



Southern SE Regional Aquaculture Association

14 Borch Street, Ketchikan, AK 99901; Phone: 907-225-9605; FAX 907-225-1348

March 15, 2017

Recipient List

Re: Request for Proposals

Please find the Southern Southeast Regional Aquaculture Association (SSRAA) Request for Proposals (RFP) Packet for cost recovery access licensing this coming summer season.

With the recent acquisition of an additional production facility, we are offering a new lot of fish in 2017. This lot, at the Klawock Inlet and River Special Harvest Area, is in addition to our large lots at Neets Bay.

SSRAA is also looking forward to additional lots of fish available from Burnett Inlet and Neck Lake (Snow Pass Coho) in 2018.

Thank you for your interest, and if you know of others who may be interested in bidding on any of these fish, please pass this RFP along or let me know so that I can contact them.

If you should have any questions, please contact me at your convenience.

Best of luck this season and beyond,

Sincerely,

A handwritten signature in blue ink, appearing to read 'Dave Landis', is written over the word 'Sincerely,'.

Dave Landis
SSRAA General Manager



**Southern Southeast Regional
Aquaculture Association**

**2017 Special Harvest Areas
Cost Recovery Access Licensing**

RFP Packet

**Request for Proposals
on 4 Lots of Salmon:**

1. Neets Bay Summer Chum and Chinook
2. Neets Bay Fall Chum and Coho
3. Egg Take Carcasses
4. Klawock River Coho

General Information:

1. SSRAA is a non-profit corporation dedicated to enhancing the traditional salmon fishing industry of Southeast Alaska. As part of SSRAA's cost recovery program, the corporation is seeking proposals for the licensing rights to harvest chum, chinook and coho salmon at the Neets Bay Special Harvest Area (SHA) and the Klawock River SHA in the summer of 2017. The winning licensee(s) will enter into licensing agreements for the right to harvest cost recovery fish in the Neets Bay and Klawock River SHAs and will supply all harvest and tender boats needed for the saltwater harvest. For the primary Klawock River harvest, at the river weir, SSRAA personnel will capture and bleed cost recovery fish, with the licensee responsible for providing slush totes and transportation.

There will be four distinct lots of fish available, described in the following pages:

- Lot 1: Neets Bay Summer Chum and Chinook
- Lot 2: Neets Bay Fall Chum and Coho
- Lot 3: Egg Take Carcasses
- Lot 4: Klawock River Coho

2. A prospective licensee may propose on any or all of these lots of fish.
3. Based on the 2017 return forecasts, SSRAA anticipates licensing all the above returns for harvest. The SSRAA revenue goal is \$9,700,000. The 2017 harvest forecast suggests that fewer fish will be available for harvest than what would be required to meet the goal.
4. If, however, the revenue and broodstock goals are met sometime during the summer, the SSRAA licensee(s) cost recovery harvest operations will cease and common property fisheries will begin.
5. SSRAA will be collecting broodstock during some cost recovery periods. The numbers of fish and timing of brood collection are noted within the description of each lot. During these periods, the SSRAA harvest manager will direct and coordinate the cost recovery activities to minimize conflict between broodstock collection and cost recovery harvest within the SHA.
6. For SSRAA's broodstock collection requirements at Neets Bay, the licensee's summer chum harvest vessel(s) may be separately contracted by SSRAA for limited use in getting broodstock over the barrier net. This division of work for the harvest boat has worked well in previous years, and the availability of this shared harvest vessel will be a positive factor in our bid evaluation.
7. In a similar division of work at Neets Bay, SSRAA may deploy a seiner in the fall (fall chum/coho) to capture broodstock and could have a tender available on occasion during that period. The situation in the fall will allow more flexibility with the licensee, though SSRAA will not have a tender every time fish may be available.

8. The ability and commitment to harvest and process the maximum poundage of fish available is critical. The winning licensee will be required to handle the entire anticipated harvestable volume of fish returning to the SHA up to the amount of SSRAA's harvest (i.e. revenue) goal.
9. Proposals from prospective licensees should be submitted on the form contained in this packet. All proposals must be received at SSRAA offices no later than 4:00 PM, April 14, 2017.
10. SSRAA will accept proposals submitted by regular mail, courier service, hand delivery, or email. Proposals must be sent to:

Southern Southeast Regional Aquaculture Association
14 Borch Street
Ketchikan, Alaska 99901
davidl@ssraa.org

11. You may contact David Landis or Bret Hiatt at SSRAA with any questions or to confirm receipt of submitted proposal: (907) 225-9605.
12. Please provide a single price per round pound for chum salmon. Separate prices for summer and fall chum are acceptable. A tiered price with several grades for chinook and coho is acceptable. Do not include profit sharing or post-season adjustments in your proposal.
13. The Lot 3 licensee will pay all tendering costs for egg take carcasses.
14. It will be the responsibility of the successful licensee to provide harvest boats and tenders or other transportation that can accomplish the job in the most efficient manner possible, and during a period of time and place of harvest as determined by SSRAA. In the qualifications section, please outline your plan for harvest/tendering/transportation capacity, including the names of the harvest boats (and skippers if possible) and tenders planned to be used. As stated previously in paragraph 6 above, SSRAA also needs access to a harvest boat for broodstock.
15. Reference is made to 5 AAC 40.043 and 5 AAC 33.370 (Neets Bay SHA and THA) and 5 AAC 40.051 (Klawock Inlet and River SHA) for the licensee to determine cost recovery boundaries, gear types, etc. in addition to potential rotational fisheries occurring in the Neets Bay THA.
16. All proposers must be aware that proposal details may be discussed among members of SSRAA's board of directors in executive session. Beyond this possible executive session, confidentiality will be ensured. Measures will be taken to avoid conflicts of interest with directors and/or employees of SSRAA.

