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

PRELIMINARY DECISION

ADL 107092
Tom Carruth dba Alaska Shellfish
Application for Lease Amendment
AS 38.05.083

This Preliminary Decision (PD) is the State's preliminary best interest finding regarding a proposed disposal of interest in state land. The public is invited to comment on this PD. The deadline for commenting is 11:59 pm on December 18, 2025. Please see the Public Notice section of this decision for requirements related to submitting comments for consideration.

Requested Action:

The Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Southcentral Regional Land Office (SCRO) has received a request from Tom Carruth dba Alaska Shellfish (TCAS) to amend aquatic farmsite lease ADL 107092 by adding year-round gear to the existing geoduck parcel to accommodate the cultivation of new species. The additional species that are being requested are Pacific oysters (*Magallana gigas*), cockles (*Clinocardium nuttalli*), and littleneck clams (*Protothaca staminea*). The farmsite is 2.75 acres, more or less, of state-owned tide and submerged lands, and is currently authorized for the commercial cultivation and harvest of Pacific geoduck (*Panopea generosa*). ADL 107092 is located within an unnamed cove south of Point Sykes in Revillagigedo Channel, approximately 25 miles southeast of Ketchikan, Alaska. The location of the project area is further described as being within the NW1/4 of Section 22, Township 77 South, Range 95 East, Copper River Meridian.

Proposed Action:

SCRO is considering the issuance of an amendment to ADL 107092 for the remaining term of the lease. The proposed amended farmsite will consist of one parcel, encompassing an area measuring 2.75 acres, more or less, for the purpose of year-round commercial cultivation and harvest of Pacific geoduck, Pacific oysters, cockles, and littleneck clams.

Scope of Decision:

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 add year-round gear to the existing geoduck growing parcel to accommodate the cultivation of new species.

Authority:

This lease amendment application is being adjudicated pursuant to Alaska Statute (AS) 38.05.035(e) Delegation of the Powers and Duties of the Director, AS 38.05.070(b) Leases Generally, and AS 38.05.083 Aquatic Farming and Hatchery Site Leases.

The authority to execute the Preliminary Decision, Final Finding and Decision, and the lease has been delegated to the Regional Manager of SCRO under AS 38.05.035(b)(1).

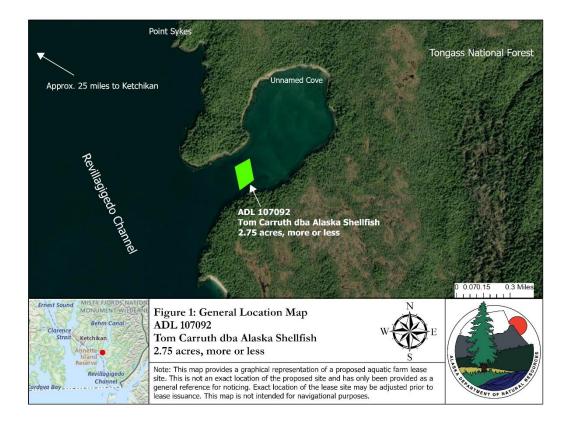
Administrative Record:

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 2000 Central/Southern Southeast Area Plan and other classification references described herein, and the casefile for the application serialized by DNR as 107092.

Legal Description, Location, and Geographical Features:

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

- Site reference name: Point Sykes
- **Geographical locations**: Located within an unnamed cove south of Point Sykes in Revillagigedo Channel, approximately 25 miles southeast of Ketchikan, Alaska.



• Approximate Lat/Longs (NAD 83):

Parcel 1: Intertidal growing area for clams and oysters, 400 feet by 300 feet

NE Corner:	55° 11.136'N	131° 5.279'W
SE Corner:	55° 11.080'N	131° 5.261'W
SW Corner:	55° 11.050'N	131° 5.326'W
NW Corner:	55° 11.113'N	131° 5.356'W

- Legal description: NW1/4 of Section 22, Township 77 South, Range 95 East, Copper River Meridian, Alaska
- Recording district: Ketchikan Recording District
- Existing parcel survey: None
- Municipality/Borough: Ketchikan Gateway Borough
- Native Corporations/Federally Recognized Tribes: Sealaska Corporation, Metlakatla Indian Community, Ketchikan Indian Community, Ketchikan Indian Corporation, Organized Village of Saxman, Central Council of the Tlingit and Haida Indian Tribes of Alaska, Cape Fox Corporation
- Size: 2.75 acres, more or less

Title:

A DNR Title Report (RPT-23753) issued on February 7, 2025, from DMLW's Realty Services Section, attests that the State of Alaska holds title to the subject tide and submerged lands under the Alaska Statehood Act, 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 is subject to the Central/Southern Southeast Area Plan (CSSEAP), Region 5: Ketchikan, General Use Tidelands, Map 3-26: Ketchikan – South. The designation for this site is General Use which converts to the classification of Resource Management Land.

