



**2022 TELROD COVE SOCKEYE SALMON
COST RECOVERY FISHERY LICENSING OPPORTUNITY**

The Kodiak Regional Aquaculture Association (KRAA) is requesting proposals from qualified individuals or companies to take up to **300,000 pounds** of enhancement project sockeye salmon (approximately 67,000 sockeye salmon at a 4.5 lb/fish est. avg)) from Telrod Cove in the Spiridon Bay Special Harvest Area. These salmon will be available for harvest from approximately June 28- through July 31, 2022, in a Cost Recovery Fishery (CRF) within Telrod Cove. Bidders must supply harvest vessel(s), tender(s) and processing for all CRF salmon. KRAA will consider proposals for single or multi-year contracts for Telrod Cove sockeye salmon CRF purchase. Bids may be for all or part of the CRF goal of 300,000 pounds.

Timeline for CRF Proposal Process

REQUEST FOR PROPOSALS	DEADLINE FOR SUBMISSION OF PROPOSALS	REVIEW OF PROPOSALS	NOTIFICATION OF SELECTION
03/08/22	12:00 PM 04/07/22	1:00 PM through 4:00 PM 04/07/22 04/08/22	by 5:00 PM 04/08/22

Notification of bid award will likely take place the afternoon on April 7; however, the Notification Time and Date indicated above (5:00 PM, Friday April 8, 2022) should be considered the latest that a bidder would be notified of the decisions of the KRAA Cost Recovery Committee.

In this packet is information specific to the proposal process the 2022 Telrod Cost Recovery Fishery. This packet also includes information on the projected 2022 salmon return to the Spiridon Lake enhancement project at Telrod Cove based on historical harvest data. Also included is a graph of Telrod Cove salmon harvest timing and a map of the Telrod Cove - Spiridon Bay Special Harvest Area. Proposal forms are also included as a separate attachment.

THE INFORMATION IN THIS PACKET IS INTENDED AS A GENERAL GUIDE FOR THOSE SUBMITTING PROPOSALS AND IS NOT A SPECIFIC GUARANTEE OF THE MAGNITUDE OR TIMING OF THE TELROD COVE SOCKEYE SALMON RUN OR COST RECOVERY FISHERY SUCCESS.

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PROJECTED 2022 COST RECOVERY FISHERY SALMON HARVEST

Approximately 255,600 (range 83,100 to 427,000 salmon) sockeye salmon are forecast to return to the Spiridon Lake sockeye salmon enhancement project in 2022 and be available for harvest. Normally, about half of the Spiridon Lake sockeye salmon run is taken in traditional, common property set gillnet and purse seine commercial fisheries in the Central Section of the Northwest Kodiak District. Those Spiridon Lake sockeye salmon that pass through the Central Section fisheries will migrate to Telrod Cove.

Cost recovery fisheries in Telrod Cove were first initiated in 2010. This will be the twelfth year for cost recovery fisheries at this location (no cost recovery was conducted in 2020). The CRF will take place only within the Spiridon Bay Special Harvest Area (Telrod Cove) and will occur prior to any common property mop-up fisheries. For 2022, up to 300,000 pounds, or approximately 67,000 (4.5 lb. average) Spiridon Lake enhancement project sockeye salmon are available for CRF harvest. This CRF harvest level is expected to be approximately 28% of the total harvest of returning Spiridon Lake enhancement project sockeye salmon based on the mid-point forecast. The remaining 72% of Spiridon Lake enhancement project sockeye salmon will be harvested in common property fisheries in the adjacent Central Section by the commercial set gillnet and seine fleets or in later, mop-up common property commercial fisheries within Telrod Cove.

