

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

**PRELIMINARY DECISION**

**ADL 233635 Salt Garden Farms, LLC  
dba Salt Garden Farms**

Application for Lease Amendment  
AS 38.05.083

This Preliminary Decision (PD) 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 **August 1, 2024**. 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 Salt Garden Farms (SGF) to amend aquatic farmsite lease ADL 233635 by moving Parcel 1 approximately 3.8 miles to the southeast, from Madan Bay to Eastern Passage, northeast of Earl West Cove, containing a total of 2.99 acres, more or less, of state-owned tide and submerged lands for the purpose of the commercial growth and harvest of ribbon kelp (*Alaria marginata*) located near Wrangell, Alaska. The existing leasehold is for 2.99 acres, more or less, and the proposed lease size has not changed with this proposed lease amendment. The location of the project area is further described as being within SW1/4 of Section 35, Township 63 South, Range 85 East, Copper River Meridian.

SCRO is considering the issuance of an amendment to ADL 233635 for the remaining term of the lease. The proposed amended farmsite will consist of one parcel, encompassing an area measuring 2.99 acres, more or less, for the purpose of the installation of a submerged longline culture system using seeded line produced from a permitted hatchery to cultivate ribbon kelp.

**Scope of Review:**

The scope of this decision is to determine if it is in the State's best interest to issue this aquatic farmsite lease amendment to move the existing Parcel 1 approximately 3.8 miles to the southeast, from Madan Bay to Eastern Passage, near Earl West Cove and retain the same amount of acreage as the authorized lease which is 2.99 acres, more or less.

**Authority:**

This lease amendment application is being adjudicated pursuant to Article VIII of the Alaska Constitution generally, Alaska Statute (AS) 38.05.035 (Powers and duties of the director); AS 38.05.070(b) (Leases generally); AS 38.05.083 (Aquatic farming and hatchery site leases); and AS 38.05.945 (Notice). The authority to execute the Preliminary Decision, Final Finding and Decision, and the lease has been delegated to the Regional Manager of SCRO.

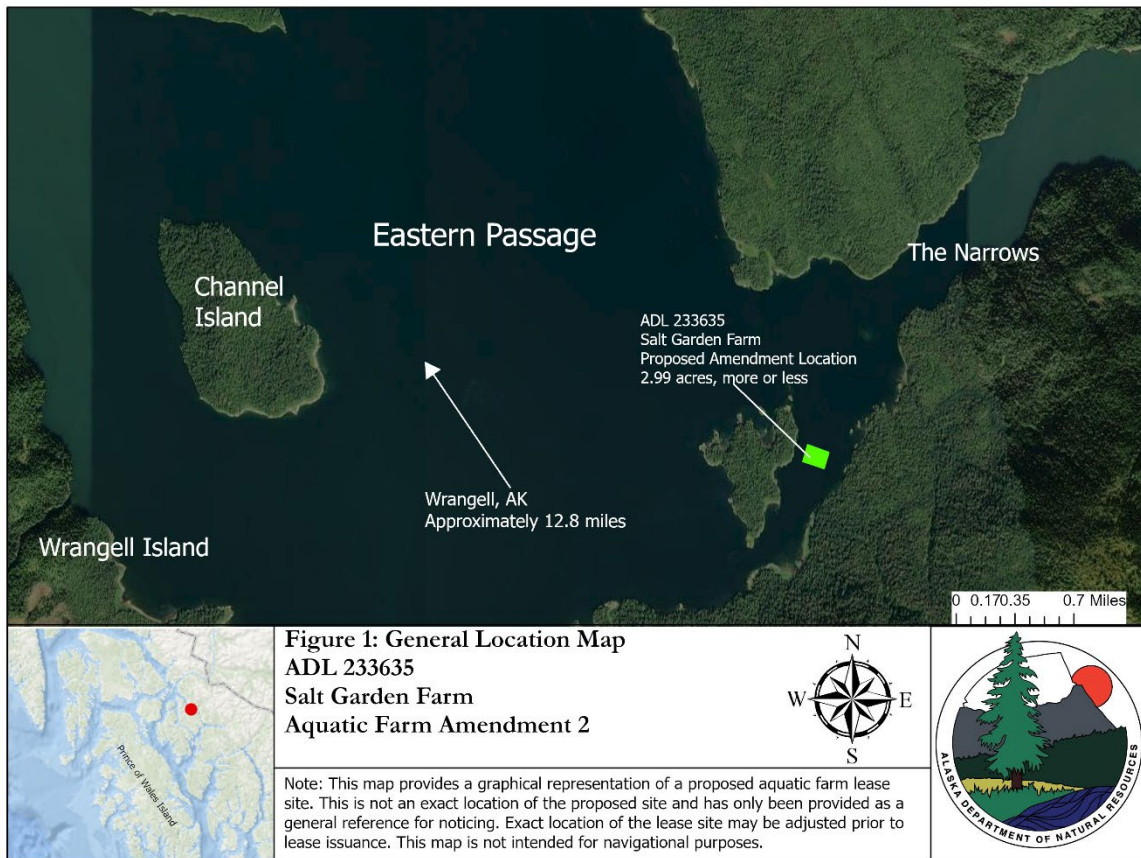
**Administrative Record:**

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 Central/Southern Southeast Area Plan and other classification references described herein, and the casefile for the application serialized by DNR as ADL 233635.

**Legal Description, Location, and Geographical Features:**

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

- **Site reference name:** Eastern Passage
- **Legal description:** SW1/4 of Section 35, Township 63 South, Range 85 East, Copper River Meridian
- **Geographical locations:** Eastern Passage, near Earl West Cove, approximately 12.8 nautical miles southeast of the community of Wrangell, Alaska. See Figure 1 for the project location.



