STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES DIVISION OF MINING, LAND AND WATER SOUTHCENTRAL REGIONAL LAND OFFICE

PRELIMINARY DECISION

ADL 233410 Shannon Carroll dba Trident Seafoods Corporation

Application for Lease AS 38.05.083

This Preliminary Decision is the initial determination on a proposed disposal of interest in state land and is subject to comments received during the Public Notice period. The public is invited to comment on this Preliminary Decision. The deadline for commenting is **April 1, 2021**. Please see the Comments Section of this decision for details on how and where to send comments for consideration. Only the applicant and those who comment have the right to appeal the Final Finding and Decision.

Proposed Action:

The Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Southcentral Regional Land Office (SCRO) has received a request from Shannon Carroll dba Trident Seafoods Corporation (TSC) to lease 101.92 acres, more or less, of tide and submerged lands located in Lefthand Bay, approximately 14 nautical miles north northwest from the city of Sand Point, Alaska, for 10 years for the purpose of cultivating bull kelp (*Necreocystis luetkeana*), sugar kelp (*Saccharina latissima*), and ribbon kelp (*Alaria marginata*). The location of the project area is further described as being within the S1/2 of Section 2 and SE1/4 of Section 3, Township 54 South, Range 75 West, Seward Meridian.

SCRO is considering the issuance of a 10-year aquatic farmsite lease to TSC for the purpose of an aquatic farm consisting of one parcel to be used for the commercial growth and harvest of bull kelp, sugar kelp, and ribbon kelp.

Scope of Review:

The scope of this decision is to determine if it is the State's best interest to issue this aquatic farmsite lease.

Authority:

This lease application is being adjudicated pursuant to AS 38.05.035 Delegation of the Powers and Duties of the Director; AS 38.05.070(b) Generally; AS 38.05.083 Aquatic Farming and Hatchery Site Leases; and AS 38.05.945 Public Notice. The authority to execute the Preliminary Decision, Final Finding and Decision, and the lease, has been delegated to the Regional Manager of SCRO.

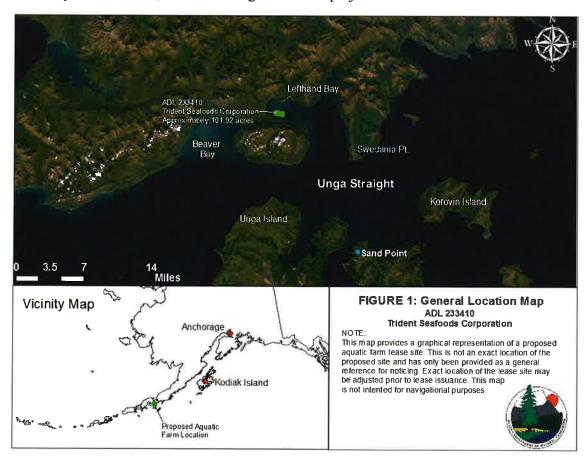
Administrative Record:

The administrative record for the proposed action consists of the Constitution of the State of Alaska, the Alaska Land Act as amended, applicable statutes and regulations referenced herein, the 2004 Kodiak Area Plan and other classification references described herein, and the casefile for the application serialized by DNR as ADL 233410.

Legal Description, Location, and Geographical Features:

The state land where this proposed lease site is located is described as follows:

- Site reference name: Lefthand Bay
- Legal description: S1/2 Section 2 and SE1/4 Section 3, Township 54 South, Range 75 West, Seward Meridian
- **Geographical locations**: Lefthand Bay, approximately 14 nautical miles northwest from the city of Sand Point, Alaska. See Figure 1 for the project location.



Approximate Lat/Longs:

Parcel #1: 101.92 acres

NE Corner: 55°31.996'N, 160°43.479'W SE Corner: 55°31.819'N, 160°43.479'W SW Corner: 55°31.819'N, 160°44.602'W NW Corner: 55°32.005'N, 160°44.617'W

- Existing surveys: None
- Municipality/Borough: Aleutians East Borough
- Native Corporations/Federally Recognized Tribes: Aleut Corporation, Sanak Corporation, Shumagin Corporation, Unga Corporation.

Title:

A DNR Title Report (RPT-20570) issued December 31, 2019 from DMLW's Realty Services Sections, attests that the State of Alaska holds title to the subject tide and submerged lands under the Equal Footing Doctrine and the Submerged Lands Act of 1953.

Third Party Interests:

No third-party interests are known at this time.

Classification and Planning:

The project area ADL 233410 is subject to the Bristol Bay Area Plan (BBAP), Region 19, Map 3-19, Unit R19T-02, Lefthand Bay/Balboa Bay. The project area is designated as Waterfront Development (Wd).

