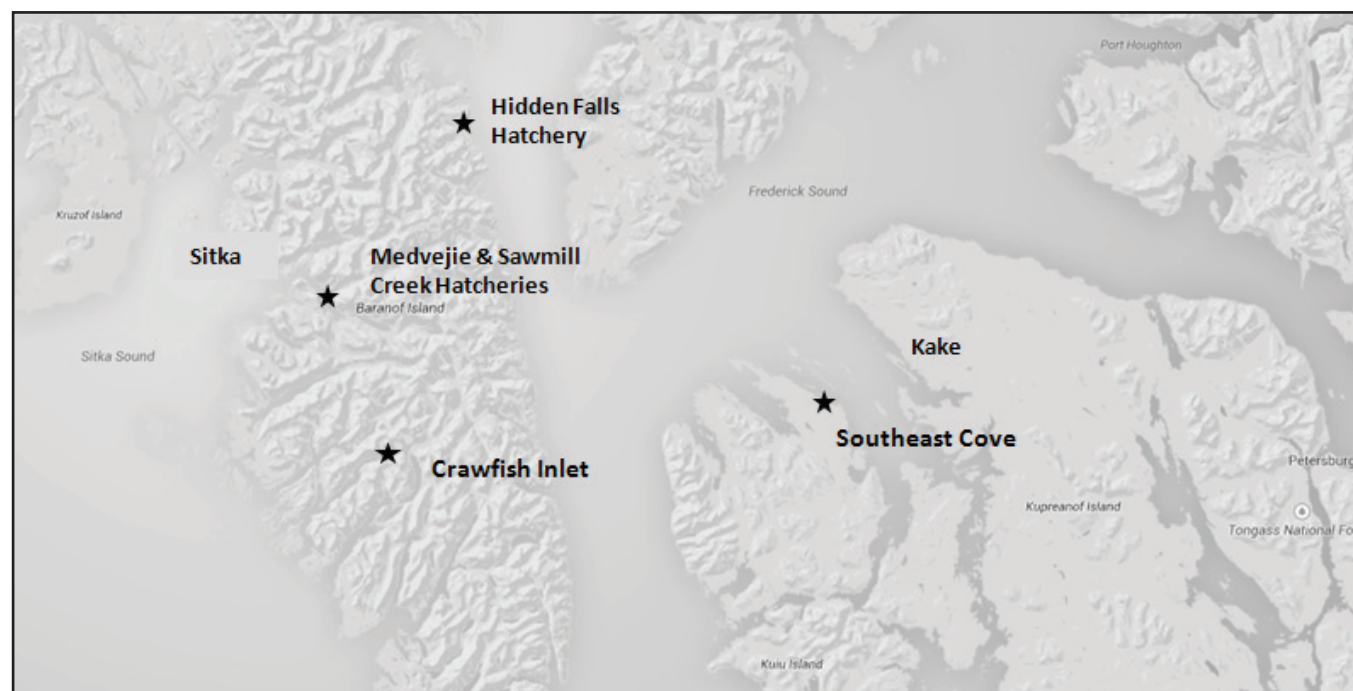


FISH RAP

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

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NSRAA Expands Chum Production

If there is a theme for NSRAA this year, it is this: more projects, more fish.

While NSRAA's board directed staff several years ago to explore potential sites and projects that would allow the organization to increase its production away from the Sitka area, the process has been slow and often discouraging. NSRAA has submitted a number of proposals for new projects over the years, but each one has been rejected for various reasons, including concerns of how those projects would affect the genetic integrity of wild stocks.

Last year, NSRAA General Manager, Steve Reifenstuhel, asked the Alaska Department of Fish and Game (ADF&G) to help the organization in its quest to find suitable locations for potential new enhancement projects. At Steve's request, ADF&G management and research staff spent a day reviewing all areas in northern Southeast – from Taiya Inlet near Skagway, down to Malmesbury in Chatham Strait and from Thomas Bay by Petersburg to Crawfish Inlet, south of Sitka – for a location that might be acceptable for new chum salmon projects, helping NSRAA narrow its search and better focus its efforts.

Southeast Cove

NSRAA decided its most viable and cost-effective option for increasing production immediately was to expand its cooperative chum project with Gunnuk Creek Hatchery at Southeast Cove. In 2012, NSRAA began a cooperative project with Gunnuk Creek Hatchery to increase its production at Southeast Cove. Increasing the production of this project was not on the ADF&G list, but would be relatively easy and inexpensive to implement and fishermen would reap the benefits sooner than with any other new project.

"We've had relatively good success (at Southeast Cove) in the last two years," says Scott Wagner, NSRAA Operations Manager. "The more diversity in our sites, the better off we are. For that side of Baranof Island, Southeast Cove gets us away from eastern Baranof. Hidden Falls and Takatz can be pretty cold."

For the past two years, NSRAA has raised 10 million eggs for remote release at Southeast Cove. This summer, it has been approved to take 35 million eggs in hopes of releasing 35 million fry from Southeast Cove next summer. In 2016, NSRAA plans to almost double that number and take 55 million eggs for the project.

"This is going to be a tremendous benefit for the community of Kake, once we have the fish returning to Southeast Cove," says Steve.

Gunnuk Creek Hatchery

In an unexpected twist, however, Gunnuk Creek Hatchery declared bankruptcy earlier this year, effectively ending the cooperative agreement between the two organizations. (NSRAA will continue the Southeast Cove project without Gunnuk Creek.) The Alaska Department of Commerce is providing Gunnuk Creek Hatchery with just enough money to care for the fish currently in the facility until they are released in June. Once the fish are released, the hatchery will cease operations completely.