- **Approximate Lat/Longs (NAD 83):**

Parcel 1:      Growout area, 300 feet by 435 feet

NE Corner:    56°21.4826'N, 132°6.9931'W  
 SE Corner:    56°21.4599'N, 132°6.8806'W  
 SW Corner:    56°21.4122'N, 132°6.9062'W  
 NW Corner:    56°21.4331'N, 132°7.0184'W

- **Existing surveys:** None
- **Municipality/Borough:** City and Borough of Wrangell
- **Native Corporations/Federally Recognized Tribes:** Sealaska Corporation, Wrangell Cooperative Association, Central Council of the Tlingit and Haida Indian Tribes of Alaska
- **Size:** 2.99 acres, more or less (2.99 acres authorized prior to lease amendment and unchanged with lease amendment)

**Title:**

A DNR Title Report (RPT-23535) was requested on March 11, 2024 from DMLW's Realty Services Section. A Title Report issued from DMLW's Realty Services Section will state whether the State of Alaska holds title to the subject tidelands under the Equal Footing Doctrine and the Submerged Lands Act of 1953. SCRO reserves the right to modify the Final Finding and Decision based upon information contained within the Title Report.

**Third Party Interests:**

No third-party interests are known at this time.

**Classification and Planning:**

The project area is subject to the Central/Southern Southeast Area Plan (CSSAP), Region 4: Wrangell, Unit WT-16, Map 3-20: Wrangell-East (Bradfield Canal). The tideland designations for the proposed site are Harvest and Public Recreation – dispersed use which converts to the classifications of Wildlife Habitat Land and Public Recreation Land. Land classified as Wildlife Habitat Land is land which is primarily valuable for: 1) fish and wildlife resource production, whether existing or through habitat manipulation, to supply sufficient numbers or a diversity of species to support commercial, recreational, or traditional uses on an optimum sustained yield basis; or 2) a unique or rare assemblage of a single or multiple species of regional, state, or national significance (4-3). Land classified as Public Recreation Land is land that is suitable for recreation uses, waysides, parks, campsites, scenic overlooks, hunting, fishing or boating access sites, trail corridors, or greenbelts along bodies of water or roadways (4-2). Chapter 3 of the CSSAP notes that the Managed Resources/Intent in unit WT-16 are “to protect subsistence areas associated with salmon and other finfish gathering”. Also, to “manage the tidelands to protect recreation uses of the parcel.” Resources in Unit WT-16 note the unit is a Dungeness crab commercial harvest area and a marine day-use sport fishing area. The unit includes a portion of Southern Southeast Regional Aquaculture Association's Earl West Cove terminal fishery area (3-218).

Uplands near the proposed site are within the Tongass National Forest (TNF). Chapter 2 of the CSSAP states that DNR will consult with the U.S. Forest Service when determining compatibility of activities. Generally, permits should not be issued for areas adjoining Tongass Land and Resource Management Plan (TLRMP) prescriptions of Wilderness or Land Use Designation (LUD) II, or adjacent to a National Monument (2-6). Chapter 4 of the CSSAP states that, while the CSSAP only makes decisions for state lands, the tideland and upland recommendations of the plan have been coordinated with the U.S. Forest Service and that state land designations were reviewed against those contained in the TLRMP and are believed to be generally compatible with the TLRMP management prescriptions that adjoin state land (4-13). Chapter 4 further states that permitting and other actions that are to be undertaken by the state will be made compatible with the federal upland management prescriptions to the extent practicable and if consistent with the overall best interest of the state. Tideland permitting decisions by the state shall consider the

adjacent upland uses permitted under the TLRMP and state decisions shall consider the effects of these actions on adjacent federal lands (4-13).

From the TNF Land and Resource Management Plan Land Use Designations map (December 2016): The TNF uplands closest to the proposed leasehold are found on the unnamed island directly west of the leasehold and on Wrangell Island directly east of the proposed leasehold. Within the TLRMP, the TNF uplands on the unnamed island are in the Semi-Remote Recreation LUD and the TNF uplands on Wrangell Island are in the Old-Growth Habitat LUD.

The Semi-Remote Recreation LUD is to provide for recreation and tourism in natural-appearing settings where opportunities for solitude and self-reliance are moderate to high. Goals stated in the TLRMP for the Semi-Remote Recreation LUD include:

- To provide predominantly natural or natural-appearing settings for semi-primitive types of recreation and tourism, and occasional enclaves of concentrated recreation and tourism facilities.
- To provide opportunities for a moderate degree of independence, closeness to nature, and self-reliance in environments requiring challenging motorized or non-motorized forms of transportation.

The Old-Growth Habitat LUD is to maintain old-growth forests in a natural or near-natural condition of wildlife and fish habitat. Goals stated in the TLRMP for Old-Growth Habitat LUD include:

- Maintain areas of old-growth forests and their associated natural ecological processes to provide habitat for old-growth associated resources.
- Manage early seral conifer stands to achieve old-growth forest characteristic structure and composition based upon site capability.

The proposed leasehold should not pose any of these potential land use conflicts. The seasonal use of the state-owned tide and submerged lands in Eastern Passage northeast of Earl West Cove involves outplanting, typically in the fall, with harvest of kelp occurring in spring.

Chapter 2 of the CSSAP states that in general, all authorizations for use of state land within the planning area will be consistent with the management intent of the plan. In considering authorization for use of state land, DNR will adjudicate applications to: 1) minimize damages to streambeds, fish and wildlife habitat, vegetation, trails, anchorages, and other resources; 2) minimize conflicts between resources and uses; and 3) protect the long-term value of the resource, public safety, and the environment. Chapter 2, continues, stating “if authorizations from other agencies are required, DNR will consider issuing a permit or lease contingent upon issuance of these other authorizations” (2-3). Chapter 2 of the CSSAP also states that in managing State tidelands and submerged lands adjacent to federal conservation units, specifically the Tongass National Forest, DNR will take into consideration the management intent for the uplands identified

in the TLRMP. Activities, including aquatic farming operations, that are incompatible with the management intent will generally not be authorized unless the conditions of the other local, state, and federal permits or authorities are met and unless there is an overriding state interest and there is no feasible and prudent alternative (2-6).