The project area is designated as Waterfront Development (Wd) which converts to the classification of Waterfront Development Land. According to Chapter 4 of the BBAP, Waterfront Development Land is tideland, submerged land, or shoreland that is suitable to be used for commercial or industrial activities such as fish processing, aquatic farming, mineral and log transfer facilities, or commercial recreation.

Stated goals found within Chapter 2 of the BBAP for aquatic farming are to "provide opportunities to increase income and diversify the state's economy through the use of state tidelands and submerged lands for aquatic farming". Management guidelines set forth within Chapter 2 of the BBAP state that "aquatic farming will be allowed on state tidelands or submerged lands unless there is significant conflict with other uses of the immediate area or it is inconsistent with the requirements of 11 AAC 63.050 or this management plan". Siting of aquatic farms, according to Chapter 2 of the BBAP, "may be more difficult on tidelands adjacent to proposed land sales or existing residential areas, legislatively designated areas, such as state critical habitat areas or parks, and federal conservation units, such as National Parks and National Wildlife Refuges where the

upland management objective is to retain the natural environment. Specific stipulations related to siting, operations, and maintenance may be imposed by the Department in addition to those otherwise required in order to achieve site and use compatibility". Stipulations related to siting, operations, and maintenance may be imposed by the Department in order to achieve site and use compatibility.

In accordance with the BBAP, aquatic farming is an allowable use and is therefore consistent with the plan. Siting of the proposed aquatic farmsite should not interfere or conflict with other uses found within the immediate area.

Traditional Use Findings:

Traditional use findings will not be discussed in this Preliminary Decision because the proposed lease site is located within the Aleutians East Borough, an organized borough. Pursuant to AS 38.05.830 a traditional use finding is not required.

Access:

Access to and from the aquatic farm is by boat from the city of Sand Point, Alaska.

Access To and Along Navigable and Public Waters:

Nearly all shore and tide lands in the State of Alaska are subject to a To and Along Easement under AS 38.05.127 and 11 AAC 51.045. The purpose of this easement is to uphold the constitutional right of the public to have free access to, and use of, the state's waterways. At the proposed lease site, the Along easement is 50 feet seaward from the line of mean high water (MHW).

Public Trust Doctrine:

Pursuant to AS 38.05.126 all authorizations for this site will be subject to the principles of the Public Trust Doctrine; specifically, the right of the public to use navigable waterways and the land beneath them for: navigation, commerce, fishing, hunting, protection of areas for ecological studies, and other purposes. These rights must be protected to the maximum extent practicable while allowing for the development of this project. As such, SCRO is reserving the right to grant other authorizations to the subject area consistent with the Public Trust Doctrine.

Lease Discussion:

TSC submitted an application for a DNR aquatic farm lease to culture bull kelp, sugar kelp, and ribbon kelp on April 30, 2019. On January 16, 2020, TSC submitted a finalized and updated application in response to a request for additional information from DNR and Alaska Department of Fish and Game (ADF&G).

The proposed lease site will be comprised of one parcel covering an area of approximately 101.92 acres, more or less, and measure 1,200-feet by 3,700-feet. TSC proposes to use a total of 124 longlines, made of 3/8", high quality twisted nylon or polyester blend groundline, measuring 900-

feet in length, submerged 7-feet under the water, suspended by crab floats and anchored using a total of 20 anchors ranging from 250 pounds to 2,000 pounds. TSC proposes to install PVC seeded lines onto the longlines during October or November annually. Harvest will occur annually in May with all in-water gear, with the exception of seafloor anchors and mooring buoys, being removed when harvest is complete. Gear left in the water will be regularly monitored when not in use. All gear and equipment not left in the water will be stored on TSC's property in Sand Point, Alaska.

The proposed aquatic farmsite operation must be in best interest of the State before an authorization may be issued. Factors that are to be considered in this decision are identified in 11 AAC 63.050(b). These factors are addressed above and include consideration of land management policies for the project area, existing uses, public access to and along public waters, and the Public Trust Doctrine.

At this time the Commercial Use Requirement (CUR) states a farm needs to be making annual sales in excess of \$3,000.00 per acre or \$15,000.00 per farm by the fifth year of operation of aquatic farm product. Failure to meet CUR constitutes a default and may be cause for termination. Annual reports of sales are due January 31 of every year.

The proposed lease will be subject to the terms of DMLW's standard lease document and any Additional Stipulations based, in part, upon the following considerations.

Operation and Development Plan:

The Operation and Development Plan revised and submitted on April 30, 2019 is accepted by SCRO as complete but may be subject to change based on agency and public review. Should the proposed lease be granted, it is anticipated that the Development Plan will need to be updated throughout the life of the lease as activities and/or infrastructure are added or subtracted. All updates must be approved, in writing, by SCRO before any construction, deconstruction, replacement of infrastructure, or change in activity will be permitted. SCRO reserves the right to require additional agency review and/or public notice for changes that are deemed by SCRO to be beyond the scope of this decision.