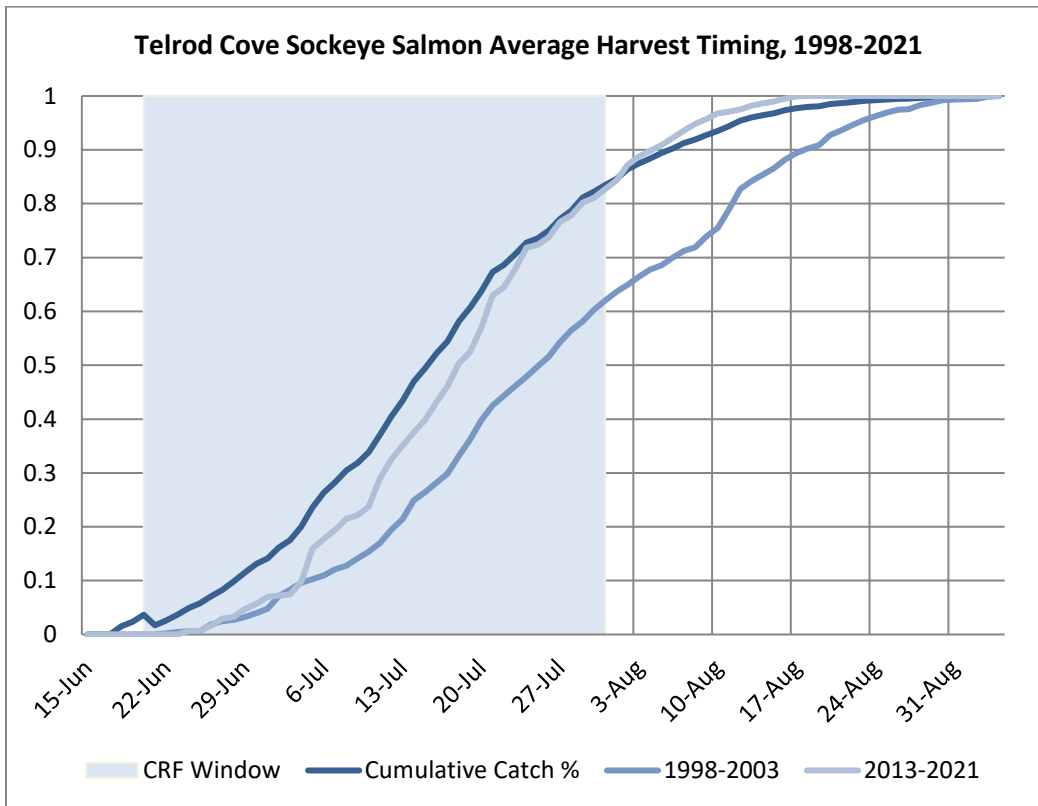
COST RECOVERY FISHERY PROCEDURES

The 2022 Cost Recovery Fishery in Telrod Cove will occur prior to the opening of any common property mop-up fisheries. The desired time period for a Telrod CRF is late June to late July. The precise timing of the CRF will depend on the actual 2022 Spiridon sockeye salmon run timing, run strength, and the resulting build-up of salmon within Telrod Cove. Initial harvest dates for recent cost recovery efforts have consistently occurred between July 1 and 4 and have commonly ended July 31. More recently, the 2021 CRF at Telrod cove was completed July 17. Sockeye will be allowed to build up within the cove for several days prior to opening to provide sufficient salmon for a daily harvest. Build-ups will be monitored by on-site KRAA staff and communicated to ADF&G, the selected Processor, and KRAA managers.

Since 1998, timing of the commercial sockeye salmon harvests within Telrod Cove have been relatively similar, beginning in mid-to-late June and continuing through mid-August. Telrod mop-up fisheries (Cost Recovery and Common Property) have begun as early as June 18 and as late as July 5. Prior to the onset of cost recovery fisheries, the average Common Property opening date in Telrod Cove was Approximately June 21. However, in recent years, start of cost recovery fishing has been delayed in order to allow for accumulation of fish. This is represented in the timing graph below for 2013-2021, and for this 9-year period it does appear as though accumulations have been slower to build at the start of the run. KRAA does not believe recent data indicates a certain shift in run timing for those recent years (note later run timing for the 6-year period from 1998-2003 period as shown in the chart below. In addition, it is important to consider that entry into Telrod Cove is directly affected by fishing days on the Westside during the stated period.

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Based on the expected run strength and run timing, by June 28 sockeye salmon should begin building up within Telrod Cove in sufficient numbers to begin the Cost Recovery Fishery. The CRF will not be delayed by waiting until the entire 300,000 pounds of sockeye salmon are estimated to be within Telrod Cove.



It's expected to take an estimated two to three weeks of fishing to meet the CRF harvest goal. It's hoped that the cost recovery goal of 300,000 pounds will be harvested from Telrod Cove by July 20, 2022. However, should it appear that the Cost Recovery Fishery harvest through July 20 will not meet the 300,000-pound goal, Cost Recovery fishing will continue until the goal is met or July 31, whichever occurs first. Conditions such as lower-than-expected or late returns, in-season fishery management issues, and/or mechanical breakdowns of catcher vessels or tenders, etc., could extend the CRF harvest period. KRAA will work with the selected contractor as needed to assure that the cost recovery harvest is successful

Telrod Cove CRF sockeye salmon must be harvested by seine gear. All vessels, gear and crew needed to successfully conduct the Telrod CRF harvest must be supplied by the individual or company selected. Ideally, the captured live salmon will be immediately pumped directly from the seine to a waiting tender or processing ship.