Aquatic farming is specifically mentioned in Chapter 2 within the CSSAP with stated goals to “provide opportunities to increase income and diversify the state’s economy through the use of state tidelands and submerged lands for aquatic farming”. Chapter 2 further states that DNR must make a best interest finding before an authorization may be issued (2-5). Aquatic farming will be allowed on state tidelands or submerged lands where there is no significant conflict and the objectives of statute and this management plan are met. The siting of aquatic farming facilities may be more difficult on tidelands designated for log transfer or storage, mineral transfer or access, fish and wildlife habitat, intensive storage areas adjacent to proposed land sales or existing residential areas, anchorages or developed recreation. These areas will be available for aquatic farming if the Department determines in the "best interest" finding that: 1) it is practicable to operate an aquatic farming operation so that it is compatible with the other uses of the immediate area; and 2) the proposed activity is consistent with the management intent of the statute and this management plan. 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. In no case will aquatic farming be allowed to foreclose access to mineral, timber, important fish and wildlife resources, or recreation use areas (2-6).

In Chapter 3 of the CSSAP, management intent for tidelands, submerged lands, and shorelands are as follows: DNR will provide reasonable access across state tidelands to upland owners. Upland access across state tidelands, including developed access facilities, may be allowed within all land use designations where DNR determines the proposed facilities are consistent with the management intent and applicable guidelines of the plan. However, state tideland use designations do not give the public access rights to adjacent private uplands (3-7).

In accordance with the CSSAP, aquatic farming is an allowable use and is therefore consistent with the plan. The proposed operation must be in the 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).

### **Traditional Use Findings**

Traditional use findings will not be discussed in this Preliminary Decision because the proposed lease site is located within the City and Borough of Wrangell, 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 Earl West boat ramp or Shoemaker Harbor in Wrangell, Alaska.

**Access To and Along Navigable and Public Waters:**

AS 38.05.127 and 11 AAC 51.045 require that before leasing land, we determine if a body of water is navigable and if it is, that we provide for easements or reservations as necessary to ensure free access to and along the waterbody. The waters of Eastern Passage northeast of Earl West Cove are tidally influenced and thus navigable. However, the lease is entirely within these waters and located further than 50 feet from Mean High Water, thus a .127 easement is not necessary.

**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:**

SGF was issued a 10-year aquatic farmsite lease on October 14, 2021 with an expiration date of October 13, 2031. The leasehold, a 2.99 acre parcel, is for the purpose of a submerged longline culture system using seeded line produced from a permitted hatchery to cultivate ribbon kelp in Madan Bay, Alaska.

The lease was amended on May 23, 2023, to correct the northwest corner coordinate. An application for a lease amendment was received on April 30, 2023 with the completed application received by Alaska Department of Fish and Game (ADF&G) and SCRO on January 8, 2024. There was a minor clarification provided from the applicant on May 7, 2024. The amendment application is to move the 2.99 acre parcel approximately 3.8 miles to the southeast, from Madan Bay to Eastern Passage, northeast of Earl West Cove. Gear and equipment were never deployed at the Madan Bay lease location.

The proposed lease site will be comprised of one parcel covering an area of approximately 2.99 acres, more or less. The parcel dimensions will be 300 feet by 435 feet. SGF proposes to use submerged growlines to culture and harvest ribbon kelp. Ribbon kelp will be grown using the suspended rope culture method.

The farmsite will use suspended lines with anchors and buoy systems to mark the area and maintain depth. There will be two 385-foot long 3/4-inch poly neutral buoyant longlines along two sides (northern and southern) of the parcel. There will be an anchor system placed perpendicular at the

four corners with stay lines to stabilize the system that will have 400-pound Danforth style anchors also used to stabilize the system. There will be mooring lines that consist of 25 feet of 1-inch chain attached to an anchor, with 75 feet of 3/4-inch poly line between the chain and longlines. A 24-inch mooring buoy will be attached to mark each corner. The header lines will also have 50-pound mushroom anchors at the midpoint of each line to further stabilize the array.

SGF intends to cultivate ribbon kelp using 200-foot long 1/16-inch diameter rope seed line from a permitted hatchery. Seedstock will be obtained from hatcheries approved by the State of Alaska and by the collection of fertile kelp blades in Earl West and Blake Channel within 50 km of the proposed site. The seedline from the hatchery will be wrapped around and tied to growlines. At the center of each growline there will be a flotation buoy with 4 feet of control line and a 5- to 10-pound weight, as needed, to maintain proper growing depth and mark the area. Additional weight or flotation may be added as needed to maintain proper depth of approximately 4 feet. Each growline will be spaced 5 feet apart. There will be 60 lengths of 1/16-inch poly neutral buoyant growlines attached to the longlines with tuna clips.

The seed line will be attached to growlines in the early fall and harvested in late spring of the following year. The equipment will be monitored throughout the growing season. Growing season monitoring will be done weekly by boat. Harvest will be by small boat. Growlines will be elevated by hoist over bag containers. The kelp will be washed, then blades will be removed to one container. The remainder of the plant will be harvested to a second container and the ropes will be coiled for storage.

Boat access will be from Shoemaker Harbor in Wrangell or small boat launched at the Earl West boat ramp. Harvest and planting will be over a two-week period and will be daily.

Gear and equipment such as submerged longlines, growlines, and depth control systems will be reinstalled in early fall and removed annually at harvest. Anchors and anchor buoys will remain onsite.

At this time, the Commercial Use Requirement (CUR) states a farm must make annual sales of aquatic farm products of at least \$3,000.00 per acre or \$15,000.00 per farm by the fifth year of operation and continue for the rest of the lease term. Failure to meet CUR constitutes a default and may be cause for termination. Annual reports of sales are due January 31 of each year. The lease was authorized on October 14, 2021, and is not yet required to meet CUR. SGF submitted an application to move their leasehold to Earl West Cove on April 30, 2023. The annual reporting requirement has been met every year the lease was valid.

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.



### **Development Plan:**

The Development Plan dated January 8, 2024 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 lease. 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, SGF will be required to maintain a performance guaranty for the lease site. SGF submitted a \$2,500.00 performance guaranty on August 12, 2022.