Within Chapter 2 of the CSSEAP, Areawide Land Management Policies, Aquatic Farming section, goals 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" (2-5). The management guidelines in this section state:

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 (2-6).

The Aquatic Farm section also states, "where practical, the Department will consolidate aquatic farming operations at specific sites with sufficient area rather than allowing their proliferation in many bays" (2-7).

According to Chapter 3 of the CSSEAP, Designations Used in this Plan, GU – General Use section: When pertaining to tidelands, this designation applies to tidelands, shorelands, and submerged lands not designated for specific habitat, harvest, economic, or recreation functions. This does not mean that the tideland or submerged land lacks value, but that the appropriateness of whether and how a tideland parcel is to be used will be decided through formal state and federal permitting procedures (3-2).

The management intent for tidelands, submerged lands, and shorelands states that:

DNR will provide reasonable access across state tidelands to upland owners. Upland access across state tidelands, including developed access facilities, may be allowed with 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).

As stated within the CSSEAP in Chapter 3, Management of State Lands, Tidelands section:

In this region, tideland tracts include areas of estuarine wetlands, regionally important salt chucks, concentrations of marine mammals, shorebirds and waterfowl, and eulachon and Pacific herring spawning sites. The remainder of the tideland area designated General Use (Gu). In these tidelands, it is intended that the standard state/federal permitting process will determine, on a site-by-site basis, whether tideland development is appropriate at a given tideland site (3-238).

In accordance with the CSSEAP, aquatic farming is an allowable use on state-owned tidelands 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 Ketchikan Gateway Borough, an organized borough. Pursuant to AS 38.05.830 a traditional use finding is not required. However, 11 AAC 63.050(b)(5)(B) requires consideration of whether the lease site impacts traditional and existing uses of the site. Known

traditional and existing uses of the area may include, but are not limited to, residential use, sightseeing, recreation, tourism, sport fishing, and upland access. The proposed aquatic farm should not interfere with traditional and/or existing uses of the area. Public and Agency Notice may reveal more unknown uses. If such information becomes available, any potential or existing conflicts will be addressed in a final best interest finding.

Access:

Access to the aquatic farm is by boat from Ketchikan.

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 Revillagigedo Channel and the unnamed 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:

The Lease Agreement was first established between SCRO and Kurt Morin for a 10-year term from July 1, 2004, through June 30, 2014, and then was amended on July 22, 2005, to revise the term dates to May 10, 2005, through May 9, 2015. The lease was renewed to Kurt Morin for another 10-year term from May 10, 2015, through May 9, 2025. The lease was assigned to TCAS on April 3, 2024. A 2-year lease extension was issued to TCAS on June 25, 2024, and the lease will now expire on May 9, 2027. A lease amendment was issued on March 27, 2025, to decrease the parcel size from 4.6 acres to 2.75 acres, more or less, and move it approximately 500 feet southwest of the original location in the unnamed cove.

A new lease amendment application was received by SCRO and Alaska Department of Fish & Game (ADF&G) on June 6, 2025, requesting the addition of year-round oyster growing gear and three additional species – Pacific oyster, littleneck clams, and cockles. In response to a request for additional information from SCRO and ADF&G, TCAS submitted an updated application, which was considered complete on September 15, 2025.

The current lease is for the purpose of commercial growth and harvest of Pacific geoduck (*Panopea generosa*), and the parcel occupies an area measuring 400 feet by 300 feet, or 2.75 acres, more or less. The proposed lease amendment intends to add year-round oyster growing gear, as well as shellfish species other than Pacific geoduck. The parcel will be used for the purpose of commercial cultivation and harvest of Pacific geoduck, Pacific oysters, littleneck clams, and cockles.

The oyster gear to be added will include 120 to 140 groundlines, 200 feet long, installed on bottom and attached at both ends to 30-inch metal earth anchors, placed in a north to south layout. Approximately 100 Vexar mesh oyster bags, approximately 30 inches by 30 inches, will be attached with longline gangion tied to a longline snap gear piece snapped to the groundline.