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The individual or company selected to conduct the 2022 Telrod CRF harvest will also be responsible for tendering and processing the salmon. Captured salmon are to be sorted and weighed as soon as possible following the harvest when they are delivered by the catcher vessel to the tender or processor. Harvest poundage will be determined by the selected contractor's certified scale-weights and recorded on ADF&G fish tickets, in the presence of a KRAA employee, at the point of fish transfer from the catcher vessel to the tender or processor. Those submitting proposals should be able to provide one or more tendering vessels with a total estimated daily tendering capacity sufficient to take delivery of expected daily harvest level. If the catcher-vessel has sufficient holding capacity and is able to maintain quality, it may be possible for the catcher-vessel to tender the Telrod Cove cost recovery salmon to the processing location.

Any vessel tendering the Telrod Cove cost recovery salmon should be equipped with one or more fish pumps, de-watering devices, and certified scales for weighing fish. Captured salmon are to be sorted and weighed as they come aboard the tender. Tender operators are expected to work closely with KRAA staff to determine accurate total poundage harvested, average fish weights and number of fish harvested by species. It should be noted there may be incidental catch of other salmon species. **In some years, significant numbers of pink salmon are caught in Telrod Cove during the Cost Recovery Fishery.**

The poundage determined aboard the tender at the time of delivery will be used to determine the daily and total cost recovery salmon harvest and sale. No adjustments to cost recovery salmon poundage will be made based on weights taken at other points of delivery or subsequent product recovery, unless agreed by KRAA in writing prior to the fishery.

PROPOSAL GUIDELINES

KRAA believes the sockeye salmon to be harvested in the Telrod Cove CRF are a premium product that should command a premium price. KRAA also recognizes that market demands may cause the price of sockeye salmon to fluctuate before, during, and after the commercial fishing season. In the past, KRAA has looked favorably on proposed post-season settlements at least equal to those paid to common property fishermen or to an average of the final post-season price paid by major Kodiak area salmon processors.

Interested and qualified individuals and companies are encouraged to submit a proposal for the rights to take all or part of the total 300,000 pounds of sockeye salmon offered. Proposals may be submitted describing more than one scenario on the 2022 Telrod Cost Recovery Fishery Proposal Form (attached).

All proposals should be expressed in price per pound of live salmon harvested. Since some chum and pink salmon may be taken incidentally during the Cost Recovery Fishery, please include price for these species in addition to the price for Telrod Cove sockeye salmon. If you intend to offer a post-season settlement price adjustment, please note this in the comments section of the proposal with your base price per pound.

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Proposals must be submitted to KRAA by 12:00 PM Thursday, April 7, 2022. Proposals should be detailed enough to allow for clear evaluation by the KRAA Cost Recovery Committee. However, KRAA may contact proposers should clarification be required.

CRF PERFORMANCE DATA AND COMMENTS

In this section of the proposal form please identify estimated daily harvesting, tendering and processing capacity, preferred harvesting and tendering scenarios, method of fish transfer, fish loading or transfer rate (minimum and maximum), names of catcher boat(s) and tender(s) and their operators (if possible), rotation schedules, etc. Identify additional logistical concerns related to CRF activities. KRAA will evaluate these concerns for compatibility with CRF goals. Such factors will be considered by KRAA during proposal evaluation and contractor selection. For example, a contractor that has tenders with efficient fish transfer pumps may be favored over slower, less efficient operations.

Additional space is provided for comments or to identify anticipated harvest concerns or conditions. Again, KRAA will evaluate any special requests for compatibility with CRF goals.

PROPOSAL EVALUATION

Proposals will be evaluated by a committee of the KRAA Board of Directors, beginning at 1:00 PM Thursday April 7, 2022. KRAA reserves the right to reject any or all proposals received. KRAA reserves the right to accept any proposal, for all or part of the offered poundage of live salmon, as will best meet KRAA cost recovery revenue goals, as determined solely by KRAA. KRAA reserves the right to request additional information, should it be needed to clarify the terms and conditions of a submitted proposal or verify the commitment of a proposer. KRAA reserves the right to subsequently award any contract in a manner deemed most advantageous to KRAA.