- **\$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 ensure 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, changes in the performance of operations conducted on the authorized premises, or 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:**

SGF will be required to submit proof of liability insurance to SCRO, with the State of Alaska listed as a "NAMED" insured party. SGF 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. SGF has submitted GPS coordinate point(s) for the four corners of the proposed leasehold.

**Compensation and 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 2.99-acre aquatic farmsite lease is \$450.00 for the first acre or partial acre and \$125.00 for each additional acre or partial acre. In accordance with the Aquatic Farmsite Fee Schedule, Report No. 2522-16, a breakdown of the lease fee will be as follows:

2.99 acres (1 acre at \$450) + (1.99 acres x \$125) = **\$700.00 per year**

If the applicant does not agree with the fee schedule amount of \$700.00, 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 site. 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 \$700.00 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 State Tideland 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 the DMLW. A lease will not 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. 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.

**Agency Notice:**

An Agency Review was conducted starting on January 13, 2024 and ending on February 2, 2024. The following agencies were included in the review:

- DNR DMLW – Mining Section

- DNR DMLW – Water Resources Section
- DNR DMLW – Resource Assessment and Development Section
- DNR DMLW – Realty Services
- DNR DMLW – Survey Section
- DNR Southeast Regional Land Office
- DNR Division of Parks and Outdoor Recreation (DPOR)
- DNR DPOR Office of History and Archaeology, State Historic Preservation Office
- DNR Natural Resource Conservation and Development Board
- DNR Division of Oil and Gas
- Alaska Department of Fish and Game
- Alaska Department of Environmental Conservation
- Alaska Department of Transportation and Public Facilities
- Alaska Department of Commerce, Community, and Economic Development
- Alaska Mental Health Trust Land Office
- Alaska Association of Conservation Districts
- U.S. Forest Service
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- U.S. National Park Service
- National Oceanic and Atmospheric Administration (NOAA)
- City and Borough of Wrangell
- U.S. Environmental Protection Agency
- U.S. Coast Guard

**Agency Review Comment(s):**

During the Agency Review, SCRO received comments from three agencies and one “no comment” from one agency.

**ADF&G Comment:**

ADF&G's Permit Coordinator submitted a letter on behalf of ADF&G Division of Commercial Fisheries (Management, Gene Conservation Lab and Fish Pathology Section), Division of Sport Fish, Division of Wildlife Conservation, Subsistence Section and Habitat Section dated February 2, 2024, commenting that ADF&G had no concerns pertaining to an aquatic farm operation permit amendment to move the operation to the proposed location.

Within ADF&G’s letter is a Department Advisory advising the applicant that if the project is approved, general conditions pertaining to ADF&G’s statutory and regulatory provisions for issuance of an Aquatic Farm Operation Permit (AFOP) will be included in the operation permit amendment. In addition, site-specific conditions that have been recommended by staff may be

included in the AFOP amendment. ADF&G also requests that the February 2, 2024, letter be included in the PD as an advisory to the applicant and for public reference.

There were no concerns noted within the ADF&G letter and the following recommendations were listed:

- *Marine Mammal Research Program*: This application complies with the guidelines set forth with the ADF&G marine mammal mariculture policy established on April 12, 2019. Any advisories or mitigation steps recommunicated by NOAA Fisheries National Marine Fisheries Service (NMFS) or the US Fish and Wildlife Service (FWS) to reduce marine mammal disturbances should be followed. Large whales, especially humpbacks, are highly susceptible to entanglement in lines in the water; Removing all gear from the water during the non-growing season may minimize gear loss, user conflicts, and marine mammal entanglement and habitat exclusion potential. Any marine mammal entanglements should be immediately reported to the NMFS 24 hr. Stranding Hotline, phone – (877) 925-7773 and the ADF&G Permit Coordinator (907-465-4724).

**SCRO Response:**

SCRO acknowledges ADF&G’s comment. As one of the resource managers in the area, ADF&G’s input is an important source of information. SCRO relies on input from ADF&G and other stakeholders to advise of any expected impacts and solutions that may fall outside of SCRO’s authority. SCRO has provided a copy of ADF&G’s February 2, 2024 letter to SGF. As requested in ADF&G’s letter, the PD herein contains ADF&G’s letter, which will be advertised for a 30-day public comment period. The ADF&G Permit Coordinator’s February 2, 2024, letter is attached to this PD.

DNR’s statutes and regulations for aquatic farmsite leases do not specify management of aquatic farms relating to fish and game, but instead authorize DNR to issue a lease for state-owned tideland, shoreland or submerged land to develop an aquatic farm. Management of fish and game is within the authority of ADF&G, and as such, SCRO must defer to them and encourages the applicant to work directly with them. ADF&G may add the conditions it deems appropriate regarding fish and game to its operation permit authorization.

**NOAA Fisheries Comment:**

NOAA Fisheries submitted the following comment on February 2, 2024, stating, “With a move of 3.8 miles, we offer this informal conservation recommendation: Avoid spreading marine invasive species via gear transfer from one location (Madan Bay) to another (Earl West Cove) by thoroughly cleaning all gear and inspecting for fouling organisms. If fouling is present, dry, clean, and treat any infested components. Be mindful of requirements for using toxic chemicals”.

**SCRO Response:**

SCRO acknowledges NOAA's comment. Gear and equipment were not deployed at the original site. SCRO provided NOAA Fisheries' comment to SGF.

**USACE Comment:**

The USACE submitted a comment on January 18, 2024, stating "This email is in response to your solicitation of comments on the new site for the Salt Garden Farms aquaculture facility. The U.S. Army Corps of Engineers (USACE) Regulatory Offices administer two laws that may apply to the proposed construction work for the aquaculture project. Section 10 of the Rivers and Harbors Act of 1899 (33 United States Code 403) requires that a Department of the Army (DA) permit be obtained for certain structures or work in or affecting navigable waters of the U.S., prior to conducting the work. Navigable waters include those waters subject to the ebb and flow of the tide and waters that are presently used, or have been used in the past, or may be susceptible for use to transport in interstate or foreign commerce. Section 404 of the Clean Water Act (33 United States Code 1344) requires that a Department of the Army (DA) permit be obtained for the placement or discharge of dredged and/or fill material into waters of the U.S., including jurisdictional wetlands, prior to conducting the work. Waters of the U.S. may include certain rivers, streams, lakes, ponds, and adjacent wetlands. Based on the information received, the proposed project will occur in waters that are regulated by the USACE and a permit from our office may be required".

