season.

“We have a large forecast for Bristol Bay this year that equals the total caught in Bristol Bay last year plus the 2014 British Columbia harvest,” John Garner says, considering the upcoming season’s sockeye prices. “If that forecast comes true, we’re going to be producing a lot of fish on top of a lot of carryover from 2014. I would expect fish prices to be down if the forecast comes true.”

Chum, on the other hand, may benefit from the lack of leftover inventory and no unusually large forecasted returns.

“Chum kind of has its own category,” Randy explains. “A significant part of it is the ikura. There are numerous countries that want this unique, value-added product, the chum caviar, which no farm can touch. I think if the chum run is even larger than forecasted, the market would absorb the chum. Chum is probably the only species I can see that won’t drop this year. As well as king.”

In general, it’s unlikely the 2015 season will be one for record prices.

“The optimistic part is we’ve got fish,” says John Garner, laughing briefly. “Without fish, we have no chance. We just have to figure out how

to get through the current bubble of inventories as quickly as possible, so we don’t have a hangover effect for 2015 production. This is a good year to hunker down and get through the storm and hope that 2016 will bring the sunshine.”

Randy agrees, adding that this year’s low prices will likely have the biggest effect on fishermen with high expenses.

“It’s a changed game, economically,” he says. “It’s not how much you make, but it’s how much you keep on what you make. I think a lot of people don’t understand how the whole thing is global, and when that dollar shifts, it shifts dramatically.”

### Lower prices entice new customers

“On the positive side, this is a good opportunity for expansion of the wild salmon market,” John Sackton points out. “When you have a big volume year and corresponding low prices, normally, you get a lot of new customers. Some of those continue on to other years, so that’s generally a long-term benefit.”

The Alaska Seafood Marketing Institute (ASMI) is the biggest force behind marketing wild, Alaska salmon in the United States and abroad. Recent reports indicated the organization was facing budget cuts as large

as \$2 million – approximately 10 percent of its annual operating budget – but Becky Monagle, ASMI finance director, told NSRAA that the board approved its budget for 2016, in mid-May, for only \$310,000 less than that of 2015.

While Monagle would not comment if and how that deficit would affect ASMI’s advertising strategy, Alexa Tonkovich, International Program Director at ASMI, said the organization’s board took several initiatives recently to widen its pro-

motion of Alaska salmon in anticipation of a tough season.

“I think it’s going to be a challenging year,” she says. “Obviously, the forecasts aren’t reality until the fish come, so you never really know. But we do anticipate a lot of sockeye this year, a lot of pink salmon, and my understanding is there will be a lot of chum/keta, as well.”

According to Tonkovich, ASMI has put extra funds into promoting canned salmon in the United Kingdom and sockeye in Japan for several months already.

“We’re taking a similar initiative in the U.S. market,” she says. “We don’t anticipate backing down on those promotions, particularly over the summer and into the fall.”

Tonkovich, also, believes the lower prices provide an opportunity to reach new consumers.

“To be honest, farmed salmon is sort of becoming a staple in most of our markets, including Japan and most of Europe,” she explains. “If wild salmon is priced competitively with farmed salmon, that gives an entry to some new customers that wouldn’t be willing to pay that price premium that wild sometimes demands.”

“That’s a great opportunity to reach some new consumers,” Tonkovich says. “If consumers are educated and understand the advantages of Alaska seafood over some competitors, we think that some of them will stick with it. We also think that trying is believing, and if we can get a consumer to try our product, they might stick with it once the prices go up.”

*“Fortunately, the demand for good chum ikura roe, fish caviar, is fairly strong”*

- Randy Babich

**Congratulations to the 2015 NSRAA  
Scholarship recipients!**

Shalie Dahl / Nels Evens / Ian Fleming

# NSRAA Project Updates

## Deer Lake Coho Doing Well Despite Challenging Winter

A few years ago there was too much snow. This year, there wasn't enough. It might seem that this winter's warm temperatures would be advantageous for raising fish, but at Deer Lake, it created a new set of challenges.