The selected bidder will be invited by KRAA to enter into negotiations concerning the terms and conditions of a final and binding CRF harvest access licensing agreement. If negotiations fail to result in the execution of a CRF agreement within three weeks of notification of acceptance of a proposal, or if, at any time, KRAA should conclude that negotiations are at an impasse, then KRAA may cancel its acceptance of the proposal and terminate negotiations without giving rise to a cause of action for damages or other relief.

All questions and concerns related to the CRF should be identified, addressed and resolved prior to finalizing a CRF agreement. It is anticipated that a harvest licensing agreement for Cost Recovery Fishery salmon will be negotiated and fully executed within three weeks of proposal selection. No rights shall arise until and unless a written agreement has been fully executed.

PROPOSAL RESPONSES

Telrod Cost Recovery Fishery Proposal Forms may be mailed, emailed, faxed, or hand delivered to the KRAA office. Verbal proposals will not be accepted. All questions should be directed to

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the KRAA Cost Recovery Committee or Tina Fairbanks, KRAA Executive Director. **The deadline for submitting proposals to KRAA is 12:00 PM Thursday, April 7, 2022.** Follow-up emails or telephone calls are recommended to insure KRAA receipt of proposals. It is anticipated that proposals will be evaluated by the CRF committee on Thursday April 7, 2022 but may continue until 5:00 PM Friday, April 8, and the selected bidder notified by 5:00 PM on that date. Those submitting proposals are asked to be available for discussion of their proposal or for notification of any delay in proposal selection.

PAYMENT GUIDELINES

KRAA wishes to receive payment for contracted CRF harvest at bi-weekly. Those submitting proposals should be prepared to establish escrow accounts with a line of credit if required by KRAA. Should alternate payment schedules be desired, please provide sufficient detail for clear evaluation by KRAA.