Hazardous Materials and Potential Contaminants:

No hazardous materials or fuel will be stored on the proposed leasehold. The use and storage of all hazardous substances must be done in accordance with existing federal, state and local laws. Debris (such as soil) contaminated with used motor oil, solvents, or other chemicals may be classified as a hazardous substance and must be removed from the sites and managed and disposed of in accordance with state and federal law.

Lease Performance Guaranty (bonding):

In accordance with AS 38.05.083(e) and 11 AAC 63.080, TSC will be required to submit a performance guaranty for the lease site.

- \$2,500.00 Performance Bond: This bond will remain in place for the life the proposed lease. The bond amount is based upon the level of development, amounts of hazardous material/substances on site, and the perceived liability to the state. This bond will be used to insure the applicant's compliance with the terms and conditions of the lease issued for their project. This bond amount will be subject to periodic adjustments and may be adjusted upon approval of any amendments, assignments, re-appraisals, changes in the development plan, changes in the activities conducted, or changes in the performance of operations conducted on the authorized premises, and as a result of any violations to one or more of the authorizations associated with this project.
- Reclamation Bond: SCRO is reserving the right to require a reclamation bond due to non-compliance issues during the term of the lease or near the end of the life of the project.

Insurance:

TSC will be required to submit proof of liability insurance to SCRO, with the State of Alaska listed as a "NAMED" insured party. TSC will be responsible for maintaining such insurance throughout the term of the lease.

Survey:

In accordance with AS 38.04.045, this short-term lease does not require a survey. However, the State of Alaska reserves the right to require one in the future should the need arise due to changes in statutes or increased use of the area. TSC has submitted GPS coordinate point(s) for the four corners of the proposed leasehold.

Compensation/Appraisal:

DMLW has approved an administrative lease fee schedule for aquatic farmsites that meet the conditions listed within the schedule. The most current lease fee schedule will be used to establish the fair market rental each lessee must pay. Fees are subject to adjustment per AS 38.05.083(c). The current annual rate for a 101.92-acre aquatic farm lease is a base fee of \$9,951.00 for the first 100 acres or portion thereof, and \$66.00 for each additional acre or partial acre. In accordance with the Aquatic Farmsite Fee Schedule, Report No. 2522-14, a breakdown of the lease fee will be as follows:

101.92 acres (100 acres at \$9,951) + (1.92 acres x \$66) = \$10,083.00 per year

If the applicant does not agree with the fee schedule amount of \$10,083.00, a fair market value determination can be obtained by the applicant. Fair market value is determined by obtaining a DNR approved appraisal of the lease. If an appraisal is conducted to determine fair market value of the lease site, the applicant will be required to pay the appraised amount and the \$10,083.00 annual fee will no longer be an option. The appraisal cost will be borne by the applicant. The parcel

may need to have an approved Alaska Tidelands Survey to accomplish the appraisal. If a survey is required, the cost will be incurred by the applicant.

Assignment of Lease:

The proposed lease, if issued, may be transferred or assigned to another individual or corporation **only** with prior written approval from DMLW. A lease <u>will not</u> be assigned to an entity if that entity does not meet the statutory requirements of the lease or the lease is not in good standing. DMLW reserves the right to amend the terms of the lease prior to assignment.

Reclamation:

In accordance with AS 38.05.090(b), all lessees must restore their lease sites to a "good and marketable condition" within 120 days after termination of the lease. What level of reclamation constitutes as being "good and marketable" is at the discretion of SCRO. DNR reserves the right to require a reclamation bond at any time.

Agency Review:

An Agency Review was conducted for a 20-day review starting on January 16, 2020 and ending on February 5, 2020. Due to an agency request received on February 5, 2020, the Agency Review Period was extended until February 25, 2020. The following agencies were included in the review:

- DNR DMLW Mining
- DNR DMLW Realty Service
- DNR Division of Parks and Outdoor Recreation (DPOR)
- DNR DPOR Office of History and Archaeology, State Historic Preservation Office
- DNR DMLW Water
- DNR Division of Oil and Gas
- DNR Natural Resource Conservation and Development Board
- Alaska Department of Fish and Game
- Alaska Department of Environmental Conservation (DEC)
- Alaska Department of Transportation and Public Facilities
- National Oceanic and Atmospheric Administration
- U.S. Army Corp of Engineers (USACE)
- United States Coast Guard
- United States Fish and Wildlife Service
- United States Environmental Protection Agency
- State of Alaska Department of Commerce, Community, and Economic Development
- Alaska Association of Conservation Districts
- City of Sand Point, Alaska
- Aleutians East Borough

Agency Review Comment(s):

During the Agency Review, SCRO received comments from one agency and a "no comment' from one agency.