Within the comment, contact information and instructions on accessing, completing, and submitting the permit application were provided.

**SCRO Response:**

SCRO acknowledges USACE's comment. SCRO has advised SGF of this communication and required authorization. As one of the resource managers in the area, USACE's input is an important source of information. SCRO has provided a copy of USACE's January 18, 2024, comment to SGF.

**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 at the post offices located in Wrangell, Alaska. Courtesy notices will also be mailed or emailed to neighboring property owners, permit/lease holders, and other interested parties on July 3, 2024 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  
August 1, 2024 to be considered.**

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

Postal: Department of Natural Resources  
Southcentral Regional Land Office  
ATTN: Karen Cougan  
550 West 7<sup>th</sup> Avenue Suite 900C  
Anchorage, AK 99501-3577  
E-mail: karen.cougan@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. SCRO considered three criteria to determine if this project serves 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 SCRO issue an aquatic farmsite lease amendment to Salt Garden Farms.

*Karen Cougan* \_\_\_\_\_ 5/30/24  
Karen Cougan Date  
Natural Resource Specialist 3

**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 amendment to Salt Garden Farms, as described above. Prior to issuance of this lease amendment, the applicant will be required to pay the annual lease fee of \$700.00, maintain a \$2,500.00 performance bond, and provide proof of liability insurance. This Preliminary Decision shall now proceed to public notice.

*Jon Sweetman* \_\_\_\_\_ 6/4/24  
Jon Sweetman, Natural Resource Manager 2 Date  
Division of Mining, Land & Water  
Southcentral Regional Land Office

**Attachments**

- Attachment A – Amendment Development Plan
- Attachment B – ADF&G Letter

# Attachment A Amendment Development Plan

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- 1. Amend the current zoning classification
  - 2. Amend the current use restrictions
  - 3. Amend the current setbacks
  - 4. Amend the current height restrictions
  - 5. Amend the current lot coverage restrictions
  - 6. Amend the current parking requirements
  - 7. Amend the current signage restrictions
  - 8. Amend the current utility requirements
  - 9. Amend the current environmental requirements
  - 10. Amend the current other applicable regulations
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11. Amend the current other applicable regulations

12. Amend the current other applicable regulations

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### C. Amendment Description

**In the space provided below**, please provide a general description of your proposed changes to your aquatic farm site and operations. This should be a narrative of your amendment request that includes changes to your project location or size, new overall size including any hardening areas, all species you intend to culture, type of farm gear, equipment, support facilities, and associated housing to be used including size, number, and construction materials. Your narrative should match the rest of the application information you provide. If a section does not apply to your proposed amendment, please state so. If additional space is necessary, **please attach a separate document labeled "AMENDMENT DESCRIPTION"**. Example information for project narrative can be found in Attachment I.

Company Name (if being changed)

### Site Location Modifications

Salt Garden Farm is relocating 3.85 miles to the SSE, from Madan Bay to Earl West. All other farm specifics will remain the same except the anchor system.

**New Site Dimensions, Acres for Each Parcel** (New Dimensions and calculated area in acres for each parcel being amended and total area in acres of farm after amendment)

300 ft X 435 ft- No change in site size  
2.99 acres



# Attachment A

## Amendment Development Plan

**New Support Facilities** *(List any new support facilities, i.e. caretaker, storage, processing facilities, work rafts, etc.)*

**Construction Materials of New Support Facilities and Equipment** *(Note: All floating raft structures should use non-treated wood supported by closed cell expanded polystyrene or equivalent material)*

**Species You Intend to Farm (for New Parcels or Changes to Species)** *(Include scientific and common species name)*

Alaria Marginata- Ribbon Kelp- No change in species

**For New Parcels or Changes to Culture Methods** *(Describe operation activities to be done onsite such as outplanting of seedstock, husbandry techniques to be used (culling, sorting, washing, etc.), maintenance and monitoring activities, management of fouling organisms and incidental species, predator control measures, and schedule of activities such as timing of outplanting seeded lines or adding seedstock into trays, etc. Describe what methods you plan to use based on the definition in [5 AAC 41.400\(6\)](#). "Culture" means to use or the use of methods to manipulate the biology and the physical habitat of a desired species to optimize survival, density, growth rates, uniformity of size, and use of the available habitat, and to efficiently produce a product suitable for a commercial market.)*

Salt Garden Farms intends to cultivate Alaria Marginata (Ribbon Kelp) using seed line cultured with stock gathered in the late summer from areas in Earl West and Blake Channel. Both locations are within the 50 km requirement. The seed line will be attached to growlines in the early fall and harvested in late spring of the following year. Alaria will be grown using the suspended rope culture method. The equipment will be monitored through out the growing season. Grow season monitoring will be done weekly by boat.

Harvest will be by small boat. Growlines will be elevated by hoist over bag containers. The kelp will be washed then blades will be removed to one container. The remainder of the plant will be harvested to a second container and the ropes will be coiled for storage.

Access will be via McCormall Creek road for vehicles. Boat access will be from Shoemaker Harbor in Wrangell or small boat launched at Earl West boat ramp. Harvest and planting will be over a two week period and be daily. Grow season monitoring will be done weekly by boat.