KRAA CONTACT INFORMATION

Office and Mailing Address

**KRAA—Attn. Tina Fairbanks
104 CENTER AVENUE
SUITE 205
KODIAK, ALASKA 99615**

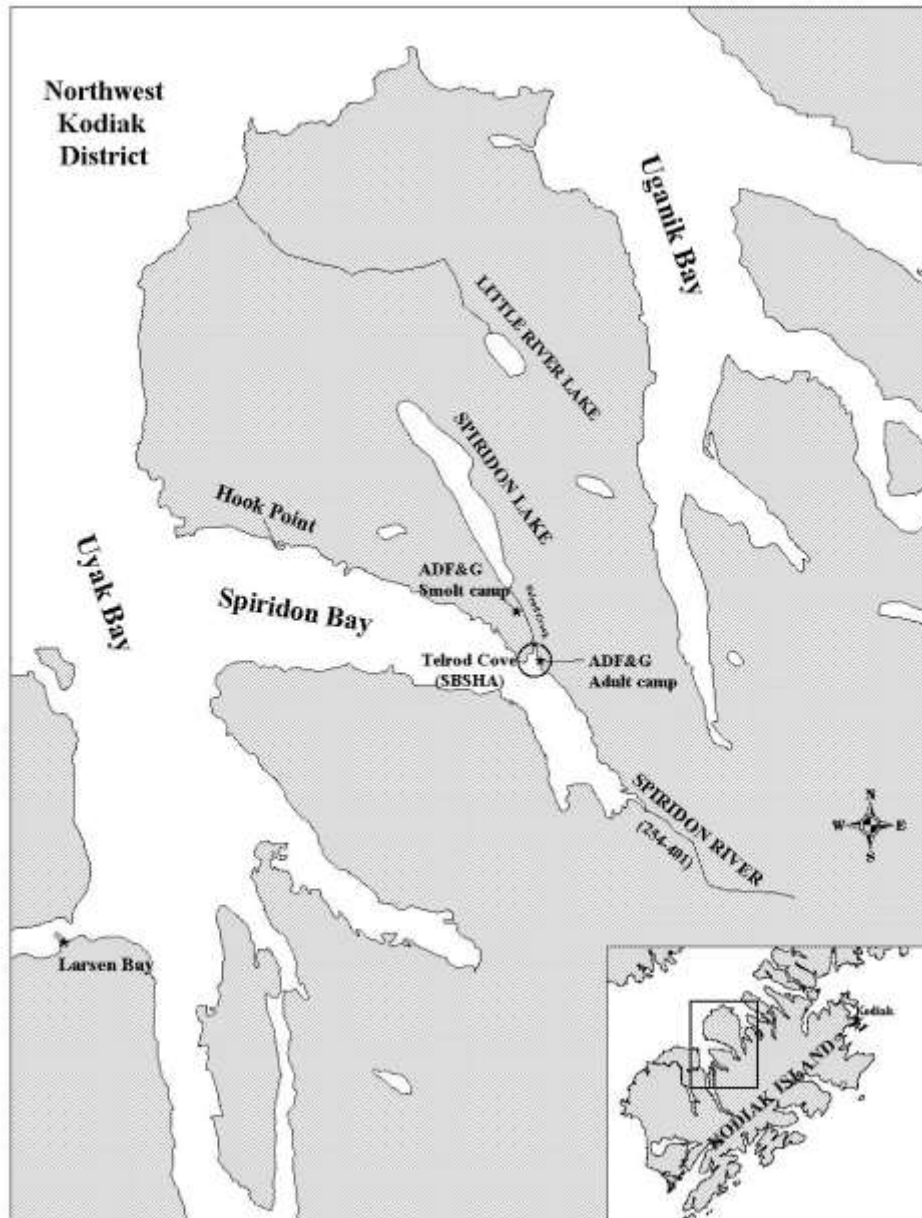
Other Contacts

**Email: kraa@kraa.org
Phone: (907) 486-6555
or: (888) 486-6555
Fax: (907) 486-4105**

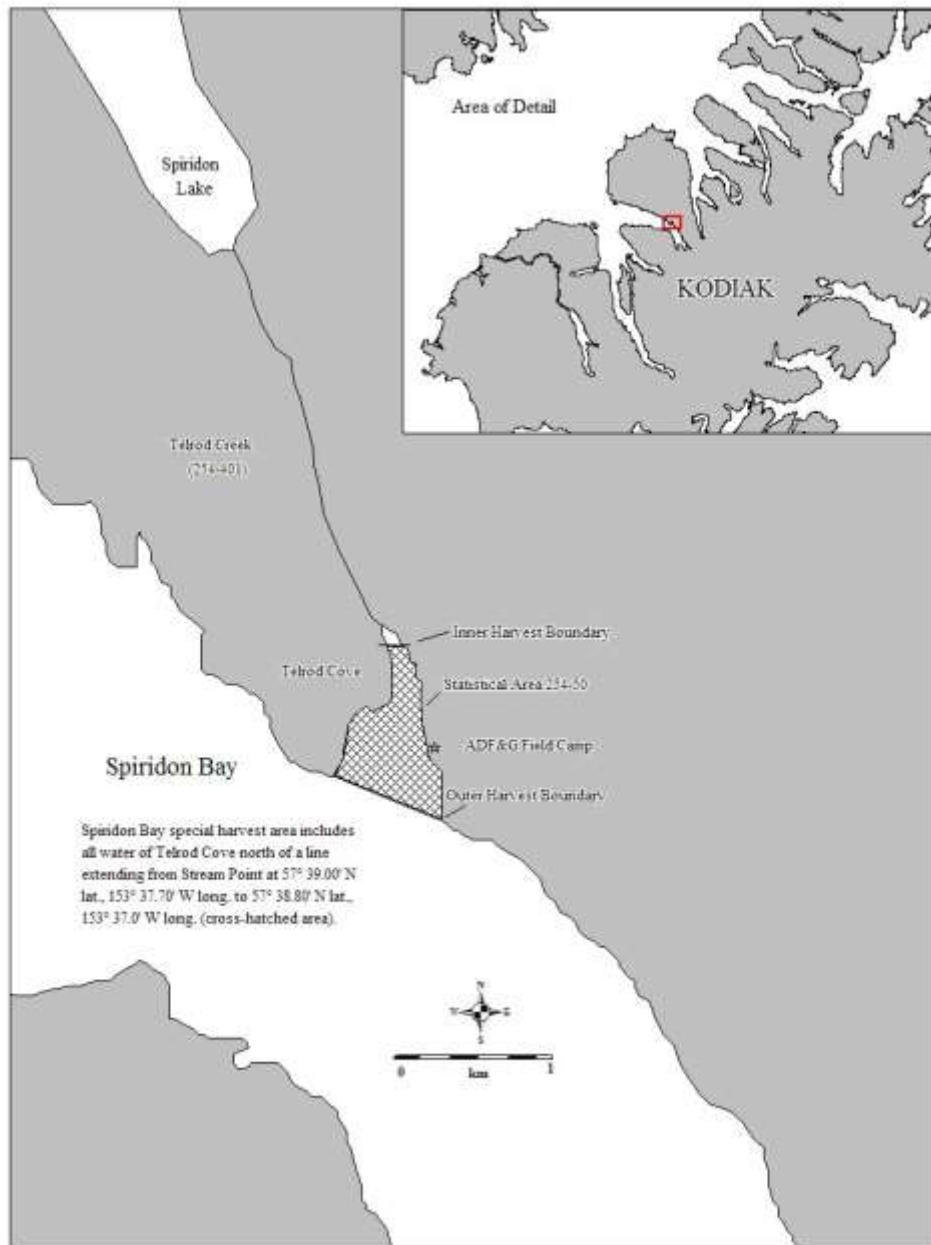
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CRF LOCATION