The geoduck, littleneck clam, and cockle spat will be purchased from an in-state approved hatchery and planted by hand in the substrate on the parcel. Predator exclusion netting will be used after planting to protect juvenile stock from predators. The ½-inch mesh netting may be cut into sections or tubes of various sizes, with 4-inch to 6-inch tubes inserted vertically into the substrate about one foot apart in panels of 4 foot by 20 foot, weighed down about one foot apart with lead line inner woven mesh. In some cases, the edges may be buried for extra anchoring. The clams will be harvested by hand using a water jet to extract the geoduck from the substrate. Harvested clams and oysters will be transported to Ketchikan by boat.

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. ADL 107092 met CUR in some years and not in other years since the lease was issued due to Pacific geoduck growth variability. Pacific geoduck have a longer growth timeframe to become marketable size and the lessee has consistently submitted the required annual reports regardless of making or not making sales, therefore, DNR and ADF&G have allowed the lease to continue due to proof of cultivation efforts and seed inventory purchases.

Should the proposed lease amendment be approved, the 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 September 15, 2025, 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:

Hazardous materials will not be stored within the proposed leasehold. Requests to store hazardous materials in the future may require additional stipulations.

Lease Performance Guaranty (bonding):

In accordance with AS 38.05.083(e) and 11 AAC 63.080, TCAS will be required to maintain a performance guaranty for the lease site to cover the costs to the department of restoring the leased site in the event the lessee abandons the site for site cleanup, restoration, and any associated costs after termination or expiration of the lease. TCAS is part of the Ketchikan Geoduck Bond Association, therefore TCAS has held a \$1,250.00 performance guaranty since June 27, 2024.

\$1,250.00 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. The following stipulations shall be included in any authorization pursuant to this decision.

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.

The lessee must post a performance guaranty in the amount of \$1,250.00 to secure faithful performance with all terms and conditions of the Lease and to insure site restoration of the leasehold. This performance guaranty must remain in effect for the duration of the Lease term or until released in writing by the Authorized Officer (AO). The AO for the State of Alaska, DNR, DMLW, is the Regional Manager or designee. Failure by the lessee to provide replacement security shall be grounds for the AO to make a claim upon the existing security to protect the lessor's interests.

If three or more lessees post an association bond to cover all of their leases, the minimum security amount is 50 percent of the amount individually calculated for each lease. The association must designate an agent for notification purposes. The association has the right to be notified of the termination of a lease covered by its association bond. If neither the former lessee nor the association completes the site restoration as required by AS 38.05.090, the department will use the association bond for this purpose, up to 100 percent of the amount individually calculated for that

lease. The association may remove a lease in good standing from the coverage of its association bond after 60 days' notice to the department, during which time the affected lessee must make other arrangements to comply with this section. A lease that is in default or that has been terminated with site restoration still pending may not be removed from the coverage of the association bond.

The guaranty amount will be subject to periodic adjustments and may be adjusted upon approval of any amendments to the Lease, assignments, reappraisals, changes in the Development Plan, approval of a reclamation plan, any change in the activities conducted, or performance of operations conducted on the leasehold and as a result of any violations to the Lease agreement.

The guaranty may be utilized by the AO to cover actual costs incurred by the State of Alaska to pay for any necessary corrective actions in the event the lessee does not comply with the site utilization, restoration requirements and/or other stipulations contained in the Lease agreement. If the lessee fails to perform the obligations under the Lease agreement within a reasonable timeframe, the AO may perform the lessee's obligations at the lessee's expense. The lessee agrees to pay within 60 days following notice, all costs and expenses reasonably incurred by the State of Alaska as a result of the failure of the lessee to comply with the terms and conditions of the Lease agreement. The provisions of this authorization shall not prejudice the State's right to obtain a remedy under any applicable law or regulation. The performance guaranty will be released upon expiration of the Lease provided that all terms and conditions of the Lease have been met, including restoration of the leasehold to a safe and clean condition found acceptable by the AO.

Insurance:

To protect the State from Liability associated with the use of the site, the applicant shall provide and maintain a comprehensive general liability insurance policy with the State of Alaska named as an additional insured party per the stipulations of the authorization. The applicant shall secure or purchase at its own expense, and maintain in force at all times during the term of this lease, liability coverage and limits consistent with what is professionally recommended as adequate to protect the applicant and the State, its officers, agents and employees from the liability exposures of ALL the insured's operations on state land. The insurance requirement may be adjusted periodically.