As the area's regional association, NSRAA has first right of refusal to take over operations at Gunnuk Creek. Steve and Scott have begun the process to determine the cost and feasibility of updating and operating the hatchery.

"The opportunity is exciting," says Scott, "but there are high hurdles to cross to be able to operate it successfully and cost-effectively. There's a reason they haven't been successful over the past 35 years."

The biggest challenge the Gunnuk Creek Hatchery faced, and what likely prevented the fish there from ever thriving, was the water, he explains. Because the hatchery gets its water from a watershed that has been logged, it is susceptible to extreme water temperatures and a high sediment load.

"The water can be extremely cold in the winter and extremely hot in the summer," says Steve. Case in point, when Steve visited the hatchery earlier this year, the raceways were covered in ice, the incubators encased with icicles and what fish he saw were small and lethargic.

If NSRAA decides to operate Gunnuk Creek, there will likely be a gap in operations, Steve said.

Crawfish Inlet

Meanwhile, the ADF&G's review of potential expansion locations listed Crawfish Inlet, on the west side of Baranof Island and about 40 water miles south of Sitka. NSRAA reviewed the feasibility of operating a remote rearing and release site there and has since submitted a proposal to do so. Steve says he expected to receive "a little pushback and controversy" in response to the proposal and while, indeed, there was some resistance, the approval process has gone much quicker than anyone anticipated (NSRAA expects to receive its final permits in June). So fast, in fact, the board and staff hadn't even budgeted for the project this year.

cont. on back page

Hatchery Reports

Hidden Falls Works To Expand Southeast Cove Production

At Hidden Falls Hatchery, one thing is consistent: change.

Similar to NSRAA as a whole, Hidden Falls is continuously changing, growing and adapting. This year, the hatchery staff prepares for a substantial increase in chum production for the nearby Southeast Cove project.

Hidden Falls began releasing chum fry remotely at Southeast Cove as part of a cooperative project between NSRAA and Kake Non Profit Fisheries Corporation (KNFC). Born in an effort to increase the number of fish produced by the struggling Gunnuk Creek Hatchery, the project allowed NSRAA to release chum remotely from Southeast Cove, located off of Kuiu Island, near the town of Kake.

For the past two years, Hidden Falls has taken and incubated the eggs for the Southeast Cove project and released about 9 million fry from Southeast Cove each spring. NSRAA was approved this year to increase its Southeast Cove egg-take by 5 million due to shortfalls in production at Gunnuk Creek Hatchery.

Gunnuk Creek Hatchery recently filed bankruptcy, however, and prepares to cease operations once it releases its fish in June. NSRAA is working to make up the gap in production and increase its Southeast Cove release to 35 million in 2015 and 55 million in 2016.

The increased production is exciting for NSRAA, but at Hidden Falls it translates into a scramble to update the facility and its infrastructure in order to accommodate such a substantial jump in production.

As the regional hatchery, NSRAA has the first option to take over operations at Gunnuk Creek. Doing so could lessen the pressure on Hidden Falls to update its facility for the Southeast Cove program expansion, but NSRAA staff must first be sure it will be cost-effective to take over the aged facility.

All of this comes at the busiest time of year and in a season when Hidden Falls is experiencing an unusual number of staffing changes. Hidden Falls Hatchery Manager, Adam Olson and his wife, Rebecca, an NSRAA Fish Culturist, are leaving Hidden Falls to work for NSRAA in Sitka. Dan Demers, the Assistant Hatchery Manager, and his wife have left for North Carolina, and Travis Blakemore, the Hidden Falls Maintenance Engineer, and his family has moved to Soldotna.

“Though there are a number of challenges being faced this year, with new production and staffing changes, the Hidden Falls crew continues to strive to produce the best fish for the common property fishermen of Southeast Alaska,” says Adam.

General Manager's Notes

Big things are in the works this season; some planned, some unexpected, and one huge monetary transfer gift from DIPAC. There is a commonality though: all benefit fishermen in significant ways, this summer and far into the future. This is a threshold year for NSRAA, launching into production increases we haven't seen since we took on operation of the Hidden Falls Hatchery in 1988. We will initiate a 30 million chum salmon program at Crawfish Inlet, a 55 million chum program at Southeast Cove, off Kuiu Island, and evaluate whether to operate Gunnuk Creek Hatchery near Kake. This is a 50 percent increase in our chum production with a predicted value to fishermen of \$12 million.



Southeast Cove was budgeted this year and will be developed through Hidden Falls, where we expect to take 35 million eggs this summer and 55 million eggs in 2015.

We are evaluating Gunnuk Creek Hatchery to determine whether we can cost effectively and consistently collect and incubate the 30 to 50 million eggs there instead, lessening the pressure on Hidden Falls. We expect to have the answer in late June.

Crawfish Inlet was a surprise delivery, not expected to emerge from the incubator until next year. Permits fell into place more quickly than expected and prompt action by the executive committee allows staff to make the necessary facility improvements to house an additional 15 million eggs this summer, half the number permitted for that project.

Together, these programs should bring the first four-year-old returns in 2016 and full age class returns by 2018. The NSRAA board will decide how to allocate these returns as the programs develop. It is likely Trollers will get a good shot at both Crawfish and SE Cove adult returns as they come off the ocean, through lower Chatham, and into Keku Straits. These sites will also provide alternative cost recovery opportunities, which may take pressure off Hidden Falls and Deep Inlet fisheries.