The Alaska Department of Fish and Game (ADF&G) has divided the Kodiak Management Area into fishing Districts and Sections (State of Alaska regulation 5 AAC 18.200). Within the Northwest Kodiak District, within the Central Section, on the north shore of Spiridon Bay within normally closed waters, lays the Spiridon Bay Special Harvest Area (below).



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This consists of all waters of Telrod Cove north of a line extending from 57° 39.00' N. lat., 153° 38.50 W. long. (Stream Point), to a point at 57° 38.80' N. lat., 153° 37.70 W. long. (5 AAC 18.366 (c)). Cost Recovery Fisheries (CRF) will occur only in the Spiridon Bay Special Harvest Area in Telrod Cove.

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COST RECOVERY FISHERY MANAGEMENT

All harvest of salmon is regulated by ADF&G management biologists. The ADF&G, Division of Commercial Fisheries, Kodiak Area Management Biologist is responsible for adjusting Kodiak cost recovery and commercial salmon fishing opportunities. The management of sections adjacent to Telrod Cove is outlined in the Westside Kodiak Salmon Management Plan (5AAC 18.362). Spiridon Lake enhancement project sockeye salmon are further regulated and managed according to the Spiridon Bay Sockeye Salmon Management Plan (5 AAC 18.366). Also, ADF&G publishes an annual harvest strategy for the Kodiak Area salmon fishery, which should be available by mid-May, 2022. It should be noted that Central Section fisheries are managed independently from the Telrod Cove fisheries. Commercial fishing time in the Central Section will not be influenced by the magnitude or timing of the returns of Spiridon Lake enhancement project sockeye salmon, or by desires to prosecute cost recovery or common property fisheries within Telrod Cove.

Spiridon Lake and Telrod Cove lie within the bounds of the Kodiak National Wildlife Refuge; therefore, further oversight of the Cost Recovery and Common Property fisheries in Telrod Cove is determined by guidance set forward in the Spiridon Lake Sockeye Salmon Enhancement Project Special Use Permit (SUP, issued by USFWS and held by ADF&G), and the Spiridon Lake Management Plan (Chatto, 2000). Stipulations of the SUP and Spiridon Lake Sockeye Salmon Management Plan must be observed during all fisheries in Telrod Cove.

The current Spiridon Lake Management Plan and SUP issued by the USFWS require adherence to stipulations for “continuous fishing” in the Spiridon Bay Special Harvest Area once opened. The provisions of the current SUP also allow for a barrier net to be erected and monitored by KRAA staff during the Cost Recovery Fishery in Telrod Cove. KRAA will provide updates on these or other stipulations to prospective bidders or to the successful bidder should permit or management plan stipulations change.

An on-site ADF&G/KRAA crew will monitor salmon build-ups in Telrod Cove prior to opening the CRF fishery (anticipated to occur approximately June 21). When sufficient sockeye salmon have entered the cove, a CRF catcher-vessel will be asked to move to Telrod to begin CRF harvest operations.

After cost recovery harvest goals have been achieved, the Spiridon Bay Special Harvest Area may open to common property mop-up fisheries within 24-48 hours, as determined by ADF&G.

Further information concerning the proposed cost recovery fishery or the expected runs of salmon to enhancement projects is available through KRAA. Additional information regarding the expected runs of other salmon stocks and management of the common property fisheries should be directed to ADF&G.