"This past winter, ice never formed on Deer Lake," says Woody Cyr, Project Leader. "We had to wait a month longer than normal to conduct our winter release, making sure the lake had turned over."

This winter's unusually warm temperatures also resulted in less snow, affecting lake levels.

Warm water temperatures resulted in higher-than-normal fish metabolism and the fish lost weight quickly. NSRAA opened the Deer Lake camp earlier than normal, so staff could effectively monitor the size and health of the fish before emigration.

Last year's emigration of more than 2.4 million smolts was about a week earlier than expected. This year's was the earliest on record. The crew performed the emigration gradually, carefully monitoring each batch of fish as they entered saltwater. This was especially important considering the lake's warm temperatures, because if the fish enter saltwater too early, they can have difficulty with osmoregulation and die.

Woody says that this year's fish are particularly voracious and hungry, more than any other group he's seen in his time at Deer Lake.

"I am not sure exactly what to attribute this great attitude in the fish to (it might be mostly the strain and luck), but when we first had these fish transferred down from Hidden Falls last June, I made it a priority to train them quickly to eat and grow to their maximum potential," he says. "I am excited to see how they fair in the ocean once our 2016 return rolls around."



NSRAA has had a busy spring supplying net pens, barges feed, fry and other supplies to all of its rearing sites.

## NSRAA Cuts Haines Program

After more than 30 years of enhancement programs to increase fish production in the Haines area, the NSRAA board decided in March to discontinue its programs there.

NSRAA has used a variety of enhancement techniques in the Haines area over the years, including sockeye lake stocking, chum and sockeye streamside incubation and spawning channel construction. Most recently, the enhancement programs focused on streamside incubation boxes and spawning channels on the Klehini and Chilkat Rivers and Herman Creek.

Despite the number of years working to enhance fish returns in the Haines area, the organization has never been able to establish a program that truly worked in the sense of return on investment. Chilkat Lake sockeye stocking did not result in greater returns of adult sockeye, even after ten years of study and the expenditure of a million dollars. Streamside incubation boxes were successful in terms of survival from egg to fry, but did not result in additional fishing time or harvest.

Habitat improvement, in the form of spawning channels, have been and continue to be the most successful of NSRAA's Haines programs. The decision to move operating funds from the Haines projects was a financial decision by the board, as NSRAA has taken on nearly \$4 million in debt recently to develop new projects elsewhere.

With the new Southeast Cove and Crawfish projects, NSRAA's operating budget is increasing substantially, explains Scott Wagner, NSRAA Operations Manager. By removing Haines from its project list, NSRAA can use that money for more direct benefit to the fleets and save approximately \$50,000 – \$60,000 annually. It also increases personnel efficiency.