Finally, DIPAC provided the transfer of \$2.5 million to NSRAA, which will displace 100 percent of the cost recovery at Deep Inlet, a portion (33 percent) of the Hidden Falls cost recovery, and cover a substantial part of the capital monies for the expansion of Deep Inlet (9 million fry) and SE Cove net pens and incubators. In combination, between Crawfish, SE Cove and Deep Inlet, 94 million new chum eggs will be in production by 2015.

I wish all a productive and rewarding year. Have a great fishing season, and please stop by if you get a chance. We at NSRAA will continue to work hard for you.

Steve Reifentahl

Hatchery Reports cont. on page 3

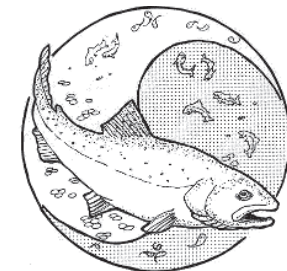
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Commission
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Hidden Falls dock and barge ramp are now complete.



Chinook smolt from Medvejie are off-loaded into net pens for short-term rearing at the Halibut Point release site.

NSRAA FY15 Budget

Projected Income - FY15		
Year	Income Source	Amount
2013	Enhancement tax	\$3,660,000
Revenue - Fish sales / Assessment tax:		
2014	- Amount required from Chum	\$0
2013	- Excess chum CR	\$91
2013	- Chinook	\$655,006
2013	- Coho	\$944,210
2013	- Incidental species	\$21,463
2013	- Roe	\$172,741
2013	- Carcass	\$31,816
	From Capital Improvement Fund	\$0
2013	Rental Income	\$42,000
2013	Investment Earnings (net of fees)	\$193,923
2013	NSE account	\$2,500,000
Total		\$8,221,250
Projected Expenses - FY15		
Expense Source	Amount	
Operational Budget	\$6,371,565	
Capital Budget	\$411,290	
2013 Deep Inlet chum CR shortfall	\$314,984	
Loan repayment	\$660,000	
New Chum Production - Capital	\$390,700	
Total		\$8,148,539

Hatchery Reports, cont. from page 2

Medvejie Busy Expanding Production Capability

The staff at Medvejie knew it was going to be a busy season, but it's going to be even busier anticipated.

In the salmon enhancement business, summer is always a busy time. In addition to its normal operations this summer, however, Medvejie has been preparing to take on an additional 1.1 million coho from the Sawmill Creek Hatchery – tripling the number of fish at Medvejie.

The temporary transfer of fish from Sawmill Creek was necessitated because the water to that hatchery will be shut down later this summer as the city of Sitka continues construction to expand the dam and increase the capacity of Blue Lake. As a result of the shutdown, Sawmill Creek will be without water for a minimum of two months, beginning in August.

The staff at Medvejie was already working to improve its infrastructure and increase its capacity to accommodate the fish from Sawmill Creek during the shutdown. Now they have even more on their plate: increased production at Deep Inlet, as well as NSRAA's latest project, Crawfish Inlet.

NSRAA should receive the final permits for the Crawfish Inlet project in June. The approval will allow NSRAA to take and incubate 30 million additional chum eggs for remote release at Crawfish Inlet. Once the Blue Lake water shutdown is complete, those incubating eggs will be transferred to the Sawmill Creek Hatchery, and eventually transferred, reared and released at Crawfish Inlet.

"There are a lot of pieces that must fit together for us to get the fry to Crawfish Inlet by next spring," says Angie Bowers, Medvejie manager. "One important piece is having the water back on in time to transfer the eyed eggs to Sawmill Creek Hatchery before they are ready to hatch."

Regardless, Medvejie must be ready to take and incubate as many eggs for NSRAA's expanded production as this year's returning broodstock will allow. Facility improvement and expansion projects include an overhaul of the Chinook incubation room and a revamp of the coho incubation room in preparation for the increased production at Deep Inlet; upgrading the facility's water system for the increased capacity, as well as energy efficiency; and, eventually, the excavation of the fish ladder to allow more broodstock access to the ladder at all tides.

"It's a big year and we have a lot to accomplish in addition to our normal hatchery operations," says Angie. "Most of the responsibility rests on the shoulders of our maintenance department – fortunately they have the tools and talent to accomplish what needs to be done. Everyone will be pitching in to help out as much as possible."



A State of Alaska legislative grant provided funding for Medvejie's new duplex, which will house two families at the hatchery.

Board Member Profile: Mitch Eide

Mitch Eide is not one to mince words or hold back his opinion. But when it comes time to talk about himself, Mitch isn't quite as forthcoming.

The Petersburg native and his sister were born to a Petersburg seine fisherman and his wife. Mitch began fishing with his father when he was 8 years old. Before that, he and his friends spent their summers fishing in the harbor.

"We figured out we could make a little seine, so we started seining scrapfish in the harbor," Mitch recalls. The boys thought they'd struck it rich when they found they could sell their scrapfish to the local processor for 5 cents a pound. Still, Mitch had no intentions to become a fisherman when he grew up.

He left Petersburg for college at Oregon State University. When he graduated, he took a year off from school, planning to return to law school and eventually become a lawyer.

"Once I started fishing, it was the path of least resistance," he says. "I was doing it. I'd been doing it. Law school is a couple years and a lot of work."

Mitch became a seiner, like his father. He fishes halibut, crab and salmon. If he has any regrets about not pursuing a law degree, they are few.

"I see some positives to coming home every night and seeing your family," Mitch says. "It doesn't happen a lot with us."

The 49-year-old and his wife, Laurie Snyder, have a 10-year-old son, Lars. Though fishing takes him away from his family for long stretches at a time, Mitch enjoys being his own boss and having weeks at a time at home during the off-season.

Mitch was elected to the board in 2006. He ran for the seat because he believes it's important to be involved with an organization that provides such a significant portion of the seine fleets' income.