ADF&G Comments:

As stated in ADF&G's Aquatic Farm Coordinator's February 24, 2020 letter, "The Alaska Department of Fish and Game (ADF&G) has completed a preliminary review of the proposal, ADL 233410, relevant to authorizations regulating permitting of this activity (AS 16.40.105 and 5 AAC 200-400). The ADF&G Division of Commercial Fisheries, Sport Fish, Subsistence, Habitat, and Wildlife Conservation were part of the initial review. All reviewers recommended approval except Divisions of Subsistence and Commercial Fisheries due to conflicts with established subsistence and commercial crab fisheries. It has been determined that without mitigation to concerns listed above, this proposal does not meet the review criteria necessary to issue an aquatic farm operation permit. Mitigation measures between applicant and ADF&G were conducted after the Agency Review Period ended and are discussed below.

SCRO Response:

DNR's statutes and regulations for aquatic farm site leases do not specify management of aquatic farms relating to fish and game but authorize DNR to issue a lease of state-owned tideland or submerged land to develop an aquatic farm. Management of fish and game is within the authority of ADF&G, not DNR. ADF&G may add to its operation permit authorization the conditions it deems appropriate regarding fish and game.

Applicant was provided a copy of ADF&G's February 24, 2020 letter.

Mitigation Measures:

After mitigation between applicant and ADF&G, an updated letter from ADF&G was sent to DNR on July 29, 2020. As stated in ADF&G's Aquatic Farm's updated July 29, 2020 letter, "The Alaska Department of Fish and Game (ADF&G) has updated the preliminary review of the project proposal, ADL 233410, relevant to criteria specified in authorizations for Aquatic Farming AS 16.40.105 and 5 AAC 200-400. The original review determined that 'an aquatic farm operations permit will not be issued unless steps are taken to mitigate concerns.' On July 29, 2020, ADF&G Division of Commercial Fisheries Aquaculture Section, groundfish and shellfish management and Subsistence Section met with the applicant to discuss mitigation measures to address concems in the original review. The meeting conclusion noted that while it is possible there may be potential conflict with existing uses, due to the step-up nature of the application the proposed project will not significantly alter established uses in an adverse manner and recommendations were made to approve the aquatic farm operations permit. If conflicts develop, they will be addressed accordingly within the confines of the lease and operation permit. Any comments from other government agencies, or through the public comment period that may impact applicable

department provisions, will be considered as part of the final department review for an aquatic farm operation permit."

Within ADF&G's letter is a Department Advisory advising the applicant that if the project is approved, general conditions pertaining to Alaska Department of Fish and Game statutory and regulatory provisions for issuance of an Aquatic Farm Permit will be included in the operation permit. The applicant also proposed the following monitoring measures as mitigation to ADF&G's concerns:

- Initial farm activity will utilize less than 50 acres in Lefthand Bay. The operator agrees to monitor commercial and subsistence harvest near the farm site to determine the degree of competing uses.
- As expansion occurs past the initial 50 acres, the operator will consult with ADF&G to determine whether continued expansion to the full 100-acre footprint will significantly alter existing uses. If so, additional mitigation measures may be necessary.
- Once the site is developed, communication will be maintained with ADF&G area biologists/managers prior to the start of the commercial crab season. If there is significant increase in anticipated harvester effort, the operator will work with the crab fleet and ADF&G to minimize disruption.
- Maintain a point of contact with local tribal office to ensure that any complaints regarding substance use can be addressed to the extent practicable.

As requested within ADF&G's letter, the PD herein contains ADF&G's recommendations as Attachment B, which will be advertised for a 30-day public comment period. The ADF&G letter is attached to the PD.

Public Notice of the Preliminary Decision:

Pursuant to AS 38.05.945, this PD will be advertised for 30-day public comment period. Notice will be posted on the Alaska Online Public Notice System, and the post offices located in Larsen Bay and Kodiak, Alaska. Courtesy notices will also be mailed or emailed to neighboring property owners, permit/lease holders, and other interested parties on **March 2, 2021** for a 30-day public comment period.

Comment(s):

This decision is subject to both public and agency comments and all comments received by the comment deadline will be considered in the Final Finding and Decision. Only those who comment and the applicant have the right to appeal the Final Finding and Decision.

Written comments about this project must be received in this office no later than 5:00 PM on April 1, 2021 to be considered.

To submit comments, please choose one of the following methods:

Postal:

Department of Natural Resources

Southcentral Regional Land Office

ATTN: Brent Reynolds

550 West 7TH Avenue Suite 900C Anchorage, AK 99501-3577

Phone:

907-269-8567

E-mail:

brent.reynolds@alaska.gov

Fax:

907-269-8913

If public comments result in significant changes to the Preliminary Decision, additional public notice may be given. To be eligible to appeal the Final Finding and Decision, a person must provide written comments during the Preliminary Decision comment period per AS 38.05.035(i)-(m).