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. TCAS 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 2.75-acre aquatic farmsite lease is a base fee of \$450.00 for the first acre, and \$125.00 for each additional acre or portion thereof. In accordance with the Aquatic Farmsite Fee Schedule, Report No. 2522-16, a breakdown of the lease fee will be as follows:

2.75 acres (1 acre at \$450.00) + (1.75 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 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 considered not to be in "good standing" with this or any other agency authorization.

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.

Agency Notice:

An Agency Review was conducted starting on September 15, 2025, and ending on October 6, 2025. Information and comments received from sections within DMLW prior to and during agency review have been considered and included in the preparation of this PD. The following agencies were included in the review:

- DNR Division of Parks and Outdoor Recreation
- 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
- U.S. Environmental Protection Agency
- U.S. Coast Guard
- Southeast Soil and Water Conservation District
- Ketchikan Gateway Borough

Agency Review Comment(s):

During the Agency Review, SCRO received two comments and one "no concern".

U.S. Army Corps of Engineers (USACE) Comment:

The USACE provided an email dated September 25, 2025, stating the following:

The U.S. Army Corps of Engineers (USACE) Regulatory Division is in receipt of your September 15, 2025, ADL amendment for agency review. Department of the Army (DA) authorization is required if anyone proposes to place dredged and/or fill material into waters of the U.S., including wetlands and/or perform work in navigable waters of the U.S.

Section 404 of the Clean Water Act requires that a DA permit be obtained for the placement or discharge of dredged and/or fill material into waters of the U.S., including jurisdictional wetlands (33 U.S.C. 1344). Section 10 of the Rivers and Harbors Act of 1899 requires that a DA permit be obtained for structures or work in or affecting navigable waters of the U.S. (33 U.S.C. 403). Section 10 waters are those waters subject to the ebb and flow of the tide shoreward to the mean high water mark, and/or other waters identified by the Alaska District. Aquaculture structures and work would require Section 10 Authorization.

Tom Carruth dba Alaska Shellfish currently has a Nationwide Permit (NWP) 48, Commercial Shellfish Mariculture Activities, verified for a 400-foot-long by 300-foot-wide geoduck farm at the project site. The proposed project was assigned DA file number POA-2024-00534, Behm Canal. The project description of the NWP 48 does not include other species or gear, therefore a reverification may be warranted for the changes to the proposed project. The applicant is encouraged to reach out to USACE to ensure the changes to the proposed project does not require reverification.

SCRO Response:

SCRO has provided a copy of the email from USACE to TCAS and notified them to contact the USACE for their specific permit information.

Alaska Department of Fish & Game (ADF&G) Comment:

ADF&G's Permit Coordinator submitted letter on behalf of ADF&G Division of Commercial Fisheries (Management, Gene Conservation Lab and Fish Pathology), Division of Sport Fish, Division of Wildlife Conservation, Subsistence Section and Habitat Section dated October 1, 2025. Within the letter from ADF&G is a Department Advisory, advising the applicant of general conditions pertaining to ADF&G's statutory and regulatory provisions for issuance of an Aquatic Farm Operation Permit (AFOP) if the applicant's project is approved. ADF&G also requests that the October 1, 2025, letter be included in the preliminary decision as an advisory to the applicant and for public reference.

The following concerns and recommendations are noted in the ADF&G letter and may be addressed in the AFOP:

- Invasive Species Program Coordinator has the following request. Based on reports of European green crab from locations to the north, south and west of this farm site, and because estuarine habitat is suitable for green crab establishment, there is a likelihood that green crab are present in the bay in which the farm is/will be located. This invasive crab could be a strong predator on commercial shellfish. Aquatic Farm Operation Permit stipulations require that non-indigenous species observations be reported.
- *Marine Mammal Research Program*: This application complies with the guidelines set forth with the ADF&G marine mammal mariculture policy updated in April 2024. 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 October 1, 2025, letter to the applicant. 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. DNR's statute and regulations for aquatic farmsite leases do not specify management of aquatic farms relating to fish and game but 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 to its operation permit authorization the conditions it deems appropriate.