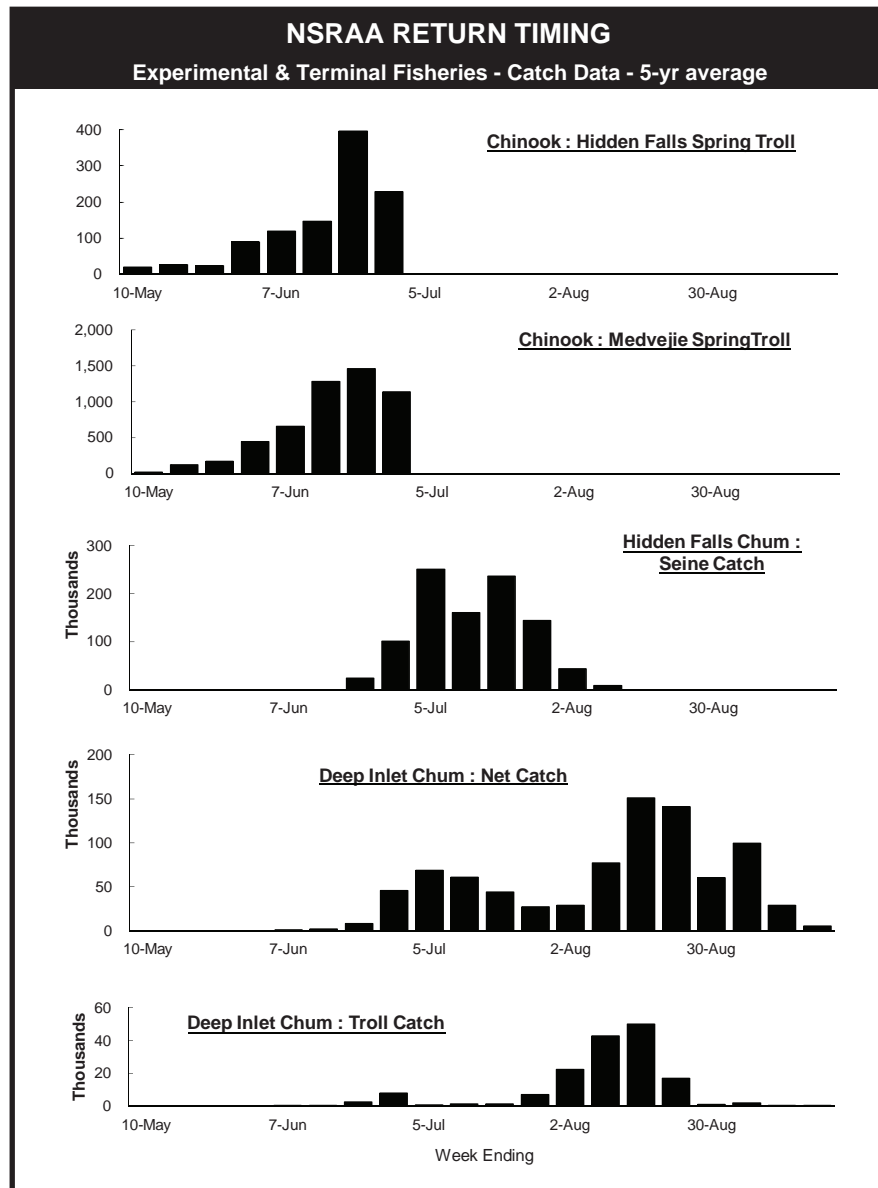
Though the board voted to suspend the Haines programs, NSRAA will continue the work it began in the Lynn Canal area under the legislative grant it was awarded in 2012. The organization has been working for the past several years to locate appropriate sites for new spawning channels and continues to do so.

"We can't reallocate that money somewhere else," Scott explains. "Hopefully, we can put in some more spawning channels and there will be long-term benefits to the fisheries up there. Once it's built, there's little to no human input needed."

The 2012 grant money must be used by 2018. NSRAA is in the process of getting cost estimates for construction of spawning channels in two different areas. If things go smoothly, construction could begin as soon as this summer, Scott says, and would likely only take a few weeks to complete.

While Haines is no longer part of NSRAA's operating budget, the board has not yet relinquished its permit for the area.

"We're going to continue to file the reports and plans to keep those permits active," he says. "We'll do this until the board tells us to quit."



## Allocation: Can It Be Solved?

The discussion was heated, to say the least, during the March Board of Fish meeting, when the Chum Trollers Association presented Proposal 176, suggesting the Board of Fish direct the Northern Regional Planning Teams, NSRAA and Douglas Pink Island and Chum to develop a new management plan to resolve the gear group allocation inequities.

The Board of Fish voted 6-0 against the proposal, in large part, it said, because of the opposition voiced among members of the audience. The board said cooperation between gear groups would have garnered greater support among board members.

“Going to the Board of Fish... that’s kind of like going to the Supreme Court in our world,” says Kevin McDougall, President of NSRAA Board of Directors and a gillnetter out of Juneau, who likens the 1994 regulation to a business plan. “For me, when you have a business plan, you always evaluate things along the way. You evaluate whether things are working or not working. This plan hasn’t been evaluated this way. It’s obvious we have a problem. I think we need to have a dialogue. How does the business plan look and can we fix it?”