## Attachment A Amendment Development Plan

**For New Parcels or Changes to Culture Gear and Equipment (Type, Size, Number, Configuration, Material, and Anchoring System)** *[If more than one parcel, indicate what parcel specific gear will be located on. If more than one species, indicate gear to be used for each. Gear includes any structure that holds or protects the organism like trays, tiers of lantern nets, Vexar bags, OysterGro system, grow-out submerged longlines, predator netting, longlines, buoys, depth control systems, etc. Include approximate installation schedule, or if and what gear will remain installed year-round etc.]*

Salt Garden Farms will be cultivating *Alaria Marginata* (Ribbon Kelp) using suspended lines with anchors and buoy system to mark the area and maintain depth. The 3/4 inch lines will be anchored at 50 foot intervals. Each corner will have a 20 lb danford style anchors placed perpendicular at the four corners with stay lines to stabilize the system. The 60 grow lines will be 200 ft. in length and of 1/16 inch rope. The seed line will be wrapped and tied to the growlines. The growlines will be regulated for depth by a weight and attached buoy.

Storage will be in Wrangell at private residence.

**Other** *(Anything else that may change from the original project due to the amendment request proposal)*

# Attachment A Amendment Development Plan

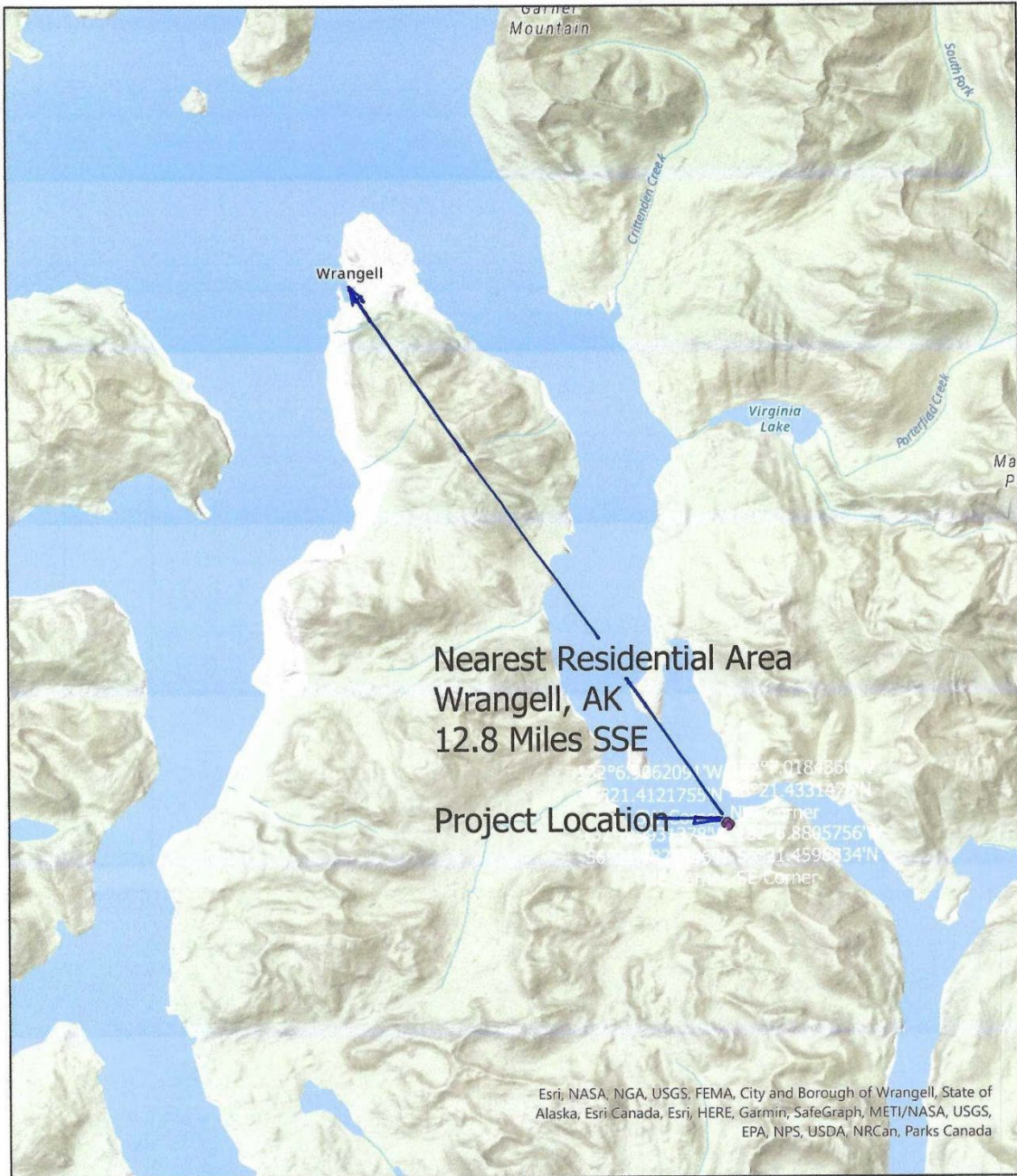


Figure 1  
Salt Garden Farm  
Earl West- SSE of Wrangell, AK  
April 29, 2023  
Permit # ADL 233635  
Site Relocation

2.5  
Miles

# Attachment A Amendment Development Plan



Figure 2 Detail of Site  
Salt Garden Farm  
Earl West- SE of Wrangell, AK  
April 29, 2023  
Permit # ADL 233635  
Site Relocation