NSRAA Seine Representative, Mitch Eide, aboard the Rose Lee.

"I thought it was important to be a part of that organization, to be a part of how the decisions were made that affected me and the seine fleet," he explains. Mitch has learned a lot in the process.

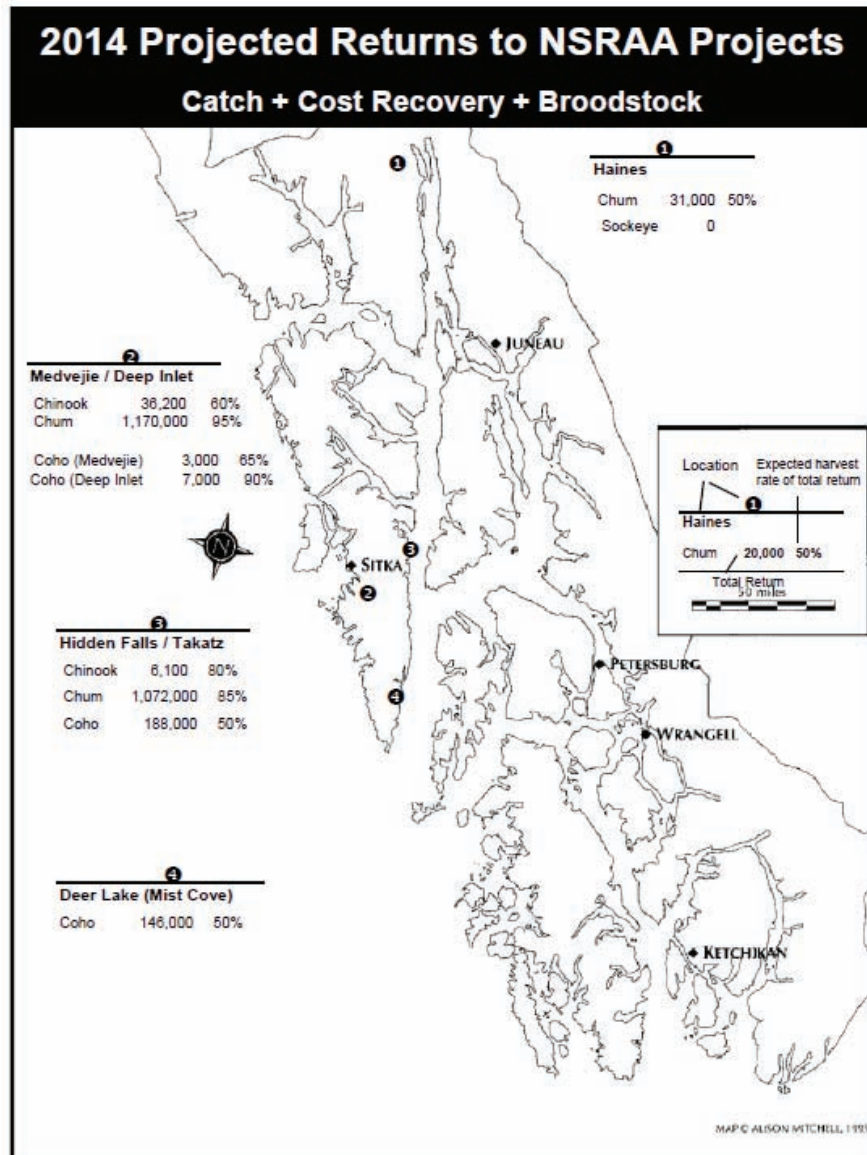
"I've learned that it takes cooperation to get anything done," he says. Being a board representative isn't simply about representing your gear group, but consulting all the gear groups and various interested parties. Success isn't possible without consensus.

"You can't be a bull in a china shop," Mitch says, chuckling a bit. Fellow board members and friends will recognize the humor in this statement. There are times when Mitch himself has been the bull in the china shop, he admits.

"I call it like it is, there is no sugar coating," he says.

Consensus is crucial for NSRAA to succeed with the various challenges lying ahead. Among the most important of those, says Mitch, are the troll fleet's allocation imbalance, NSRAA's upcoming expanded production, the Angoon subsistence petition's potential to shut down Hidden Falls and the implications of hatchery and wild fish interaction.

"I think the staff is more than competent and will do a great job," he says.



Another season of chum rearing is complete; all of this year's chum have been released. NSRAA released approximately 158 million fry this spring.

Growing Demand Keeps Salmon Market Strong

The good news for those in the Alaska salmon industry is the demand for salmon has grown with the supply, keeping prices relatively steady in recent years. Despite the strong demand for salmon worldwide, however, there seems to be some downward pressure on prices this season.

“People are consuming more salmon,” says Janice Schreiber, Seafood Market Reporter for Urner Barry. “We’re seeing higher imports and we’re also seeing higher prices. That points to a higher demand for the product. People get excited for wild salmon, so I would imagine demand would be pretty good for this season.”

2013 was a record year for Alaska, with more than 272 million salmon harvested – the state’s largest salmon harvest on record. The season’s harvest for all species surpassed pre-season forecasts by the Alaska Department of Fish and Game (ADF&G) and was driven by a record harvest of pink salmon, more than 219 million.

Pink Supply

Demand for salmon may be up, but is it enough to work through the supply of pink salmon in the market from last year?

“From what I’ve read about frozen pink and frozen chum, it sounds like this past winter sucked up a lot the inventory, so there isn’t as much out there as was probably expected, coming off after a record pink year,” says Andy Wink, Seafood Analyst with the McDowell Group.

