



**Southern Southeast Regional  
Aquaculture Association**

**2019 Special Harvest Areas  
Cost Recovery Access Licensing**

**RFP Packet**

**Request for Proposals  
on 8 Lots of Salmon:**

1. Neets Bay Summer Chum and Chinook
2. Neets Bay Fall Chum and Coho
3. Neets Bay Egg Take Carcasses
4. Burnett Inlet Egg Take Carcasses
5. Klawock River Coho
6. Neck Lake Summer Coho
7. Whitman Lake Chinook and Coho
8. Port Asuncion Coho

## **General Information:**

1. SSRAA is a non-profit corporation dedicated to enhancing the traditional salmon fishing industry of Southeast Alaska. The ability to do this comes, in part, from cost recovery of returning SSRAA-produced salmon. Please understand that common property and terminal harvest area fisheries will be prioritized over cost recovery in some circumstances.
2. 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); the Klawock River SHA; Port Asumcion, Burnett Inlet Hatchery; and raceways at Neck Lake and Whitman Lake Hatchery in the summer and fall of 2019. The winning licensee(s) will enter into licensing agreements for the right to harvest cost recovery fish in the designated areas 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. Similar to the Klawock situation, at Neck Lake and Whitman Lake, SSRAA will capture, bleed and slush-ice provided totes with round fish for transport.

There will be eight 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: Neets Bay Egg Take Carcasses
  - Lot 4: Burnett Inlet Egg Take Carcasses
  - Lot 5: Klawock River Coho
  - Lot 6: Neck Lake Summer Coho
  - Lot 7: Whitman Lake Chinook and Coho
  - Lot 8: Port Asumcion Coho
3. A prospective licensee may propose on any or all of these lots of fish.
  4. Based on the 2019 return forecasts, SSRAA anticipates licensing all the above returns for harvest. The aggregate SSRAA revenue goal for these components is \$8,307,320. The 2019 harvest forecast suggests that sufficient fish will be available for cost recovery harvest to meet the goal.
  5. The approximate revenue goal for each component is listed in that category – however, wide variation in that amount may be experienced due to in-season shifts in cost recovery progress. SSRAA will endeavor to not take cost recovery in excess of this goal, which might limit cost recovery for certain lots of fish later in the season, depending largely on broodstock management goals and conditions.

6. At Neets Bay, revenue and broodstock goals may be met sometime during the summer, at which time the SSRAA licensee(s) cost recovery harvest operations in the Bay may cease and common property fishery rotations would begin.
7. SSRAA will be collecting broodstock during some cost recovery periods. The approximate numbers of fish and timing of brood collection are noted within the description of each lot. During these periods, the designated SSRAA harvest manager will direct and coordinate the cost recovery activities to minimize conflict between broodstock collection and cost recovery harvest within the SHA or raceway. Broodstock management is our first priority and cost recovery operations could be affected by in-season conditions relating to broodstock.
8. For SSRAA's broodstock collection requirements at Neets Bay, the licensee's summer or fall chum harvest vessel(s) might be separately contracted by SSRAA for limited use in putting broodstock over the barrier net. This division of work for the harvest boat has been satisfactory to all parties in previous seasons, and the availability of this shared vessel(s) might be considered in our bid evaluation.
9. The ability and commitment to harvest and transport the maximum poundage of fish available is critical and will be a bid evaluation factor. The winning licensee will be required to handle the entire anticipated harvestable volume of fish returning to the SHAs/raceways up to the amount of SSRAA's harvest (i.e. revenue) goal.
10. Proposals from prospective licensees should be submitted on the form contained in this packet. All proposals must be received at SSRAA offices (not postmarked) no later than 4:00 PM, April 19, 2019.
11. 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  
[breth@ssraa.org](mailto:breth@ssraa.org)

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 bids. Separate prices for summer and fall chum are acceptable. Tiered prices with several grades for chinook and coho is acceptable; sample grading categories are included in the form on Bid Page 3. Do not include profit sharing or post-season adjustments in your proposal.
13. The Lot 3 and 4 licensee(s) will pay all tendering costs for egg take carcasses.