Signature Page Follows

Recommendation:

DMLW has completed a review of the information provided by the applicant, examined the relevant land management documents, and has found that this project is consistent with all applicable statutes and regulations. DMLW considered three criteria to determine if this project provided the best interest to the State and the development and enjoyment of its natural resources. The criteria include direct economic benefit to the State, indirect economic benefit to the State, and encouragement of the development of the State's resources. This authorization provides a direct economic benefit to the State with the collection of one-time filing fees and any yearly rent/fees. The authorization of this lease is in the State's best interest as it furthers economic development of the State's aquatic farm industry. It is recommended that DMLW issue a 10-year lease to TSC.

Brent Reynolds

9/11/2020

Brent Reynolds, Natural Resource Specialist II

Date

Aquatic Farm Leasing Program

Preliminary Decision:

It is the determination of the Division of Mining, Land, and Water that it may be in the State's best interest to issue an aquatic farmsite lease to TSC, as described above. Upon authorization of lease ADL 233410, the applicant will be required to pay the annual lease fee of \$10,083.00, submit a \$2,500.00 performance bond, and provide proof of liability insurance. This Preliminary Decision shall now proceed to public notice.

Samantha Carroll

2/27/2021

Samantha Carroll, Regional Manager

Southcentral Regional Land Office

Division of Mining, Land & Water

Date

Attachments

Attachment A – Development Plan: Project Description, General Location Map, Detailed Location Map, Site Plan Maps, and Cross-Sectional Diagram.

Attachment B – Alaska Department of Fish and Game Agency Review Comments; Carroll, dba Trident Seafoods Corporation Aquatic Farm Site Proposal – Lefthand Bay – DNR File No.: ADL 233410.



PROJECT DESCRIPTION TRIDENT SEAFOODS, SAND POINT APRIL 30, 2019

- Site location: The proposed aquatic farm site is the southwestern corner of Lefthand Bay. Lefthand bay is a small bay at the northwest end of Balboa Bay, which is located on the mainland of the Alaskan Peninsula. The site is approximately 14.32 nautical miles north/northwest of our facility in Sand Point.
- Site dimensions, acres for each parcel: The proposed aquatic farm site dimension is a rectangle, 1200 ft by 3700 ft, or 101.92 acres.
- 3. Total acres of all parcels: The proposed aquatic farm site area is 101.92 acres.
- 4. Species you intend to farm: Trident intends to farm the following species at the proposed site:
 - Bull kelp (Necreocystis luetkeana)
 - Sugar kelp (Saccharina latissima)
 - Ribbon kelp (Alaria marginata)

5. Culture Method

The kelp culture gear will consist of a laterally submerged longline array system made up of longlines, measuring 900 feet in length. Longlines will be anchored to the bottom surface. Each longline will be submerged 7ft under the surface of the water and suspended by crab floats, mooring buoys, and anchor lines (see figures 5 and 5.1).

Each October/November, Trident will obtain seed, in the form of PVC seeded lines, from a permitted seed source. Trident will then install the longline system (in October/November, weather dependent) thread the PVC seeded lines onto longlines and ensure that tension is equal across all longlines. Seeding will take place October or November, when temperatures are 52 degrees or cooler, cloud cover exists, and on an approaching low tide. Kelp operations will occur between October 1 and June 1, each year. Harvest will occur annually in May. All gear, with the

6. Gear (type, size, number, configuration, material, mesh size, and anchoring system)

At max capacity, the total number of longlines will be 124. The longline array configuration will be structured in groups of 4, 900 x 1100 foot sections. Each longline will be made of 3/8", high quality twisted nylon or polyester blend groundline. Each section will support 31 longlines, measuring 900 feet (4 sections * 31 longlines = 124 total longlines).

The site will start with 1, 900 x 1100 foot section. As market conditions, growing productivity, and experience allow, the project will gradually scale up, adding up to 4 900x1100 foot sections (see Part B). Each section will be added on to the existing anchor system.

exception of seafloor anchors and mooring buoys will be removed after harvest is complete.

Line spacing between longlines will range from 20 to 100 feet, and will be adjusted based on growing productivity, and operational experience. Longlines will be suspended approximately 7 feet below the water surface. The longlines will have small intermittent dropper weights and crab floats (depth control system) that will be adjusted as necessary to maintain a consistent depth to maximize growth, counter the natural buoyancy of the kelp, and prevent fouling of longlines. The weights will be attached to the horizontal longlines. A vertical depth control line will be attached to the weight and longline on one end, and a crab float at the other end. The vertical depth control line and crab float will help maintain proper depth and make removal/addition of weight easier. There will be 4 depth control systems per line, per section, for a total of 496 depth control systems.

The end of each longline will be secured to a 250-2,000 pound cement anchor. The total number of anchors will be 20 (8 with section 1, and then adding 4 more per additional section). The lines attaching the longline array to the anchors will be angled for maximum stability (see figures 3.1 and 5).