Public Notice of the Preliminary Decision:

Pursuant to AS 38.05.945, this PD will be noticed for 30-day public comment period starting on November 18, 2025. The Metlakatla, Ketchikan, and Ward Cove post office(s) located near the proposed leasehold will be requested to post the notice pursuant to AS 38.05.945(b)(3)(C). The notice will be posted on the Alaska Online Public Notice website pursuant to AS 38.05.945(b)(3)(B) located at: https://aws.state.ak.us/OnlinePublicNotices/Default.aspx. Additionally, Public Notice will be sent to all interested parties, including Sealaska Corporation, Metlakatla Indian Community, Ketchikan Indian Community, Ketchikan Indian Corporation, Organized Village of Saxman, Central Council of the Tlingit and Haida Indian Tribes of Alaska, Cape Fox Corporation, Ketchikan Gateway Borough, neighboring property owners, and DMLW authorization holders.

The public is invited to comment on this PD. All comments received during the public comment period will be considered in the Final Finding and Decision (FFD). A copy of the FFD, along with instructions on filing an appeal, will be sent to all persons who comment on the PD. If public comments result in significant changes to the PD, additional public notice may be given.

To be eligible to appeal the FFD, a person must provide written comments during the PD comment period.

Written comments about this project must be received in this office no later than 11:59 PM on December 18, 2025, to be considered.

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

Postal: Department of Natural Resources

Southcentral Regional Land Office

ATTN: Jen Kopnicky

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

E-mail: jen.kopnicky@alaska.gov

Fax: (907) 269-8913

DNR-DMLW complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who many need auxiliary aids, services, or special modifications to comment should contact Alaska Relay at 711 or 1-800-770-8973 for assistance at no cost.

Signature Page Follows

Recommendation:

DMLW has completed a review of the information provided by the applicant, examined the relevant land management documents, agency comments, and land ownership, and has found that this project is consistent with all applicable statutes and regulations. DMLW considered both direct and indirect benefits to the State. DNR finds granting of the proposed lease amendment provides the greatest benefit to the State.

I find the proposed action may be in the State's best interest and recommend approval to proceed with public notice.

11/17/2025 Jen Kopnicky 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 Tom Carruth dba Alaska Shellfish, as described above. This Preliminary Decision shall now proceed to public notice.

Jarrod Yelton, Natural Resource Manager 1

Date

Jarrod Yelton, Natural Resource Manager 1 Southcentral Regional Land Office

Division of Mining, Land & Water

Attachments

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

☐ Add or significantly ¹ modify support facility	 □ Section E (If floating facility) □ Sections E & F (If upland facility) □ Section D-3 c (Site Plan Map with facility) □ Section D-3 d (Cross Sectional Diagram of facility) □ Section D-3 e (Detailed Drawing of facility)
□X Other ² ADD SPECIES AND NEW YEAR ROUNI	D CULTURE GEAR mendment request
5	ase obstructions to navigation or to other public uses. If if associated with changes to farm site boundary/location.
C. Amendment Description	
and operations. This should be a narrative of your an size, new overall size including any hardening areas, support facilities, and associated housing to be used should match the rest of the application information amendment, please state so. If additional space is ne	ral description of your proposed changes to your aquatic farm site mendment request that includes changes to your project location or all species you intend to culture, type of farm gear, equipment, including size, number, and construction materials. Your narrative you provide. If a section does not apply to your proposed ecessary, please attach a separate document labeled in for project narrative can be found in Attachment I.
Company Name (if being changed)	
Site Location Modifications	
New Site Dimensions, Acres for Each Parcel (New Di amended and total area in acres of farm after amend	imensions and calculated area in acres for each parcel being dment)
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New Support Facilities (List any new support facilities, i.e. caretaker, storage, processing facilities, work rafts,	etc.)
<u>Construction Materials of New Support Facilities and Equipment</u> (Note: All floating raft structures should use treated wood supported by closed cell expanded polystyrene or equivalent material)	? non-
Species You Intend to Farm (for New Parcels or Changes to Species) [Include scientific and common species of COCKLE, Clinocardium nutalli LITTLENECK, Protothaca staminea PACIFIC OYSTER, Magallana gigas	name]
For New Parcels or Changes to Culture Methods [Describe operation activities to be done onsite such as outp 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 timing of outplanting seeded lines or adding seedstock into trays, etc. Describe what methods you plan to use the definition in <u>5 AAC 41.400(6)</u> . "Culture" means to use or the use of methods to manipulate the biology and 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.]	vities, es such as based on I the
New culture method is for pacific oysters to be added in the plus zero to plus 1,2, and 3ft tide above the geoduck area which is zero minus 1,2 and 3 ft. Earth anchor system, long screw in an approximately 30 inches long. place by hand 200 ft lengths to another earth anchor. typical groups 5/16 size attached to both anchors running on bottom across intertidal zone. vexar mesh oyste various size mesh approximately 30x30 inch would be attached w typical longline gangion white to typical longline snap gear which is simply snapped to groundline. Approximately 100 vexar abags would be attached to the ground line depending on bag size.	nchor ound line er bags w ch is tied
Bags can be flipped at low tide periodically or from the boat at plus tides. Natural tide and oce energy also create natural tumbling. Bags can be removed and cleaned and oysters cleaned and tumbled onboard as needed during summer growth months.	
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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.]