14. It will be the responsibility of the successful licensee(s) 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 tenders (and skippers if possible) planned to be used. As stated previously above, SSRAA may also require access to a shared harvest boat for broodstock. In reference to the lots which require over-the-road transportation, please indicate your plans and expectations for handling this aspect of the work.
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. Please include sufficient details in your proposal so that we can accurately determine responsiveness and answers to the specific sites, times and fisheries in these lots. You may use additional sheets if necessary. Please contact us if you have any questions.
17. All proposers should 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 of proposals will be maintained until September 1, 2019 at which time winning bid prices (only the winning bids) will be disclosed to those who contact the SSRAA General Manager.
18. Measures will be taken to avoid and/or mitigate conflicts of interest or potential conflicts of interest with directors and/or employees of SSRAA.
19. Although the descriptions and estimates contained in this bid package are as accurate as SSRAA can make them - these are approximations and estimates also subject to errors or misinterpretation. Please call if you have questions.
20. 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.
21. This process is for single year bids for summer/fall 2019 on all lots.

**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 summer/fall 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 an (approximately) June 30<sup>th</sup> through August 30<sup>th</sup> fishery to target the bulk of SSRAA's cost recovery summer chum, along with incidental chinook. The Lot 1 fishery will end when all the harvestable summer chums have been caught, and some portion of the SHA may be opened to common property rotations if broodstock and revenue goals are met. The SSRAA budget includes a \$2.1 million cost recovery offset grant for common property opportunity. This will be applied to Neets Bay chum rotations/troll target.

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 averages 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.

### **2019 Forecast**

SSRAA has forecast a total return for Neets Bay summer chum at 1,911,400 fish. After expected common property interception, chum troll harvest, THA fisheries, and

broodstock are accounted for, the remaining harvest available for cost recovery harvest is estimated to be approximately 606,000 fish.

SSRAA has forecast a total return for Neets Bay chinook at 16,200 fish. After expected common property interception and June rotations are accounted for, the remaining chinook available for cost recovery harvest is estimated at 6,000 fish. Brood chinook are not taken at Neets Bay.

The combined revenue goal for this lot is approximately \$7.3 million.

## **Lot 2: Neets Bay Fall Chum and Coho**

### **General Information**

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

Lot 2 is an approximately September 1<sup>st</sup> to late September fishery, conducted after any summer rotations and Lot 1 cost recovery 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, 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 normally puts mixed coho/fall chum schools across the Neets Bay barrier net. During this process, excess coho may be 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.

### **2019 Forecast**

SSRAA has forecast a total return for Neets Bay fall chum at 345,100 fish. With Burnett Inlet Hatchery anticipated to take a majority of broodstock, the remaining fish are projected to be primarily harvested in THA rotations. In spite of this prediction, however, there could be substantial cost recovery as a component of broodstock management or if the summer chum forecast is lower than anticipated.

SSRAA has forecast a total return for Neets Bay coho at 38,100 fish. Since this component hinges upon fall chum THA opportunity and cost recovery, no estimate of coho cost recovery is given.

### **Lot 3: Neets Bay 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 will involve 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 incubation purposes which are available in this Lot. The licensee will provide buckets and ice for this purpose if recoverable roe is desired.

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 20<sup>th</sup>, though it could end sooner if the fish cooperate. The fall chum egg take involves about 40,000 fish from all SSRAA sites. A large portion of these brood fish may be taken at Burnett Inlet Hatchery if they can be, but Burnett's fall brood program has not yet proven capable of taking the entire amount there.

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.

The combined revenue goal for Lots 3 and 4 is approximately \$150,000.

## **Lot 4: Burnett Inlet Egg Take Carcasses**

### **General Information**

Burnett Inlet summer and 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 2019 it is likely that there will be a larger quantity of both summer and fall chum carcasses to be removed.