The longline systems will be (re)installed in the fall and removed in the spring after the annual harvest. Trident will store the systems on shore. The mooring buoys and their anchoring systems will remain in the water year-round. They will be regularly monitored, even when not in use.

Equipment (type, size, number, configuration, material, and anchoring system)

above.

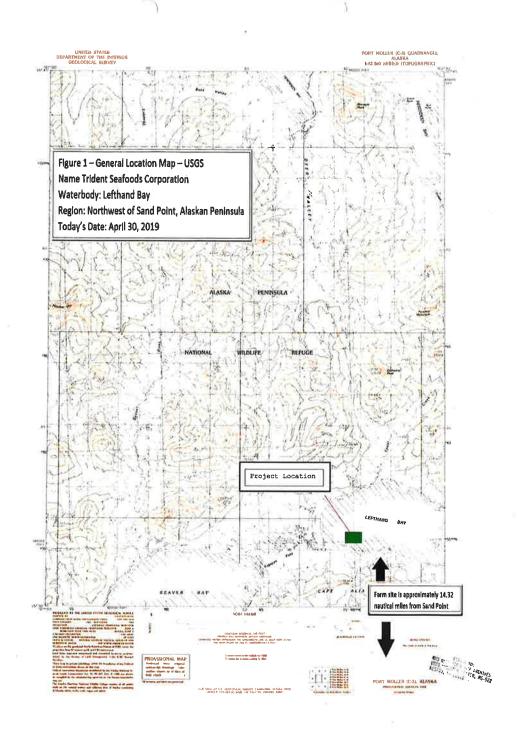
8. Harvest equipment and method

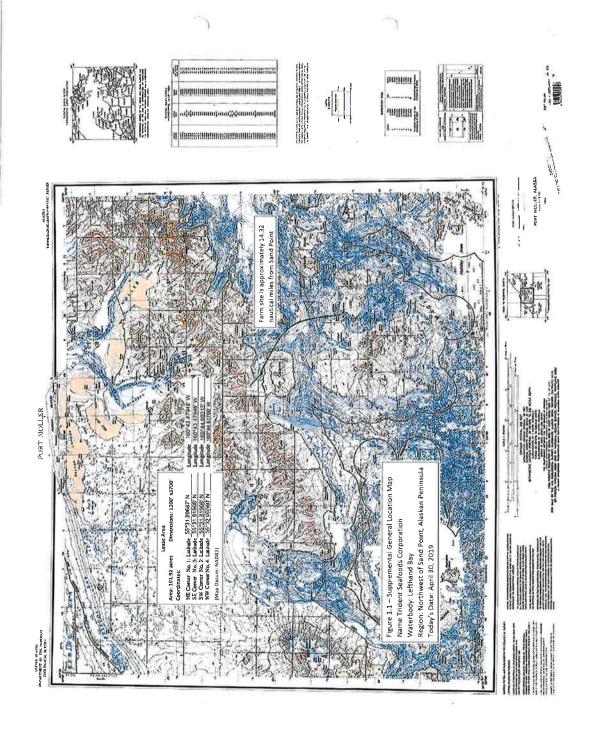
Kelp will be harvested utilizing a repurposed commercial fishing vessel that will haul the line on deck where the kelp will then be cut using a knife from the longline and subsequently moved to a tow bag behind the vessel. A tender may be used if it is deemed more efficient from an operational perspective. Once harvested, the kelp will go to the Trident's Sand Point plant for processing and the longline, crab floats, depth control lines, and weights will be secured on deck. This process will be completed for each longline until the harvest is complete.

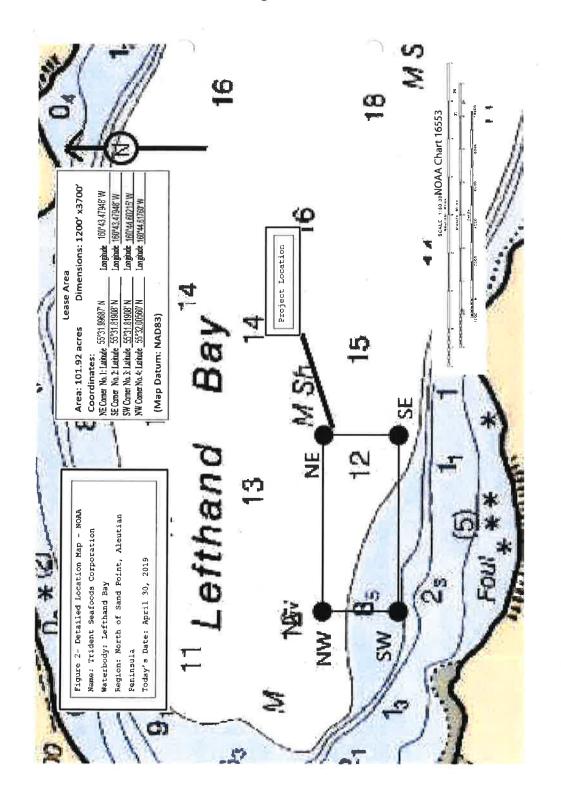
9. Support Facilities (type, size, number, configuration, material, and anchoring): No