17. SSRAA reserves the right to reject any or all proposals received; to negotiate different terms and conditions which may differ from the initial proposals received; and to award any access licensing contracts in a manner which is determined to be the most beneficial to SSRAA.
18. This process is for single year bids on Lots 1, 2, and 4. For Lot 3 (carcasses), which may be proposed for multiple years as an option.

Thank you for your interest.

Lot 1: Neets Bay Summer Chum and Chinook

General Information

Neets Bay Hatchery is SSRAA's highest-volume hatchery and exclusive summer chum broodstock collection site, remotely located approx. 45 air miles north of Ketchikan. Neets Bay also releases large numbers of coho and chinook from the hatchery site.

Lot 1 is a June 28th through approximately August 30th fishery to target the bulk of SSRAA's cost recovery summer chum, along with incidental chinook. **Please note that the starting date in 2017 reflects the shorter rotational fisheries, which will increase cost recovery harvest volume compared to 2016.** The Lot 1 fishery will end when all the harvestable summer chum have been caught, and although it is not expected, some portion of the inner SHA may be opened to common property rotations if, broodstock and revenue goals are met – or if it is obvious they will be met.

The first priority for SSRAA will be to meet the summer chum broodstock goal of about 180,000 fish. Broodstock is collected from about July 18 through the first week of August – and possibly longer if the egg take goal is not easily met. Most harvest occurs at the same time and in essence is part of broodstock management. Harvest also occurs prior to broodstock collection and can occur after the egg take is completed if the revenue goal has not been met.

All fishing in the SHA will be managed daily by the SSRAA Harvest Manager. All cost recovery fishing will take place east of the easternmost point of Bug Island in the SSRAA SHA, as outlined in 5AAC 40.043. An approximate map of the Neets Bay SHA is included in this packet for reference.

The average annual summer chum weight varies between 9 and 10 pounds. For summer chum, historically the peak abundance in the inner bay is between July 25 and August 7.

Neets Bay Chinook generally average between 16 and 20 pounds. Chinook condition will reflect the timing of harvest, with brighter fish early.

2017 Forecast

SSRAA has forecast a total return for Neets Bay summer chum at 1,320,000 fish. After expected common property interception, chum troll harvest, June rotations and broodstock are accounted for, the remaining harvest available for cost recovery harvest is estimated at 670,600 fish.

SSRAA has forecast a total return for Neets Bay chinook at 22,200 fish. After expected common property interception and June rotations are accounted for, the remaining chinook available for cost recovery harvest is estimated at 7,425 fish. Brood chinook are not taken at Neets Bay.

Lot 2: Neets Bay Fall Chum and Coho

General Information

Neets Bay Hatchery is SSRAA's highest-volume hatchery facility and exclusive summer chum broodstock collection site, remotely located approximately 45 air miles north of Ketchikan. Neets Bay also releases large numbers of coho and chinook from the hatchery site.

Lot 2 is an approximately September 1st to late September fishery, conducted after the June rotations and Lot 1 fisheries are concluded. The expected volume for Lot 2 is contingent on meeting overall revenue and broodstock needs: It is likely this harvest will involve some opportunity early in September as we are managing the SHA for broodstock collection. These opportunities may be for a limited and relatively small (i.e. tender load) number of fish. In most years, fall coho are available during the period when fall chum broodstock is being collected, but that is not certain; **the abundance of coho varies dramatically from year to year, as does the abundance of fall chum.**

The average fall chum weighs about 8 pounds. The average fall coho weighs between 9 and 10 pounds. This bid will represent a harvest opportunity rather than a harvest goal, as the fish are incidentally harvested while collecting broodstock (i.e. seine sets with excess coho or male chum).

If broodstock, egg take, and revenue goals are met, *although SSRAA has not projected meeting the revenue goal in 2017*, cost recovery harvest will end and the SHA may be open to common property rotational fisheries. In any case, SSRAA will make every attempt to collect broodstock and eggs as quickly as possible.

During the process of broodstock management for fall chum, SSRAA puts mixed coho/fall chum schools across the Neets Bay barrier net. During this process, excess coho are often available for sorting and harvest as part of Lot 2. Excess coho are also available from the raceways during broodstock management. These processes are highly variable and will be negotiated with the successful licensee of either Lot 2 or Lot 3.

2017 Forecast

SSRAA has forecast a total return for Neets Bay fall chum at 212,600 fish. After expected interception and broodstock are accounted for, the remaining harvest available for cost recovery harvest is estimated at 139,450 fish.