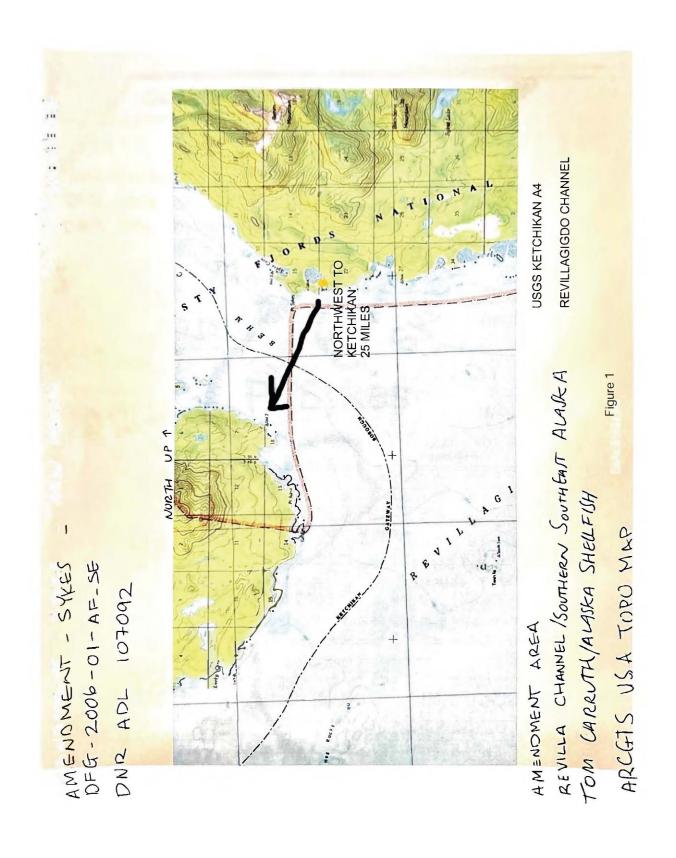
LITTLENECK AND COCKLE HARDSHELL CLAM WILL BE SAME GEAR TYPE.1 VEXAR PREDATOR MESH 4x20 ft may or may not be used to cover little neck and cockle depending on predation this will be more of a test and would be done on small plot 20x4 ft or less if seed is avalible in the minus 3ft area.

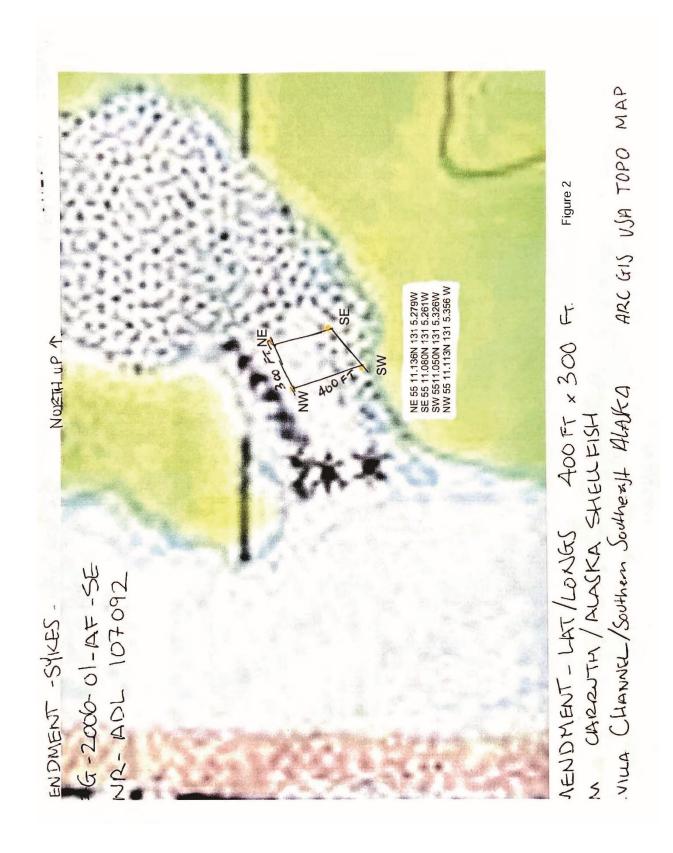
APPROXIMATLEY 120-140 200FT GROUNDLINES (AS DESCRIBED ABOVE) ON BOTTOM ATTACHED BOTH ENDS TO EARTH ANCHOR. METAL ANCHOR, VEXAR MESH BAGS AND TYPICAL GROUNDLINE ROPE. BAGS W SMALLER MESH USED FOR 15,16 MM SPAT THEN TRANSFER DURING GROWTH STAGES TO LARGER MESH SIZES. 500 PACIFIC OYSTERS AT 15,16 MM PER MESH BAG AND LESS AS GROWTH CONTINUES. BAGS READY FOR HARVEST WOULD CONTAIN APPROXIMATLEY 75-80 2.5-3 INCH PACIFIC OYSTER.