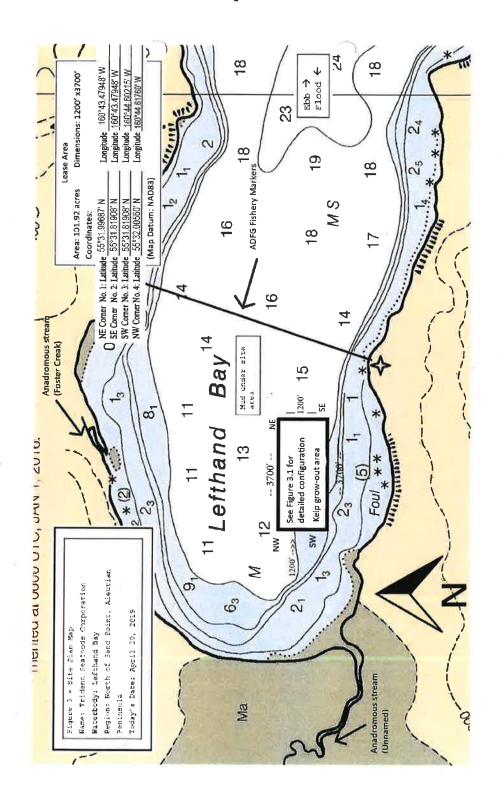
support facilities will be used in conjunction with the proposed aquatic farm site.

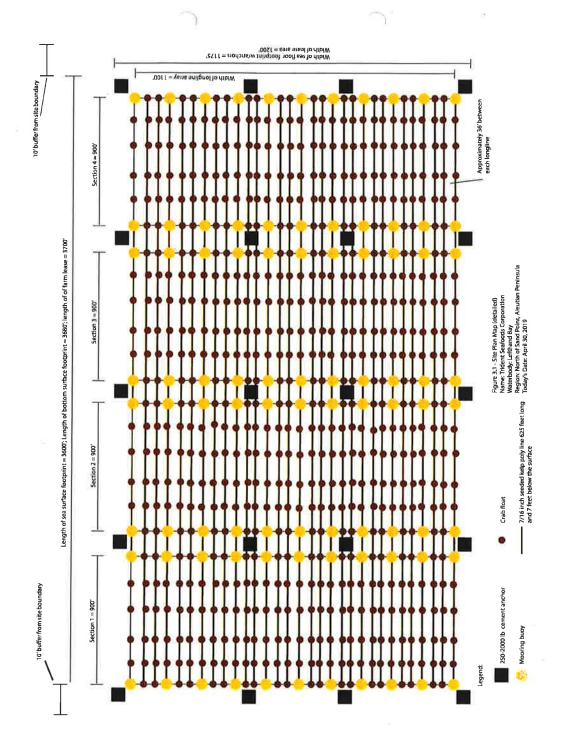
- 10. Access to and from site: Crew will be traveling to the site to/from Sand Point. All personnel will live off-site and will be transported daily to the site via appropriately sized and manned vessels. Either the tender or harvesting vessel will have a head and kitchen facility for crew usage. All waste will be disposed of in compliance with applicable state and federal laws.
- 11. Storage location of equipment and gear when not in use: All equipment that is not left in water will be stored on Trident's property in Sand Point. All gear, with the exception of seafloor anchors and mooring buoys will be removed after harvest is complete. Crew storing gear will be traveling to/from Sand Point.











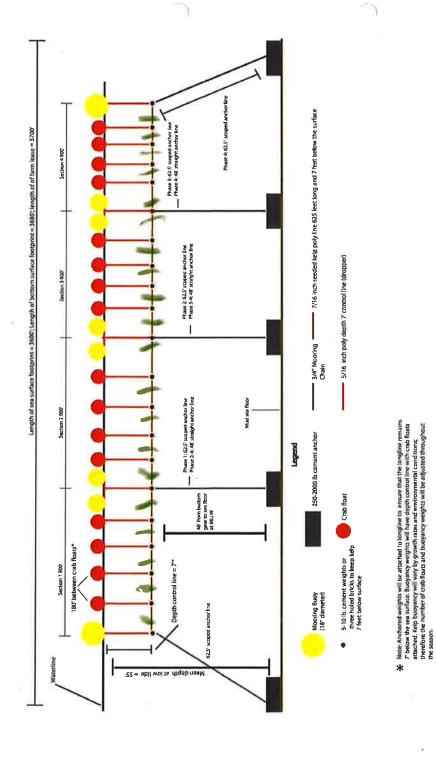
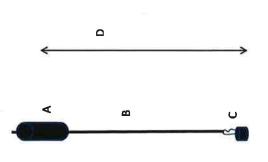