0.03  
Miles

# Attachment A Amendment Development Plan

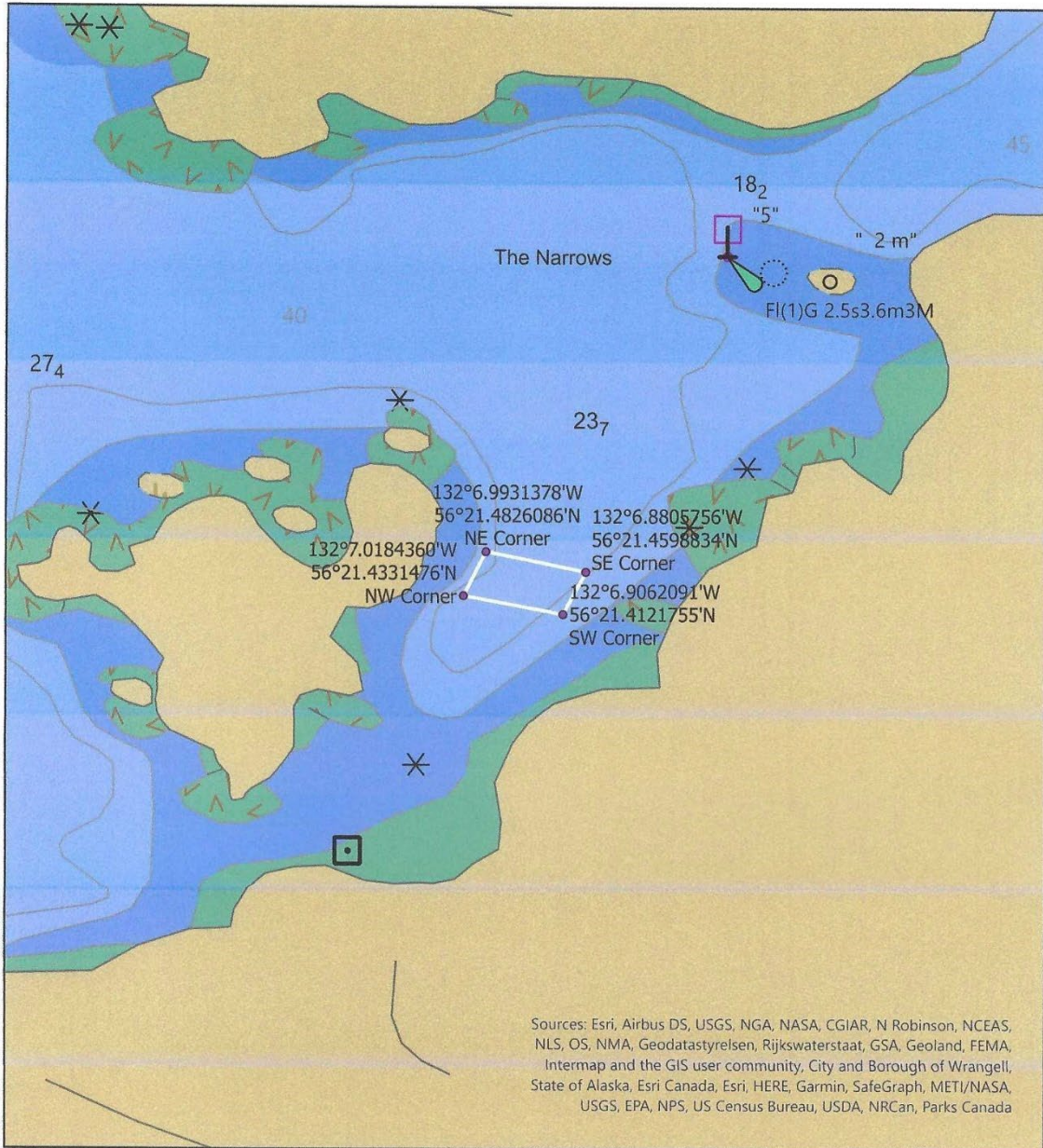


Figure 3 NOAA Chart of Site  
 Salt Garden Farm  
 Earl West- SE of Wrangell, AK  
 April 29, 2023  
 Permit #  
 Site Relocation

0 500 Feet

# Attachment A Amendment Development Plan

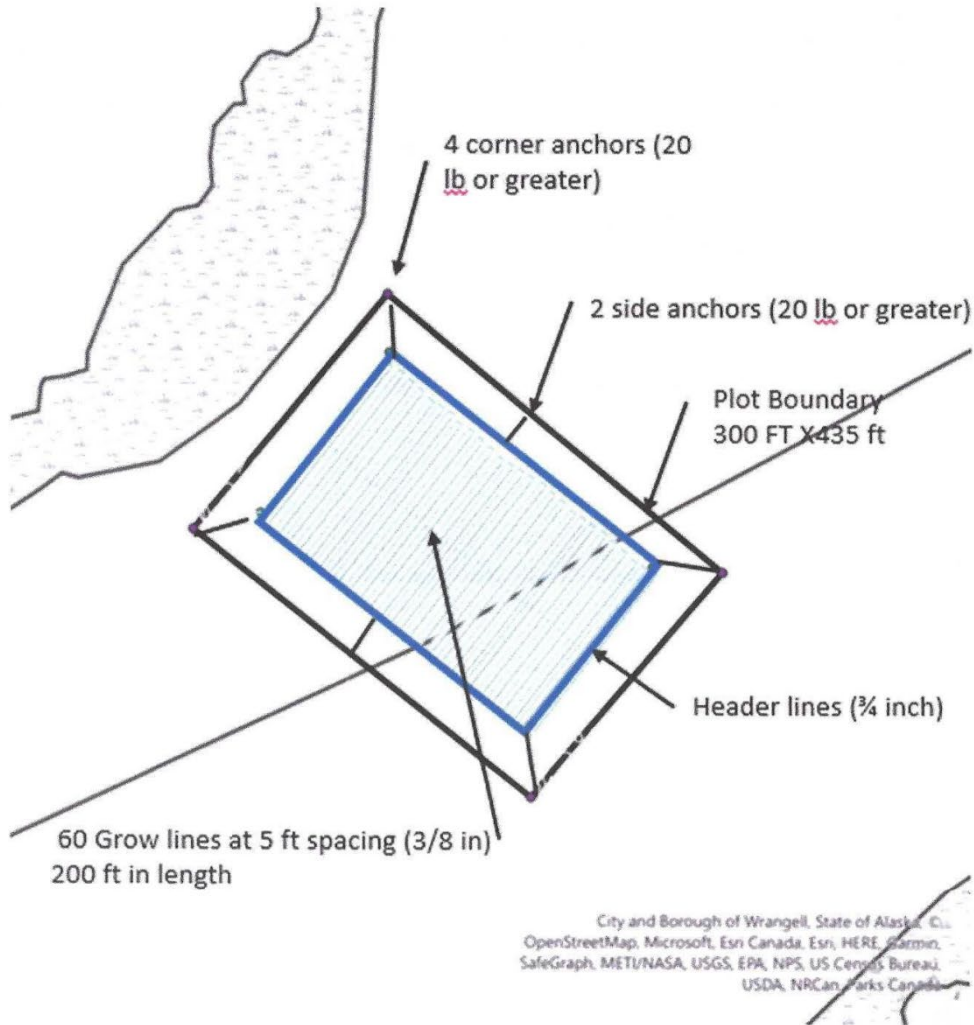
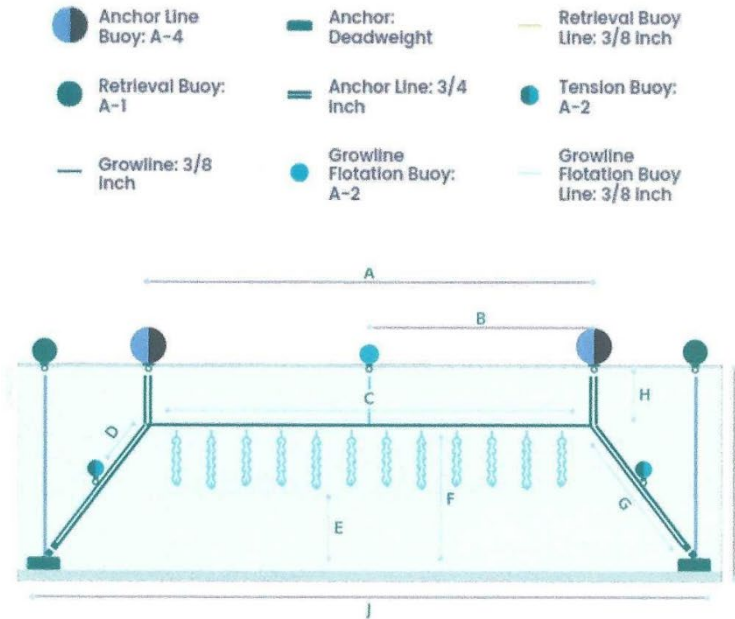


