



Sitka ♦ Craig ♦ Valdez ♦ Naknek ♦ False Pass

P.O. Box 1742 Cordova, AK 99574

Phone: (907) 738-7202

RC27

February 21, 2019

Chairman Reed Morisky
Alaska Board of Fisheries
Boards Support Section
PO Box 115526
Juneau, AK 99811

RE: Comments on Alaska Peninsula, Chignik, and Aleutians Islands finfish proposals

Dear Chairman Morisky and Alaska Board of Fisheries Members:

Thank you for the opportunity to provide comment on proposals pertaining to Alaska Peninsula, Chignik, and Aleutians Islands finfish. **Silver Bay Seafoods, LLC (Silver Bay, or SBS) is generally opposed to those proposals currently before the board which seek to significantly alter these areas' management and regulatory structures.**

Silver Bay Seafoods is a vertically integrated, primarily fishermen-owned processor of frozen salmon, herring, and other seafood products for both domestic and export markets. Silver Bay began in 2007 as a single salmon processing facility in Sitka, Alaska, and has since grown into one of the largest seafood processing companies in Alaska. Silver Bay has state of the art, high volume processing and freezing facilities throughout Alaska, currently operating in Sitka, Craig, Valdez, and Naknek. The company is also active in the California squid fishery and is currently constructing a seafood processing facility in False Pass. Our False Pass facility is situated on more than 10 acres of land leased from the Isanotski Native Corporation and is expected to operate year-round. We plan to open our False Pass facility in time for the 2019 salmon season.

As part of our expansion in False Pass, Silver Bay is working with a harvesting fleet of fishermen-owners who are investing in the company and the False Pass plant, and who will share in the company's success. Silver Bay's fleets and their families are provided with an opt-in health insurance plan and participate directly in the company's management decision-making processes. We are also in the process of hiring staff for our facility and will be paying entry-level processing workers a starting wage of \$13 per hour, with experienced processor wages beginning at \$15 per hour and higher. These jobs are meaningful for a small Alaskan community.

Silver Bay Seafoods and its fishermen-owners pursued this expansion based in part on our shared experiences in the area's salmon fisheries, and a faith in Alaska Department of Fish and Game's (ADF&G) and the BOF's consistent science-based management of the area's fishery resources. Silver Bay's fishermen-owners have participated in many of the forums associated with this fishery, one result of which is that the area's salmon fisheries are among the most heavily regulated in Alaska. Like all stakeholders in this region, Silver Bay and its fishermen-owners are committed to ensuring that the area's salmon fishery resources are managed in such a way that ensures long-term sustainability.

Silver Bay is aware of the poor salmon returns to the Chignik River watershed in 2018, and the hardships that this caused for all salmon fishery participants and user groups who depend on this resource. However, when considering potential interactions with modern commercial fisheries that have coexisted throughout the region since the early 1900s, we believe that it's important to review this past season's poor returns to the Chignik Management Area through a broader lens and forego overreacting to circumstances that were likely driven by a myriad of factors beyond the scope of management plans. For example, ADF&G

(Wilburn and Renick 2018) reports that the early run Chignik sockeye salmon stock had been within its current escapement goal range (350,000–450,000 fish) 45 out of 48 (94%) years beginning in 1970 and running through 2017. For the 20-year period running from 1998 until 2017, early run Chignik sockeye salmon escapement goals were achieved in all (20) years, with an average escapement of 426,109 fish. Excluding 2018 escapement data (263,979 fish), the most recent five-year average (2013–2017) escapement for early run Chignik sockeye salmon is 430,560 fish, or just over 101% of this recent 20-year average. So, although the 2018 early run Chignik sockeye salmon total run of 264,107 fish was the smallest on record since 1962 (Probasco and Fox 1988), it should be noted that poor Chignik sockeye salmon returns of the 1960s rebounded shortly thereafter, with two of the largest returns since 1970 having been observed more recently in 2011 (#3) and 2013 (#4), respectively (Dahlberg 1979; Probasco and Fox 1988). Similarly, excluding 2018 escapement data (275,718 fish—within the current escapement goal range), the most recent five-year average (2013–2017) escapement for late run Chignik sockeye salmon is 387,537 fish, or just over 119% of its recent 20-year average. Finally, if the ADF&G 2019 preseason Chignik sockeye salmon total run forecast is realized, it will be the 39th largest among the 50 returns since 1970 (Schaberg 2018). **In our opinion, this fishery resource is being managed sustainably, and we recommend against the board making significant changes to finfish management plans throughout the Alaska Peninsula, Chignik, and Aleutians Islands areas due to sockeye conservation concerns in the Chignik Management Area.**

Regulatory stability is an important feature for processing companies when developing business and operations plans, and the same can be said for the many shoreside businesses and communities dependent upon commercial fisheries. We respectfully recommend caution as the board considers proposals which seek to make significant changes to existing management plans in place throughout this region.

We hope that the points raised in these comments provide you with additional information to aid you in your final determinations. Thank you for your service to this valuable resource and the communities that depend on it.

Sincerely,



Tommy Sheridan
External Affairs
Silver Bay Seafoods
tommy.sheridan@silverbayseafoods.com

References cited

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