Since this is an emerging opportunity for carcasses with limited history, SSRAA may also seek a dialog with the successful Neets Bay carcass licensee as to how this carcass removal can be accomplished. It is SSRAA's desire to resolve this matter pre-season in a cooperative fashion.

The combined revenue goal for Lots 3 and 4 is approximately \$150,000.



## **Lot 5: 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 bled 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 harvest typically starts in late August and ends in mid-October. Retuning Klawock coho are typically graded as bright, blush or redskin fish. It is typical to have, 80+% bright or blush. The size of Klawock coho generally average 6-7 pounds, in 2018 the average was 6.2 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.

## **2019 Forecast**

SSRAA has forecast a total return for Klawock River coho at 195,700 fish. After expected interception and broodstock are accounted for, the remaining harvest available for cost recovery harvest is estimated at 55,000 fish.

The revenue goal for this lot is approximately \$610,000.

## **Lot 6: Neck Lake Summer Coho**

### **General Information**

The Neck Lake harvest facility is located on Neck Creek below Neck Lake, about 2 miles from the community of Whale Pass on Prince of Wales Island. Water from Neck Lake flows through a pipeline and into a single large raceway below the barrier falls where the fish are held until they are harvested. SSRAA personnel remove and place bled fish into slush totes at the raceway. The licensee will be responsible for providing the ice and totes to the site on a periodic basis, as well as transporting the full totes from the site.

The Neck Lake-reared summer coho stock is unique, originating from Reflection Lake, one of several small stocks of these fish in southeast Alaska. They return to lake systems like a sockeye, and hold in the deep cooler waters of a lake. They spawn at the same time the far more common fall coho, in October or November. Summer coho are also unique in that they enter freshwater with high fat content and “set” scales. Related to harvest, they are generally in better condition when caught than a fall coho. In past years, SSRAA has marketed them with the trade name “Snow pass Coho”, and they are sometimes marketed in the Pacific Northwest (including Seattle’s Pike Street Fish Market) that way.

In terms of run timing for cost recovery harvest typically starts in early to mid-July and ends at the end of August. Retuning Neck Lake summer coho are almost universally bright. These fish generally average about 6 pounds, in 2018 the average was 5.7 pounds.

Broodstock for these fish will be taken at Whitman Lake Hatchery in Ketchikan.

### **2019 Forecast**

SSRAA has forecast a total return for Neck Lake summer coho at 29,200 fish. After expected interception and broodstock are accounted for, the remaining harvest available for cost recovery harvest is estimated at 8,800 fish.

The revenue goal for this lot is approximately \$92,000.

## **Lot 7: Whitman Lake Chinook and Coho**

### **General Information**

Whitman Lake Hatchery is a large production facility for chum, chinook and 2 stocks of coho salmon. It is located on the Ketchikan road system approximately 8 miles from city limits. This is a central eggtake and incubation facility for coho and chinook. The chum salmon incubated here are all brought from, transported to and released at remote sites. In 2018, Whitman added summer coho broodstock returning there as well. There may be limited cost recovery potential for excess summer coho at the same time as excess chinook are harvested from the raceways, although this did not occur in 2018. Fall coho cost recovery has occurred each year.

Since this site is a primary location for eggtake and incubation of chinook and coho, the harvest opportunity is limited and variable.

At the hatchery, which is situated at tidewater, fish recruit directly into raceways, where they hold until a harvestable quantity has accumulated. Broodstock is managed at the same time for sex ratio and genetic diversity across the run. Hatchery personnel then remove, bleed and place bled fish into slush totes. The licensee will be responsible for providing ice and totes to the site on a periodic basis, as well as transporting the full totes from the site. SSRAA will consider delivering full totes to a road system location if required.