Though the pinks in the frozen market seem to be moving steadily, the folks at the Alaska Seafood Marketing Institute (ASMI) have been working to help keep the canned supply moving, as well.

“The challenge we find is canned pinks,” says Tyson Fick, of ASMI. “We’ve been going away from canned (in recent years) and now we have a bunch of canned pink. We’ve had luck with the USDA buying canned salmon for food banks.”

Pink salmon run in two-year cycles, the odd year coinciding with bigger runs, so this year’s modest forecasts for pink should help prevent an excess.

Forecasts

According to a recent market report by Michael Ramsingh, of Seafoodnews.com, the U.S. salmon market is poised for a seasonal decline at the end of May, despite the strong demand. This year’s strong second quarter is consistent with historical trends that typically shift downward after the Memorial Day weekend, as more salmon becomes available.

Forecasts for the Fraser River vary widely this year, from 7 to 72 million, and could play into the season’s prices, says Andy.

Some buyers and retailers may hold off on early season purchases, he speculates, until the numbers for Fraser River are in. If the returns are as high as some predict, it will certainly put downward pressure on prices.

Even as the season begins, however, there is already some resistance to the high sockeye prices.

“At the recent trade show in Brussels, there was a lot of resistance to sockeye prices,” says John Sackton, Publisher of Seafoodnews.com. Copper River’s opening day prices – down from 2013 – reflect that trend.

International Influences

Many are following the conflict between Russia and the Ukraine anxiously as we enter the season. As one of the biggest worldwide suppliers and consumers of salmon, Russia has the potential to affect the market greatly.

“Last year we sold a lot of pink salmon and roe to Russia,” says Tyson. “So the political climate in Russia (and sanctions) has people concerned.”

Three years after the tsunami and earthquake devastated its salmon production, Japan is getting back up to speed. The country will likely harvest around 400 million pounds, after catching roughly 350 million pounds last year, says Andy.

“With the expectation of more supply from Japan, more supply from Russia and a slight increase in Alaska, there could be some downward pressure on roe prices,” he says. “However, demand in the fresh/frozen segment is higher than last year, due to a tight farmed market and the down pink year.”

The World Cup in Brazil, may also have an effect on this season’s market, says Janice. If the World Cup creates a higher demand for Chilean farmed salmon in Brazil, there may be less imported to the U.S.

“The majority of the imported salmon we get is from Chile,” she points out, so a decreased supply of Chilean salmon in the U.S. could benefit the Alaska salmon industry.

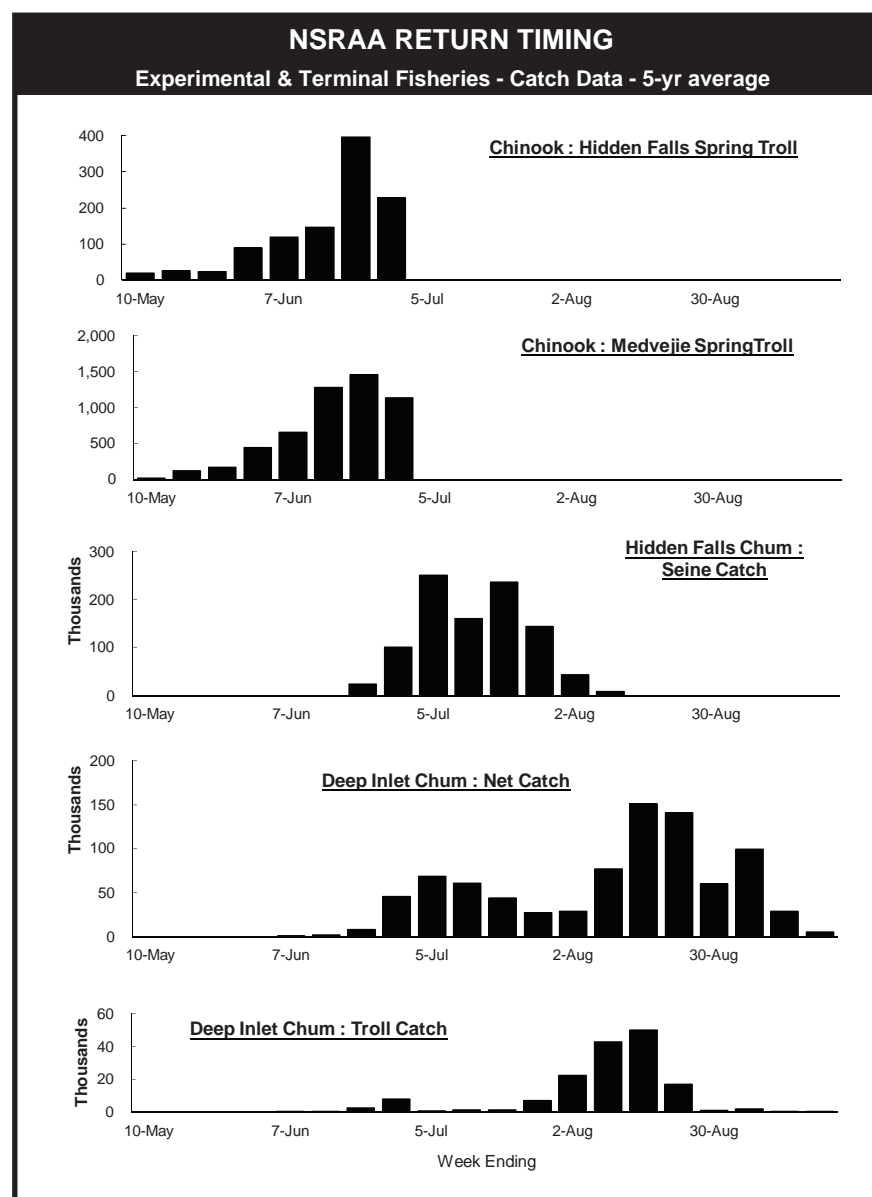
As with every season, experts can only speculate what the season will bring. Despite some indications of softening prices, the market still looks fairly strong.