GROUNDLINE 200 FT SECTIONS WOULD BE PLACED NORTH TO SOUTH OYSTER GROW OUT BAGS ATTACHED TO GROUNDLINE W SNAP GEAR

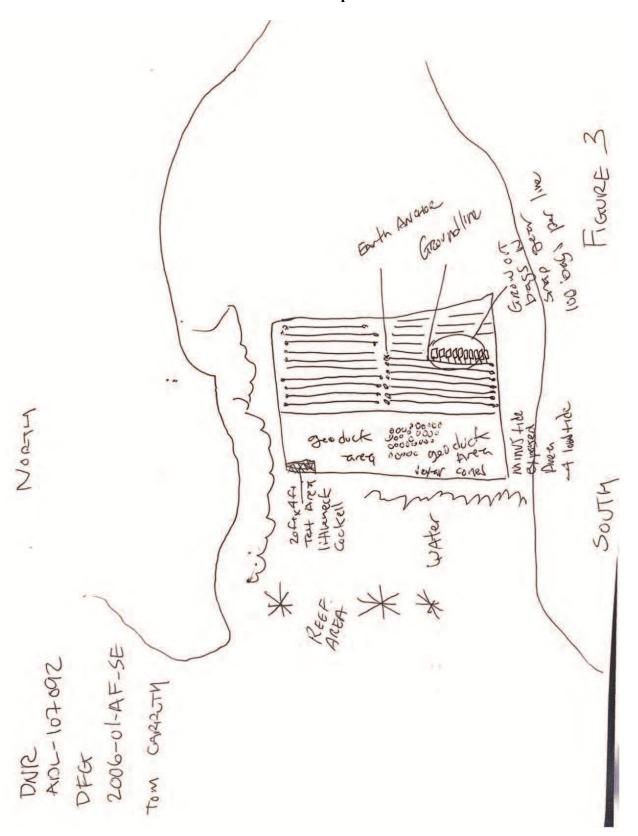
Other (Anything else that may change from the original project due to the amendment request proposal)

