Public Hearing Concerning Proposed Mariculture Regulations, June 10, 2009

Attendees

Juneau Jim Marcotte – ADF&G Boards Cynthia Pring-Ham – ADF&G Commercial Fisheries Ron Josephson – ADF&G Commercial Fisheries Lorraine Vercessi – ADF&G Commercial Fisheries Kerri Tonkin – ADF&G Commercial Fisheries David Bedford – ADF&G Commercial Fisheries John Hilsinger – ADF&G Commercial Fisheries Kristy Tibbles – ADF&G Boards David Petree – ADF&G Commercial Fisheries Rodger Painter – Alaskan Shellfish Grower's Association Paul Fuhs – Pac Alaska, LLC

<u>Ketchikan</u> Scott Walker – ADF&G Commercial Fisheries Gary Zaugg – Pac Alaska, LLC Scott Bolen – Ketchikan Daily News

<u>Seward</u> Jeff Hetrick – Alutiiq Pride Shellfish Hatchery

Opening Remarks

Pring-Ham – The purpose of the meeting is oral testimony. Legal notice was posted.

Marcotte – We need to show mutual respect and courtesy. This is not a question and answer session. Comments will be answered later.

Synopsis of proposed regulations (5 AAC 41.200 – 5 AAC 41.400)

Pring-Ham

Review & Determination Permit conditions – ID all sites, on bottom Recompensation - 50% to 24% live geoducks, 20% to 9% for processed geoducks Security Requirement – upon termination Reporting Requirements – clarification Hatchery management plans and reports, 5 year operation plan

Testimony

#1 - Rodger Painter

Reading comments from Jim Aguiar

He has a concern about hatchery management plan and reports. He has a small "hatchery" at his facility and he is not happy to have additional requirements. He is concerned about "four corners" marking requirement. It is expensive and not necessary. Regulations requiring video taping are excessive.

Rodger had submitted written comments and is representing the Alaskan Shellfish Growers Association.

Regulation changes for subtidal farms would also include farms with intertidal operations. We need to re-write the changes to only include subtidal farms.

5AAC 250(a)(4) is an invitation to steal.

Lead line is going to be covered in no time with sediment. It would be a waste of time and money.

Reasonable compensation is seen by farmers as a tax. You are not going to get farmers to harvest all wild stock in 5 years.

Security Requirements – the department has come a long way. However, there are a number of problems. The way it is written, it applies to Littleneck clams and any other species out there. Need to re-write for geoducks.

Regarding requirement for planting 8 - 10mm spat, Washington hatcheries sell spat at 3mm and send it to nurseries. Don't tell farmers what size to buy.

Strongly object to time stamp digital recording, it is way overboard.

Hatchery Management Plan & Reports – it is premature to move this into regulations. The hatchery has not gotten a response on the 5 year management or amendments (from ADF&G).

Questions for Rodger

John Hilsinger – Is there any information on survival of 3mm versus 8mm spat? Painter – the spat must be healthy and vigorous and there must be good water temperatures.

John Hilsinger – Is Tom Henderson's farm subtidal or intertidal? Painter – Intertidal (oysters)

#2 – Paul Fuhs

ADF&G needs to rewrite the regulation changes that intended for geoducks to be just for geoducks.

Wild stock harvest – current regulations require removal of wild stock geoducks in five years. Divers can not distinguish between wild and farmed geoducks.

Sampling - without knowing whether the geoducks were planted or wild, you can't sample.

Paul Fuhs testimony (continued)

Reasonable compensation -50/50 is good. He is not sure "first point of sale" means.

Cost analysis – Paul will let Gary Zaugg speak about this. They have receipts for divers and PSP testing.

No geoducks have been harvested over the significance threshold.

Farmers lose money on processed geoducks.

Farmers want to pay the standard Department of Revenue tax rate (3.5%).

ADF&G should apply the tax rate, divers' costs, and PSP costs to formula.

There are 2.5 years left to clear wild stocks.

Farmers don't want to have to post a bond.

Requirements for predator netting, planting, video, GPS, seem to be to insure that replacement has taken place. (Cynthia – only applies to areas of wild stock harvest)

Other methods might be more cost effective than predator netting.

Marking corners – this is not needed, just GPS coordinates. Lead line would be covered up. ADF&G should notify farmers 60 days be any commercial fishery or inspection so that the corners or perimeter could be marked.

Predator netting (5AAC 41.257(5)(B)) – apply a time limit for predator netting. Bonding requirements - if a site is "overplanted", bonding my not be necessary.

Gary Zaugg (will submit his oral comments in writing)

Marking sites - I've complained about this for years. First we had to mark the northeast corner, then four corners, now the perimeter with lead line. My suggestion is, during inspection, it is not unreasonable to have sites marked on four corners. But you don't need this when you're not there. You don't need this in regulations, just proper notification before a site inspection or a commercial fishery in an adjacent vicinity. Marking is not enforceable; markers get "wiped out" in storms. There are no fisheries or enhancement projects near my farms. GPS is the way to go.

Review & Determination – this occurs for predator netting prior to permits being issued. Don't add it after a permit is issued. Put it in a portion of the regulations where it can be applied.

Security Requirements - Leave as is. Work with us, give us a time frame.

Costs – (above significance threshold) Need to focus on this. Right now \$1.15 is listed as the gross cost for a diver. No diver is to work for \$1.15, they get \$2/lb.

9% for processed geoduck recompensation should include the 3% DOR tax.

Adjust recompensation for PSP costs, which is \$500 per day to a boat for sampling.

Marking sites – Phil Doherty says that marking sites year round is not feasible. Should mark only when we are on farms.

Questions for Gary Zaugg

John Hilsinger – What proportion of clams might be sold as processed?

Gary Zaugg – currently it is zero. It is not economically feasible to harvest geoducks for the "processed" market, such as Gravina. We (Zaugg/LaCroix) keep sampling to try to get low PSP tests. Right now we don't intend to harvest "processed" product.

John Hilsinger – please clarify comments on re-seeding bond. Gary Zaugg – You are correct and I am not. Need to change these regulations. These are directed towards geoduck farmers. We need a little more time (before regulations are final and take effect). There are better ways to do this stuff.

Jeff Hetrick – (has already submitted written comments)

Placing the Management Plan into regulations is premature.

Genetics – It is hard to get 100 breeding pairs, which weigh about 300 pounds. It is hard to feed that many. Other hatcheries in the Pacific NW don't have that many.

Why doesn't the department outline its concerns and work with us.

I don't like having regulations for seed size requirements.

I am not opposed to the concept of these regulations

Questions for Jeff Hetrick

John Hilsinger - Do you have any knowledge about survival of different size spat in the wild or on farm sites.

Jeff Hetrick – It is impossible, I don't know.

John Hilsinger - If spat go to a nursery at 3 to 5mm, at what size do they get planted? Jeff Hetrick – At about 6mm, they are not there long.

Ron Josephson – How many spat do you get from a spawning pair of geoducks? Jeff Hetrick – Up to 15 million. We need to work together to answer questions about spawning. The hatchery has a target of 10% survival from larvae to seed.

Paul Fuhs – Gary, do you have any experience with different sizes of seed being planted? Gary Zaugg – 1 to 3mm are so small, 3 to 6mm are the most aggressive and dig in quickly. Big clams are slower.

In closing:

Jim Marcotte – The written comment deadline is June 22.

Cynthia – We will look through comments and the commissioner will be briefed and make a decision about the proposed regulations.