Figure 4 Site Layout  
Salt Garden Farm  
Earl West- SE of Wrangell, AK  
April 29, 2023  
Permit #  
Site Relocation

# Attachment A Amendment Development Plan

## Cross-Sectional Diagram



- A- Growlines -200ft
- B- Flootation bouy – 100 ft
- C- Depth to growlines- 4 ft
- D- 60 ft
- E- Depth 40 ft (MHW) to 20 ft (MLW)
- F- Max Depth 46 ft (MHW) to 26 ft (MLW)
- G- 60 ft
- H- 4 ft

Figure 5 Cross Section  
Salt Garden Farm  
Earl West- e of Wrangell, AK  
April 29,2023  
Site Relocation

**Attachment B**  
**ADF&G Letter**



THE STATE  
of **ALASKA**  
GOVERNOR MICHAEL J. DUNLEAVY

**Department of Fish and Game**

Division of Commercial Fisheries  
Headquarters Office

1255 West 8<sup>th</sup> Street  
P.O. Box 115526  
Juneau, Alaska 99811-5526  
Main: 907.465.4210  
Fax: 907.465.4168  
Permit Coordinator: 907.465.4724

February 2, 2024

Karen Cougan  
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  
Lemke / Salt Garden Farms Aquatic Farm Site Amendment Proposal – Earl West Cove  
**DNR File No.: ADL 233635**

Dear Ms. Cougan:

The Alaska Department of Fish and Game (ADF&G) has completed a preliminary review of the project proposal, **ADL 233635** relevant to criteria specified in authorizations for Aquatic Farming AS16.40.105 and 5 AAC 41 200-400. ADF&G Division of Commercial Fisheries (Management, Gene Conservation Lab and Fish Pathology Section), Division of Sport Fish, Division of Wildlife Conservation, Subsistence Section and Habitat Section, were part of the initial review. *There are no concerns pertaining to an aquatic farm operation permit amendment to move the operation to the proposed location.* Any comments from other government agencies or from the public that may impact applicable department provisions will be considered as part of the final department review for an aquatic farm operation permit which will be issued within 30 days of the lease being issued. 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 amendment. In addition, site-specific conditions that have been recommended by staff may be included in the AFOP amendment.

Division of Commercial Fisheries has reviewed this request and have no concerns.

*Gene Conservation Lab* has reviewed this request and have no concerns.  
*Fish Pathology Section* has reviewed this request and have no concerns.



## Attachment B ADF&G Letter

Karen Cougan  
Department of Natural Resources  
Aquatic Farm Proposal ADL 233635 amendment ADF&G Review Comments

- 2 -

February 2, 2024

Division of Sport Fish has reviewed this request and have no concerns.

*Invasive Species Program Coordinator* has no comment at this time.

#### Division of Wildlife Conservation:

*Marine Mammal Research Program:* MMP has reviewed this request and has no concerns. This application complies with the guidelines set forth with the ADF&G marine mammal mariculture policy established on April 12, 2019. Any advisories or mitigation steps recommunicated by NOAA Fisheries National Marine Fisheries Service (NMFS) or the US Fish and Wildlife Service (FWS) to reduce marine mammal disturbances should be followed. Large whales, especially humpbacks, are highly susceptible to entanglement in lines in the water; Removing all gear from the water during the non-growing season may minimize gear loss, user conflicts, and marine mammal entanglement and habitat exclusion potential. Any marine mammal entanglements should be immediately reported to the NMFS 24 hr. Stranding Hotline, phone – (877) 925-7773 and the ADF&G Permit Coordinator (907-465-4724).

*Access Defense Program:* Has no comments at this time.

*Seabird Program:* Has no comment at this time.

Habitat Section has no comment at this time.

Subsistence Section has reviewed this request and has no concerns.

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

ecc: Garold V. Pryor, Aquaculture Section Chief, ADF&G  
Robert Lemke, Salt Garden Farms