According to the regulation, Alaska trollers should harvest approximately 27-32 percent of the enhanced salmon value annually, but trollers have been consistently below their allocation since it was adopted.

Gear group allocation is often a contentious topic and the Chum Trollers Association claimed it submitted Proposal 176 in part because the other gear groups have not helped solve the allocation imbalance.

Few fishermen deny there is a problem. But is there a solution?

NSRAA General Manager, Steve Reifensstuhl, was among those who spoke in opposition to the proposal in March. He points out that NSRAA has continually worked to increase its programs over the years. Though trollers continue to be below their allocation, all gear groups have benefitted from the increased production.

“The enhancement program is working really well,” he says. “Since ’94, we’ve doubled to tripled the value of the program. For example, during the Allocation Plan base period, 1985 to 1991, the value for those seven years totaled \$54 million. In 2012 alone, the value was \$74 million. That’s how successful it’s been. But when you apportion it, just looking at the slices of the pie, there are people who say it doesn’t work – it’s failed – because trollers don’t have the proportion they were supposed to have.”

Steve and Kevin are among those who believe the allocations designated in 1994 were based on faulty assumptions.

“The problem is people want to hang on to some of the assumptions that were made twenty years ago,” Kevin says. “The trollers were told they were going to get 31-32 percent of the hatchery value and they’re not getting it. But that was an assumption that was made that was probably not valid. The value is there if they could catch all the kings and coho that NSRAA produces.”

“Originally, people thought you could produce enough Chinook and coho salmon and have a very high exploitation rate and that trollers would get most of those fish,” Steve explains, “but, unfortunately, that hasn’t been the case. With only 25 percent exploitation on Chinook and 50 percent on coho, that means 75 percent of the Chinook and 50 percent of the coho are getting past the trollers. Those fish that don’t get caught by trollers get caught by other gear groups or in cost recovery harvests.”

Troller, Jim Moore, agrees. “There are just so many levels of problems: relative gear efficiency, the change in fish prices, the strength of the run. It’s definitely a moving target.”

“You can put the fish in the water, but you can’t make them bite a hook one at a time in enough volume to actually fix the amount,” says NSRAA board member, John Barry, a seiner out of Sitka.

Jim has been a troller out of Sitka for 45 years. He was elected to the NSRAA board several years ago, around the same time he joined the Trollers and Chum Trollers Associations boards. He says his time at NSRAA has helped him gain a better understanding of the allocation issue.

“I was really wet behind the ears,” he says of his early days with NSRAA. “I had no sense of the interests and concerns of the other types of fisheries. I came into it almost with a victim mentality. I began to see that the board really, really wanted to do whatever they could to get the trollers into their range, short of tying up their own boats.”

Like many other trollers, Jim once felt angry that he wasn’t getting his fair share – he viewed the allocation range as his right – but now he sees the regulation as more of a guideline.

The dynamics were so different in 1994 when the allocations were designated, he says. “There was hardly any enhanced chum produced. The fish produced for trollers were mostly kings and coho. The expectation was that trollers would catch most of them. That’s totally changed now.”

“The more I began to understand the concerns of the other boats, I realized it was less about the numbers and more about opportunity. The troll fleet has the opportunity to go out maybe 350 days a year, but the opportunity for seiners – gillnetters even – is just a couple days a week during the peak of the run. For us to demand that they stand down in the area where fish concentrate, these terminal areas, while trollers harvest them one at a time, it’s just not right.”

That’s not to say that Jim or the others believe that nothing should be done.

“Those guys had their day in court and they got shot down, but that doesn’t mean that the plan is okay and now we can forget about it,” says Kevin. “It’s time to take some action and see where we can get it to go.

Can we make some changes to this bad business plan that everybody can agree to somehow or another? Otherwise, we’re going to have this ongoing battle. That’s not good.”