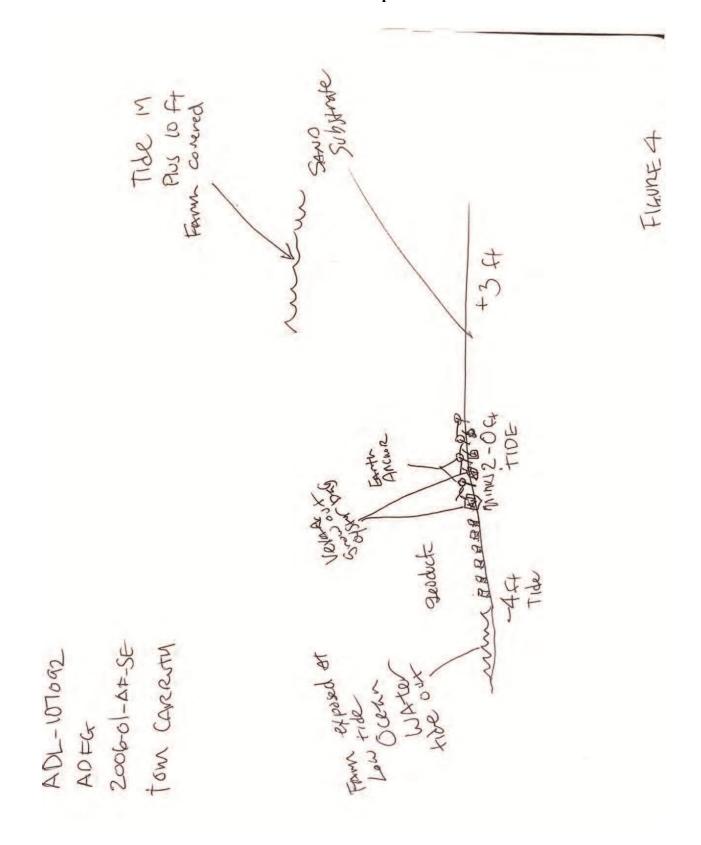
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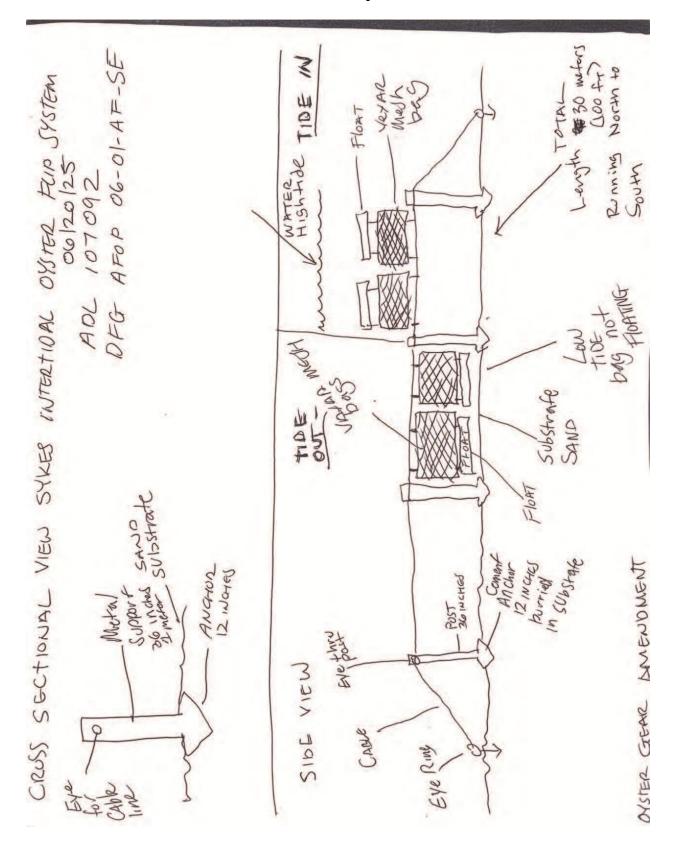




Attachment A
Amendment Development Plan









Earth anchor with 3 inch diameter auger



LONGLINE SNAP 5/16



Oyster grow out bag



Gangion line attached to snap gear



5/16 ground line attached in 200 ft sections to each earth anchor



Attachment B ADF&G Letter



Department of Fish and Game

Division of Commercial Fisheries Headquarters Office

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

October 1, 2025

Jen Kopnicky 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
Carruth / Alaska Shellfish Aquatic Farm Site Amendment Proposal – Point Sykes
DNR File No.: ADL 107092

Dear Ms. Kopnicky:

The Alaska Department of Fish and Game (ADF&G) has completed a preliminary review of the project proposal, **ADL 107092** 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 at 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 no comment at this time.

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

Jen Kopnicky - 2 - October 1, 2025 Department of Natural Resources Aquatic Farm Amendment Proposal ADL 107092 ADF&G Review Comments

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

Invasive Species Program Coordinator has the following request. Based on reports of European green crab from locations to the north, south and west of this farm site, and because estuarine habitat is suitable for green crab establishment, there is a likelihood that green crab are present in the bay in which the farm is/will be located. This invasive crab could be a strong predator on commercial shellfish. Aquatic Farm Operation Permit stipulations require that non-indigenous species observations be reported.

Division of Wildlife Conservation

Marine Mammal Research Program: This application complies with the guidelines set forth with the ADF&G marine mammal mariculture policy updated in April 2024. 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 reviewed this request and have no concerns. Seabird Program: Did not comment at this time.

Habitat Section did not comment at this time.

Michelle My

Subsistence Section has reviewed this request and has no concerns. This area is within the Ketchikan Nonsubsistence Area

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

Tom Carruth, Alaska Shellfish