“I think last year was record high pricing,” says John. “This year should be more moderate.”

“I’m just excited for the season to get rolling,” says Tyson. “I feel like it’s a really good time to be in the fish business.”

“People are consuming more salmon...People get excited for wild salmon, so I would imagine demand would be pretty good for this season.”

-Janice Schreiber



Spring Troll and Deep Inlet fisheries are underway; Hidden Falls opens on Sunday June 15.

NSRAA Project Updates

Another Successful Winter At Deer Lake

Two years of success overwintering coho in Deer Lake wasn't quite enough time for the Deer Lake crew to feel comfortable. After several years of struggling with high overwinter mortality rates, it wasn't sure whether the success was pure luck or the result of changes made to its overwintering procedures.

"We weren't sure if it was just a fluke or if overwintering was going to continue well," says Woody Cyr, Interim Project Manager.

When this season's overwintering registered the lowest mortality rate on the books – a mere .96 percent – it confirmed the recent success was more than chance.

NSRAA began overwintering fish in net pens in Deer Lake in 2007. The survival rate was as low as 30 percent during some of those first few years, as NSRAA lost fish to overcrowding, escapement, predation and malnourishment. Each year, NSRAA updated its overwintering procedures in hopes of preventing a recurrence, but though those changes may have addressed one problem, another appeared in its place.

It's been a slow and often discouraging process at times, but this year's 99 percent survival rate, combined with the prior two years of high survival, indicates those rough times are over.

This is not to say NSRAA doesn't anticipate encountering problems again sometime. As the overwintering survival has improved, the staff began gradually increasing the ratio of fish held in net pens. The ultimate goal is that the number of fish in net pens equal that of the fish released into the lake each December.

"The benefit of overwintering our fish both in the lake and in net pens is diversifying our investment, so to speak," explains Woody. "If something drastic were to happen to either group, the other is still available to emigrate."

One of the disadvantages of overwintering fish in the lake without net pens, is they cannot be forced to emigrate to saltwater come spring. A small percentage of those coho remain in the lake for another year.

"With net pens, we can make sure the fish emigrate," Woody says.

Forcing the coho out has its pros and cons. Some of the fish forced down the weir to saltwater will not be quite ready to emigrate, which could affect their survival, while others would have emigrated earlier if left to their own volition.

Scientists know that the length of daylight, water temperature, fish size and barometric pressure all are important factors prompting salmon to emigrate to saltwater. Four degrees Celsius seems to be the tipping point for water temperature. At that temperature, the lake water turns over and the fish head to sea, but if it doesn't warm soon enough, the fish will stay put until the following year.

This year, NSRAA experimented with overwinter release dates. The Deer Lake crew tagged and released the penned fish in two groups: one just prior to natural emigration and the second about 1-2 weeks afterwards.

NSRAA will be able to reference those tags when the fish return to see if the time of emigration had any effect on the fishes' survival.



Spring Troll Chinook fisheries are in full swing. Trollers have the largest Chinook quota in years, with a target of 325,411 fish for the 2014 season.



Mary Watson, Medvejie Fish Tech, weight-sampling Chinook at the Bear Cove saltwater net pens.

Sawmill Creek Moves Ahead Despite Shutdown

Just as Sawmill Creek Hatchery was finally getting momentum, it was forced to shut down for a while. Adept at improvisation, however, NSRAA is already looking past this fairly major inconvenience and making plans to increase the hatchery's production.

NSRAA's newest hatchery, Sawmill Creek wasn't operational for several years while the organization struggled with issues with broodstock from Plotnikof Lake. The fish experienced unexpected problems with growth, size, survival and bacterial kidney disease (BKD).

Eventually, NSRAA was approved to use broodstock from Salmon Lake instead and plans for Sawmill Creek, an incubation and fresh water rearing facility, moved forward. Last year was the first year fish raised at Sawmill Creek were released remotely from Deep Inlet. This summer marks the first return of fish raised at the new hatchery.

But any excitement about this initial return has been diluted with the temporary shutdown of the hatchery and the necessitated transfer of the fry being raised there. The City of Sitka has begun the process to expand the dam and increase the capacity of Blue Lake, the water source for the hatchery. The penstock for Blue Lake will be shut down for the construction, which is scheduled to be complete by the end of October. NSRAA transferred the fry being raised at Sawmill Creek to Medvejie until the construction is complete and, in doing so, tripled the number of fish at Medvejie.

"We will all be glad when the Blue Lake penstock shutdown is complete and we can return the fish to Sawmill Creek Hatchery," says Rebecca Olson, Sawmill Creek Assistant Manager. "I am looking forward to getting up to full production soon."

Meanwhile, NSRAA has begun preparations for a new remote release project at Crawfish Inlet and plans to incubate the 30 million chum eggs approved for that project at Sawmill Creek, a facility designed to rear only 2 million coho.

So while the hatchery's fish are at Medvejie, NSRAA staff will begin work to modify Sawmill Creek to accommodate the substantial jump in its production. The long list of projects includes an upgrade of the water system and transforming the existing rearing building into the chum incubation room.