NSRAA has borrowed \$4 million in the past year alone to invest in new chum production at Crawfish and Southeast Cove specifically to provide additional troll opportunities and solve the imbalance, says Steve.

“If the trollers can catch 50 percent of the new chum production at Crawfish Inlet, Port Lucy (a Port Armstrong project) and Southeast Cove – and all other things remain status quo – then the

trollers will be within their allocation range by 2021,” he says.

Still, dialogue is needed. In the event these new chum projects don’t solve the problem as anticipated, it would be advantageous for the gear groups to have a backup plan. If the NSRAA board is any example, consensus between the three gear groups *is* possible.

“We’ve had pretty good dialogue amongst the gear groups that are on the board,” Kevin says. “But this is going to take some time and negotiation and we may not come up with consensus. It would be much better if we could all come up with consensus because then everybody could write off on it.”

“There has not been the dialogue and the level of communication and the involvement with one another, especially trollers with the net groups, that there really needed to be,” says Jim. “We were almost there for consensus – so close. It just would have taken a little more time, a little more communication. We were so close, so this thing kind of blew up. But I think we’ve done it all moving toward this educational, informed, respectful, collaborative working relationship that we need for this thing to work.”

“Everybody’s perception of what equity is going to be is going to be different,” Kevin says. “There is no clear solution that everybody is going to like. That part I’m sure of. But I think we can make changes to it that I feel would be a better recognition of equity for everybody.”

Steve and the board members hope the gear groups can come together and have the dialogue necessary to reach a consensus before the next Board of Fish meeting in 2018.

“It wouldn’t be prudent to stick your head in the sand for the next three years and see what kind of proposals come to the Board of Fish next time,” says Kevin. “You never know what kind of decision they’re going to make.”

*“The more I began to understand the concerns of the other boats, I realized it was less about the numbers and more about opportunity. The troll fleet has the opportunity to go out maybe 350 days a year..”*

- Jim Moore

## Longtime Employee Ritch Phillips Prepares For Retirement

A lot has changed in the past 30 years of fish culture: vaccines, technology, equipment. From the outside, it looks like the industry has made grand advances over the past several decades. But at the heart of it, little has changed, says Ritch Phillips, senior Fish Culturist at NSRAA's Medvejie Hatchery.

"We try to do it quicker, we try to do it with less people, we try to do it with all these shortcuts, but the truth is: it's still the same," he says. "It requires someone with a lot of heart and a lot of attention, people who are invested in the outcome. That's where fish culture is."

Ritch came to NSRAA and fish culture, in 1983, in the early days of Alaska's private nonprofit salmon hatcheries, and just five years after NSRAA began its work for common property fisheries. He laughs as he recalls NSRAA's rudimentary equipment in those early days.

"NSRAA had six or seven 15-foot Sears above-ground swimming pools – that was their rearing area," he says. "We had the 'walk of death': a single board, a 2" x 12", that went all the way from the dock to a float, over the flat."

Originally from Yuma, Arizona, Ritch took a circuitous road before finding his niche in fisheries. He was almost 30 when he met his wife, Lucy, and decided to go to fisheries school. It was a spontaneous decision that led him to Alaska and a long career with NSRAA.

"I came up here and it just made sense to me," he says. Ritch and Lucy left NSRAA for several years in the late 80's to work at Kake and Pt. Armstrong before returning to NSRAA in 1992. "We worked awfully hard, a lot of hours under pretty trying conditions," he says of his time at Kake. "It was an opportunity to really make a contribution to the community."

Ritch has worked remotely for most of his time with NSRAA. He and Lucy moved to Sitka a few years ago. Though he was conflicted about the move initially, Ritch has settled into life in town.

"I loved living remote," he says. "My needs at the time were pretty simple. I don't need a whole lot of social interaction – I don't have a lot of social skills anyway – it was perfect for me."

But on-site at the hatchery is a huge commitment. The employees who live there are expected to be there in case of emergency.