Figure 5 - Detailed Cross-Sectional Diagrams and Drawings
Name Trident Seafoods Corporation
Waserbook, Luthhand Bay
Region: North of Sand Point, Aleutian Peninsula
Todays Dane, April 30, 2019

Figure 5.1 Detailed Drawing - Details on kelp depth control line dropper



- A. 6 x 14 inch lobster buoy B. 1 inch pvc pipe with a lobster spindle washer and figure 8 knot of 5/16 poly rope on each end C. 10 lb. cement weight from % gallon paint bucket with knotted 5/16 poly loop or 3-holed brick D. 7 foot length

Attachment B ADF&G Letter



Department of Fish and Game

Division of Commercial Fisheries Headquarters Office

1255 West & Street P.D. Box 115526 Juneau, Alaska 99811-5526 Main: 907.465.4210 Fax: 907.465.418 Permit Coordinator: 907.465,4724

July 29, 2020

Brent Reynolds Department of Natural Resources Southcentral Regional Land Office Aquatic Farm Leasing Program 550 West 7th Avenue, Suite 900C Anchorage AK 99501

Re: Alaska Department of Fish and Game Agency Review Comments
Carroll / dba Trident Seafoods Corporation Aquatic Farm Site Proposal – Lefthand Bay
DNR File No.: ADL 233410

Dear Mr. Reynolds:

The Alaska Department of Fish and Game (ADF&G) has updated the preliminary review of the project proposal, ADL 233410 relevant to criteria specified in authorizations for Aquatic Farming AS16.40.105 and 5 AAC 200-400. The original review determined that "an aquatic farm operations permit will not be issued unless steps are taken to mitigate concerns" which were defined as "significantly alter established uses in an adverse manner". On July 29, 2020 ADF&G Division of Commercial Fisheries Aquaculture Section, groundfish and shellfish management and Subsistence Section met with the applicant to discuss mitigation measures to address concerns in the original review. The meeting conclusion noted that while it is possible there may be potential conflict with existing uses, due to the step-up nature of the application the proposed project will not significantly alter established uses in an adverse manner and recommendations were made to approve the aquatic farm operations permit. If conflicts develop, they will be addressed accordingly within the confines of the lease and operation permit. Any comments from other government agencies, or through the public comment period that may impact applicable department provisions, will be considered as part of the final department review for an aquatic farm operation permit. Recommendations from this preliminary review are summarized below.

Department Advisory

Please advise the applicant that if the project is approved, general conditions pertaining to Alaska Department of Fish and Game statutory and regulatory provisions for issuance of an Aquatic Farm Operation Permit (AFOP) will be included in the operation permit. In addition, site-specific conditions that have been recommended by staff may be included in the AFOP.

Attachment B ADF&G Letter

Brent Reynolds - 2 Department of Natural Resources
Aquatic Farm Proposal ADL 233410 ADF&G Review Comments

July 29, 2020

Division of Commercial Fisheries would like to note the existing uses cited in the first agency review letter, however does not believe the proposal will significantly alter existing uses and is willing to work with the applicant during the step up phasing of this proposal.

Subsistence Section would like to note the existing uses cited in the first agency review letter, however, does not believe the proposal will significantly alter existing uses. Subsistence has recommended that the applicant reach out to the local tribal council.

The applicant has proposed the following monitoring measures:

- Initial farm activity will utilize less than 50 acres in Lefthand Bay. The operator agrees to
 monitor commercial and subsistence harvest near the farm site to determine the degree of
 competing uses.
- As expansion occurs past the initial 50 acres, the operator will consult with ADF&G to
 determine whether continued expansion to the full 100 acre footprint will significantly alter
 existing uses. If so, additional mitigation measures may be necessary.
- Once the site is developed, communication will be maintained with ADF&G area biologists/managers prior to the start of the commercial crab season. If there is a significant increase in anticipated harvester effort, the operator will work with the crab fleet and ADF&G to minimize disruption.
- Maintain a point of contact with local tribal office to ensure that any complaints regarding substance use can be addressed to the extent practicable.

Our department requests that the Department of Natural Resources consider providing this in their Preliminary Decision as an advisory to the applicant and for public reference.

Thank you for the opportunity to provide comments on this aquatic farm proposal. If you have any questions, please contact me at (907) 465-4724.

Sincerely,

Michelle Morris Permit Coordinator

Michelle Morie

ecc:

Garold V. Pryor, Aquaculture Section Chief, ADF&G Shannon Carroll, Trident Seafoods Corporation