NSRAA 2014 Return Projections									
Site	Projected Return	Range		Commercial	Sport	Cost Recovery	Brood Stock	2013 Return	2013 Forecast
		Low	High						
Chum									
<i>Hidden Falls</i>	1,072,000	355,000	1,797,000	912,000	-	-	160,000	1,386,624	1,315,000
<i>Medvejie/Deep Inlet*</i>	1,170,000	464,000	1,790,000	1,100,000	-	-	70,000	2,232,247	1,370,000
<i>Haines Projects</i>	31,000	15,500	46,500	12,400	-	-	18,600	24,500	24,500
	2,273,000	834,500	3,633,500	2,024,400	-	-	248,600	3,643,371	2,709,500
Chinook									
<i>Hidden Falls</i>	6,100	3,100	12,100	3,850	250	-	2,000	7,136	12,300
<i>Medvejie</i>	36,200	15,000	54,000	23,150	1,250	7,800	4,000	40,491	30,000
	42,300	18,100	66,100	27,000	1,500	7,800	6,000	47,627	42,300
Coho									
	<i>Marine Survival:</i>	6%	4%	10%					
<i>Hidden Falls</i>	188,000	125,500	313,600	70,600	4,000	103,400	10,000	122,426	154,000
<i>Deer Lake</i>	146,000	97,100	242,700	79,300	1,000	65,700	-	241,616	124,000
<i>Medvejie</i>	3,000	2,100	5,300	1,980	300	-	720	3,815	3,000
<i>Deep Inlet</i>	10,000	6,400	15,900	7,500	1,000	1,500		10,937	7,000
	347,000	231,100	577,500	159,380	6,300	170,600	10,720	378,794	288,000
ALL SPECIES TOTALS:	2,662,300	1,083,700	4,277,100	2,210,780	7,800	178,400	265,320	4,069,792	3,039,800

DIPAC & NSRAA Work Cooperatively For Fleets

If last year's contribution of \$1.5 million from Douglas Island Pink and Chum (DIPAC) to NSRAA seemed hard to believe, then this year's grant of \$2.5 million is truly unbelievable.

"It's a tremendous help to fishermen," says NSRAA General Manager, Steve Reifenhuth. When used to offset cost recovery efforts, the money translates into less closures, more fish for the fleets. "It's a rapid movement of money from DIPAC to NSRAA and to the fishermen in one year."

For 20 years, DIPAC required large cost recovery harvests to pay off the debt it accrued to build its hatcheries and programs. But thanks to large returns and strong salmon prices over the past several years, DIPAC was able to pay off that loan in December 2012.

Now that the debt is paid off, the organization no longer needs those large cost recovery harvests and finds itself in the surprising, but incredibly fortunate, position of having more money than it needs for operations. DIPAC has been exploring ways of getting that money back to the fleets in the form of more fish.

For the past two years, DIPAC opened Amalga Harbor to the seine fleet, increasing the value of their catch by several million dollars each year. But it's not feasible to open DIPAC's two cost recovery locations to the commercial fleets, except on a very limited basis.

Giving NSRAA a monetary gift is one of the creative solutions DIPAC has come up with in its ongoing efforts to get more fish to the fleets.

"They have a protocol for excess funds for operations to capital needs," explains Steve. "Part of the guiding principle of that policy is that the money, by statute, needs to be rolled back into enhancement fisheries. They established a \$1 million scholarship fund, but they're limited by what they can do with that money. They can't just give it to anybody. Rolling it back into common property fisheries is the primary goal."

Last year, NSRAA used the \$1.5 million transfer toward its cost recovery operations, reducing its need for cost recovery from \$1.8 million to mere \$368,000 and, effectively, providing commercial fishermen with an additional \$1.5 million in harvests.

This year's \$2.5 million grant from DIPAC will again be used to offset NSRAA's budget and reduce the organization's cost recovery efforts. NSRAA will use \$1.16 million to cover cost recovery operations that would normally occur at Deep Inlet, allowing the area to remain open to the fisheries without closures this season. Another \$377,000 will be used to offset cost recovery needs at Hidden Falls.

"We're really fortunate to have that DIPAC money because it allows us to have the fisheries without cost recovery," says Chip Blair, NSRAA Data Analyst.

The remaining money will go toward NSRAA's efforts to increase production at Deep Inlet and Hidden Falls. The organization is increasing chum production by 9 million at Deep Inlet and 5 million at Hidden Falls, for a combined annual value of \$1.5 million in commercial harvests (all age classes over four years). NSRAA will need to purchase more net pens, update its incubation facilities and make other modifications to accommodate the increased production.

Can fishermen count on this cooperative exchange of money between DIPAC and NSRAA into the future?

"As long as DIPAC experiences the high marine survival they've seen in the last five years, it is likely a phenomena that will continue," says Steve.

The DIPAC contribution allows NSRAA continuity from year to year, Chip points out. "This year's schedule should be similar to last year. It's really the first time in quite a while we've had the same schedule back to back."

"On behalf of the fishermen, I'd like to thank DIPAC for its partnership and generosity in the fisheries enhancement programs," says Steve.

*DIPAC grants
\$2.5 million to NSRAA:
"...a tremendous help to
fishermen"*

- Steve Reifenhuth

Deep Inlet 2014 Schedule

June 1-June 21: Chinook management with 4:2 days gillnet to seine.

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

June 22-July 26: Chum management with 3:3 days gillnet to seine.

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

July 27-end of season: Chum management with 45:45 hours gillnet to seine.

- Seine – begin on Sun / Thur; 22.5 hour openings
- Gillnet – Mon /Tue /Sat; 15 hour openings
- Troll – Wed/ Fri

Staff Profile: Mike Pountney



NSRAA's Maintenance Manager Mike Pountney shows off the new sign at Medvejie.