SSRAA has forecast a total return for Neets Bay coho at 205,000 fish. After expected interception is accounted for, the remaining harvest available for cost recovery harvest is estimated at 51,250 fish.

Lot 3: Egg Take Carcasses

General Information

Neets Bay summer chum: SSRAA anticipates taking summer chum eggs daily from approximately July 25 until at least mid-August – when the egg take goal is met. This involves about 180,000 fish, plus or minus.

Male chum carcasses are whole while female carcasses are cut with the roe removed. There are typically 6 to 10 buckets each day of skeined roe not suitable for egg take which are available in this Lot. The licensee will provide buckets for this purpose.

Egg take is done daily through this period and involves 40,000 to 80,000 pounds a day delivered by trailer from the egg take station to a tender at the standing dock at Neets Bay. Tenders must be present to receive carcasses throughout a daily egg take period.

Several totes of ice may be required daily to ice the carcasses as they are moved from the egg take station to the tender. There may be some chinook carcasses mixed with these fish.

Neets Bay fall chum: The fall chum egg take takes place from about September 10 to at least the 20th, though it could end sooner if the fish cooperate. The fall chum egg take involves about 40,000 fish.

Male chum carcasses are whole while female carcasses are cut with the roe removed.

There may be some excess coho carcasses mixed with these fish. The coho may have some marketable food value, and SSRAA will work with the licensee of either Lot 2 or Lot 3 to maximize the value of these carcasses upon request and agreement.

Burnett Inlet fall chum: Burnett Inlet Hatchery is located on Etolin Island approximately 70 miles north of Ketchikan. SSRAA is increasing both summer and fall chum production at Burnett, and in 2017 it is likely that there will be a quantity of fall chum carcasses to be removed. We are not expecting a summer chum return that requires carcass removal by tender.

Since this is a new possibility for carcasses with no history or effective forecast, SSRAA will seek a dialog with the successful Neets Bay carcass licensee as to if and how this carcass removal can be accomplished. It is SSRAA's desire to resolve this matter pre-season in a cooperative fashion.

Lot 4: Klawock River Coho

General Information

The Klawock River Hatchery is a 5 million-egg coho facility located on the Prince of Wales Island road system. At the hatchery, which is located approximately 2 miles from open saltwater, a weir and series of raceways allow hatchery personnel to remove and place bleed fish into slush totes. The licensee will be responsible for providing the ice and totes to the site on a daily basis, as well as transporting the full totes from the site.

In terms of run timing for cost recovery, in 2016 harvest started on August 30 and ended on October 14. Returning Klawock coho are typically graded as bright, blush or redskin fish. In 2016, 83% were bright or blush and 17% were redskin. The size of Klawock coho generally average 6-7 pounds, in 2016 the average was 8.5 pounds.

Although the Klawock hatchery is the primary harvest location, the Klawock Inlet and River SHA also includes a saltwater harvest area where conventional cost recovery with seine gear can take place. Brighter coho may be available in the saltwater portion of the SHA. ADF&G escapement goals for other species such as sockeye and pink salmon may limit the timeframe in which harvest is allowed in saltwater. Typically, access may be granted to harvest in saltwater by ADF&G after other species escapement is deemed adequate. There may or may not be opportunity to fish and likely that opportunity would be very limited.

Refer to 5 AAC 40.051 (Klawock Inlet and River SHA) to determine cost recovery boundaries, gear types, and other restrictions.

An approximate map of the Klawock Inlet and River SHA is included in this packet for reference.

2017 Forecast

SSRAA has forecast a total return for Klawock River coho at 220,000 fish. After expected interception and broodstock are accounted for, the remaining harvest available for cost recovery harvest is estimated at 62,500 fish.

BID FORM Page 1
Southern Southeast Regional Aquaculture Association
2017 Special Harvest Areas Cost Recovery Access Licensing

Instructions for bidders:

Please complete both pages of this bid form, sign and date it, and submit to SSRAA along with a cover letter by 4:00 PM April 14, 2017. Use the sections on Page 2 for any narrative.

Name of Bidding Firm

Mailing address	City	State	Zip code
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Name of Contact Person	Telephone number
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Amount of bid(s):

Lot 1: Neets Bay Summer Chum and Chinook	\$ _____ per round pound summer chum
	\$ _____ per round pound chinook

Lot 2: Neets Bay Fall Chum and Coho	\$ _____ per round pound fall chum
	\$ _____ per round pound coho

Lot 3: Egg Take Carcasses	\$ _____ per round pound (any)
	Marketable coho carcasses TBD by negotiation

Lot 4: Klawock River Coho	\$ _____ per round pound brite coho
	\$ _____ per round pound blush coho
	\$ _____ per round pound redskin coho

BID FORM Page 2
Southern Southeast Regional Aquaculture Association
2017 Special Harvest Areas Cost Recovery Access Licensing

QUALIFICATIONS

Harvest and tendering (or transportation, for Lot 4 bids) plan:

Harvest boat(s) and skippers (for Lots 1-3):

Tenders to be used (for Lots 1-3):

Signature of authorized representative	Title
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Printed name	Date signed
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