In terms of run timing for cost recovery harvest from the raceway, chinook and summer coho typically start in mid-June and ends in mid to late July for chinook and as long as

late August for summer coho. Retuning Whitman chinook grading is variable depending on broodstock needs and yearly run timing. The summer coho are quite unique with their universal brightness, tight scales, high fat content and early market timing. These fish have carried the “Snow Pass Coho” trade name in past years.

Run timing for raceway harvest of fall coho is essentially the month of September, although the last harvest is sometimes conducted as late as mid-October.

### **2019 Forecast**

SSRAA has forecast a total return for Whitman Lake chinook at 9,200 fish. After expected interception and broodstock are accounted for, the remaining harvest available for cost recovery harvest is estimated at 4,900 fish.

The fall coho forecast is for a total return of 10,900 fish. After expected interception and broodstock are accounted for, there is not projected to be a harvestable surplus. Since the summer coho program at Whitman Lake is for broodstock only, there is no separate forecast for this component. Therefore, the volume of excess summer coho should be considered as incidental.

The combined revenue goal for this lot is approximately \$85,000.

## **Lot 8: Port Asumcion Coho**

### **General Information**

In 2018, SSRAA initiated a new release site near the head of Port Asumcion on Baker Island. This is a release site for both summer chum and fall coho from the Klawock River stock. The 2018 coho release at Asumcion was 230,000, and we anticipate that there will be a harvestable return of coho to the site in 2019. Summer chum will not return here in 2019.

There will be no broodstock taken at Asumcion, but common property interception of these Klawock stock fish is often very high. There will be no common property net fishing opportunity for coho within the THA – this is intended as a cost recovery site only.

The licensee will be responsible for providing a harvest vessel and tender (if needed) for transport.

In terms of run timing for cost recovery, harvest should take place starting in late August and continuing periodically through the month of September. Timing of harvest will determine grading as bright, blush or redskin fish. The size of Klawock stock coho generally average 6 to 7 pounds, in 2018 the average was 6.2 pounds.

### **2019 Forecast**

SSRAA anticipates fall coho available for cost recovery harvest at approximately 4,000 fish.

The revenue goal for this lot is approximately \$40,000.

**BID FORM Page 1**  
**Southern Southeast Regional Aquaculture Association**  
**2019 SHA and Raceway Cost Recovery Access Licensing**

Instructions for bidders:

Please complete all pages of this bid form, sign and date it, and submit to SSRAA along with a cover letter by 4:00 PM April 19, 2019. Use the sections on Page 3 for narrative, with additional narrative and/or other information as attachments.

Name of Bidding Firm			
Mailing address	City	State	Zip code
Name of Contact Person		Telephone number	

**Amount of bid(s):**

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

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

Lot 3: Neets Bay Egg Take Carcasses	\$ _____ per round pound
	Any marketable coho carcasses TBD by negotiation

Lot 4: Burnett Inlet Egg Take Carcasses	\$ _____ per round pound
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**BID FORM Page 2**  
**Southern Southeast Regional Aquaculture Association**  
**2019 SHA and Raceway Cost Recovery Access Licensing**

Lot 5: Klawock River Coho	\$ _____ per round pound brite coho
	\$ _____ per round pound blush coho
	\$ _____ per round pound redskin coho

Lot 6: Neck Lake Summer Coho	\$ _____ per round pound brite coho
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Lot 7: Whitman Lake Chinook and Coho	\$ _____ per round pound GMC chinook
	\$ _____ per round pound pale chinook

	\$_____ per round pound summer coho
	\$_____ per round pound fall coho

Lot 8: Port Asumcion Coho	\$_____ per round pound fall coho
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**BID FORM Page 3**  
**Southern Southeast Regional Aquaculture Association**  
2019 SHA and Raceway Cost Recovery Access Licensing

**QUALIFICATIONS**

Harvest and tendering (or ground transportation, for Lots 5, 6 and 7 bids) plan:

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Harvest boat(s) and skippers (for Lots 1-3 and 8):

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Tenders to be used (for Lots 1-3 and 8):

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Signature of authorized representative	Title
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Printed name	Date signed
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