It may seem far-fetched, but in many ways, working for NSRAA is similar to working for the Coast Guard. At least for Mike Pountney, it is.

Mike, whose last name is French and pronounced pown- (like town) teh-nay, joined NSRAA's staff 20 years ago, after serving for the Coast Guard for eight years.

The Central California native joined the Coast Guard at 19 and was serving on the Sitka-based ship, the Cutter Woodrush, when he met and married his wife, Kendra. The couple moved to California for two years while Mike went to Coast Guard school to become a machinery technician – another name for a jack-of-all-trades. There, he learned to work on hydraulic, refrigeration and electrical equipment, as well as engines of all sizes.

"It was a good learning experience," Mike says. "The Coast Guard will teach you anything you want to learn, if you want to learn it."

As a Coast Guard mechanic, Mike learned to adapt and improvise.

"When you're working on a motor that hasn't been produced in 30 years, you have to think a little bit more," he says. "You had to make your own parts. It was a very demanding job and I loved it. I loved everything about it."

Mike's job as a Coast Guard mechanic was challenging and often unpredictable – workdays ranged from 8 to 18 hours and he and his crew could be out at sea for 24 hours to three months at a time.

While at one time those unpredictable hours and long stretches away from home didn't faze him, that changed once Mike's son, Robert, was born. He didn't see much of his family during Robert's first two years.

"I was gone all the time," Mike says. "I wanted to spend more time with my family. Also, I loved Sitka. We didn't want to be anywhere else."

When it came time to reenlist, Mike chose to leave the Coast Guard and find a job in Sitka. It didn't take long.

"I decided to get out of the Coast Guard and the next day I opened the paper and saw the job listing for the Medvejie Maintenance Engineer," he recalls. "I applied for it and got the job."

That was in 1994. Mike has been with NSRAA ever since.

In some ways, NSRAA was still a fledgling hatchery then. When he was hired, Mike was told there would be three busy months and the rest of the year would be slow. That changed within a few short years. These days, the maintenance staff is always busy.

"NSRAA is growing so fast, it's difficult to keep up with it anymore," explains Mike, who was recently promoted to NSRAA Maintenance Manager and now oversees maintenance at all the organization's facilities and equipment. "We're always working on something. You get to do something new every day. It's never boring. There's never a slow moment. There's never time to sit down."

Once again, Mike is jack-of-all-trades. At NSRAA, he is always improvising, designing and fabricating new systems – some of it prototype – to fit an old facility, similar to how he created and built new parts for the old engines in the Coast Guard.

Mike thrives with challenge. Fortunately, his job with NSRAA presents him with new challenges, day after day.

"We're always learning," he says. "Everybody always has to be flexible and move forward and look at ways to solve a problem. It's a rare job where you can go to work and you're excited about going to work. I feel pretty privileged."

NSRAA Welcomes Three New Board Members

NSRAA welcomed three new members to its board this spring: Zachary Olson, Charles McCullough and Lars Strangeland.

Zachary joins the board as an At-Large Power Troll representative after winning the election for the seat this spring. He wanted to be on the board in part because he wants to have a say in the future of his business, he says, but he's there to represent more than just his own gear group.

"I'm very interested in representing my gear group, but I'm also very interested in representing the fishery as a whole – meaning all the gear groups and all the constituents that are reliant on these enhanced fish from NSRAA," Zachary says. "That's a big deal for me. I'm not just representing my gear group, I'm representing the industry."

At 31, Charlie McCullough, of Petersburg, is one of the youngest members of the board. He's replacing Dean Haltiner, who left the board with two years of his term remaining. An At-Large Seine representative, Charlie had similar motivations to Zachary for joining the board.

"A lot of guys just fish," he says. "You have to pay attention to what's going on." There are a lot of other interests that have an impact on commercial fisheries, including sport fishing, environmentalists and the folks in Washington D.C. "If something is taken away from commercial fishermen, it doesn't come back very quickly. I just want to make sure we're on the right track."

Lars Strangeland was also appointed to fill a vacancy. Lars replaced Brad Badger, who joined the board last year. Originally from Seattle, Lars has been gillnetting since he was 9. He moved from Seattle to Juneau in 1988 and has lived there ever since.

"I've been fishing all my life," he says. "I need to get involved with the politics side of things. That seems to be everything anymore."

Lars also serves on the DIPAC board. Since NSRAA and DIPAC work closely together, especially in the last two years, Lars wanted to be on the NSRAA board as well, to have a full understanding of how both organizations work.

NSRAA Expands Production

Cont. from front page

Realizing NSRAA could launch the project as soon as this summer, Steve met with the executive committee out of session to discuss the options. In an unprecedented move, the executive committee voted outside the board's normal spring and fall meeting cycle to approve a revolving loan to pay for the project.

"It's a lot of money and it's an aggressive move, but we didn't want to lose a year," Steve explains. "We did this carefully and we were informed. We saw this as a tremendous opportunity and one worthy of the additional effort to bring it to fruition as soon as possible."

The ADF&G chose Crawfish Inlet as one of its preferred sites because there are only very short, steep streams entering the deep fjord there. Similar to Deep Inlet, there are no significant wild stocks in the area due to the natural topography.

The Crawfish Inlet location, ideal for trollers, would also help NSRAA in its efforts to address the troll fleet imbalance.

Assuming the necessary permits are received in time, NSRAA will take an additional 15 million chum eggs at Medvejie this summer for the Crawfish Inlet project. Those fry will be released in 2015.

"So four years from this summer, we should see adult returns on the order of 375,000 fish to Crawfish Inlet," Steve says.

Congratulations to the 2014 NSRAA Scholarship recipients!

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