"For the good fish culture people, it's a lifestyle," Ritch says. "When I lived out there, we lived it. That was our life, 24-7, no complaints."

There was a time when Ritch worried the younger generation lacked the heart necessary for successful fish culture.

"It was like, 'What's the matter with you guys? You guys are like 30 years younger than us and you can't carry a bag of fish food?'" he says. "In this latest bunch, there's a lot of promise there. There's a lot of really

young, smart, practical people that want to do this, which is surprising to me."

Surprising, because, truthfully, fish culture is "not a glamorous job. It's pretty much a high-end grunt job. It's physical labor."

Ritch will be 68 in September and is looking at retirement next year. He feels encouraged to pass the torch to this latest generation of fish culturists.

"NSRAA is successful because the people who are working there care and are invested enough in it and take it personally enough to make it function and make it operate."

The heart that Ritch believes is so integral to the success of fish culture is one reason he appreciates NSRAA's willingness to hire and promote women. Even after 40-plus years, fish hatcheries remain, primarily, a man's world.

"With men, a lot of time, the fish are a way *to* something," he explains. "They're in the way of getting to where they want to be. With women, the fish *are* the way to get where they want to be. That's a huge difference. Women take it personally."

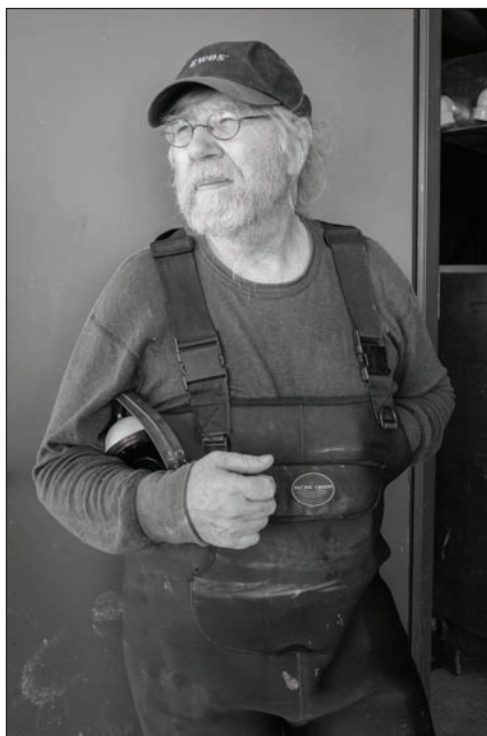
NSRAA is one of the few hatcheries in the state with women in management positions. Angie Bowers is the manager at Medvejie and Rebecca Olson was recently promoted to Assistant Manager at Sawmill Creek.

"When NSRAA decided to hire Angie, for example, I think they made a really good decision," Ritch says. "I think that will play forward, too, because she has a different perspective. She has a women's perspective and she has the caring that goes with that."

Ritch isn't sure what he'll do once he retires, but as he looks back on his career in fish culture and with NSRAA, he says, "I've always been very thankful for the opportunity to make a contribution. For me, NSRAA has been an avenue to do what I know how to do best: raise fish."



Starting 'em young. NSRAA employees Adam and Rebecca Olson's son, Carter, with a couple of nice kings.



Ritch Phillips:

*"For good fish culture, it's a lifestyle. When I lived (remotely), we lived it. That was our life, 24-7, no complaints."*

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## NSRAA Board Welcomes Newest Member

The NSRAA Board of Directors welcomed only one new member to its board at its meeting this spring.

Sitka resident, Dalton Bergman, born and raised in Alaska, ran unopposed to fill the At-large Gillnet seat vacated by longtime board member, Richard Eliason Jr. (aka Botso). Dalton lives in Sitka with his wife and their two young children. At 30 years old, he is one of the youngest to join the board.

When asked what motivated him to run for the seat, Dalton says, "It seemed like it was time to step up to the plate, be more involved and find out what was going on behind the scenes, instead of just going out and catching the fish."