

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

RENEWAL DECISION

ADL 107092

Tom Carruth dba Alaska Shellfish

Aquatic Farm Lease Renewal

AS 38.05.070(e) and AS 38.05.083(g)

Proposed Action:

The Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Aquatic Farm Leasing Program proposes to renew a current lease issued to Tom Carruth dba Alaska Shellfish (ADL 107092), for a 20-year term. The lease site is 2.75 acres, more or less, of state-owned tide and submerged lands for the purpose of commercial growth and harvest of Pacific geoducks (*Panopea generosa*), Pacific oysters (*Crassostrea (Magallana) gigas*), cockles (*Clinocardium nuttalli*), and littleneck clams (*Prothaca staminea*), located near 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, Alaska.

History:

A lease authorization for ADL 107092 was originally issued by DMLW to Kurt Morin dba Alaska Shellfish on July 1, 2004, for a period of 10-years, 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 Tom Carruth on April 3, 2024. A 2-year lease extension was issued on June 25, 2024, per AS 38.05.070(f)(2) to accommodate the lessee to allow time to submit a renewal application, and the lease will now expire on May 9, 2027. Lease Amendment No. 2 was issued on March 26, 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 third lease amendment was issued on February 26, 2026, to add new species for cultivation and year-round gear to accommodate the new species.

Existing Infrastructure:

One parcel: 400 feet by 300 feet, or 2.75 acres, more or less, containing:

(140) 200-foot long groundlines

(38) 30-inch metal earth anchors

(100) 30-inch by 30-inch Vexar mesh oyster bags

½-inch predator mesh netting (as needed)

4-inch to 6-inch predator protection tubes (as needed)

Lease Renewal Authority:

In 2015, the lease had been adjudicated pursuant to AS 38.05.035(b)(1) Delegation of the Powers and Duties of the Director; AS 38.05.035(e) Written Findings; AS 38.05.070(a) Generally; AS 38.05.083 Aquatic Farm and Hatchery Site Leases; and AS 38.05.945 Public Notice. Upon lease expiration, subsection AS 38.05.070(e) allows for the renewal of a lease previously issued under section AS 38.05.083 if the lessee is in good standing and the lease renewal is determined to be in the best interest of the State. AS 38.05.083(n) provides that a lease issued under this section may be renewed for a period of up to 20 years if the lessee is in good standing and the term length is in the best interest of the State.

Lease Renewal Qualifications:

In order to qualify for a renewal, a lessee must be in “good standing.” Good standing refers to the fact that the lessee’s accounts are current, that there are no outstanding compliance issues, and that the lessee maintains a healthy business relationship with the lessor. A review of the case file has shown that the lessee is in good standing.

Renewing the lease under AS 38.05.070(e) will allow the lessee and the lessor to reenter into a lease contract with minimal delays or disruptions. This lease renewal is in the best interest of the State as the lease will continue to create direct and indirect economic benefits to the State and encourage the continued development of the State’s resources. The renewal is consistent with the State’s Constitution as the lease provides for the utilization, development, or conservation of the natural resources belonging to the State for the maximum benefit of its people.

Lease Renewal Discussion:

Annual reports have been submitted for the duration of the authorized lease. All annual fees have been paid, and the lessee is considered to be in good standing with the department. Since the 2015 lease reissuance, ADL 107092 met the Commercial Use Requirements (CUR) per 11 AAC 63.030(b) in some years and not in other years due to Pacific geoduck growth variability and seed supply shortages. Pacific geoducks have a longer growth timeframe to reach marketable size and the lessee has consistently submitted the required annual reports regardless of meeting CUR, therefore, DNR and Alaska Department of Fish & Game have allowed the lease to continue due to the proof of cultivation efforts and seed inventory purchases. The lessee has also shown effort to diversify the species cultivated at this site through the 2025 Amendment No. 3 to add Pacific oysters, which may benefit the site by enabling the lessee to meet CUR with additional species to harvest and sell.

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 reference herein, the 2000 Central/Southern Southeast Area Plan, and the casefile for the renewal application serialized by DNR as ADL 107092.

Legal Description:

The state land where this leasehold is located is described as follows:

- **Site reference name:** Point Sykes
- **Legal description:** NW1/4 of Section 22, Township 77 South, Range 95 East, Copper River Meridian, Alaska
- **Geographical location:** Located within an unnamed cove south of Point Sykes in Revillagigedo Channel, approximately 25 miles southeast of Ketchikan, Alaska.
- **Approximate Lat/Longs:**

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

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 Equal Footing Doctrine and the Submerged Lands Act of 1953.

Planning and Classification:

The project area is subject to the 2000 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. In accordance with the CSSEAP, aquatic farming is an allowable use for this site.

Access:

Access to the aquatic farm is by boat from Ketchikan, Alaska.

Access To and Along Navigable and Public Waters:

AS 38.05.127 and 11 AAC 51.045 require that before leasing land, DMLW determine if a body of water is navigable and if it is, that DMLW 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, DMLW is reserving the right to grant other authorizations to the subject area consistent with the Public Trust Doctrine.

Term:

Pursuant to AS 38.05.083(n), an aquatic farmsite lease may be renewed for a term of up to 20 years. As such, this renewal lease will be issued for a 20-year term. Unless an appeal is received by the appeal deadline, the lease term will begin upon the expiration of the current lease.

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 38.05.105. The current annual rate for a 2.75-acre aquatic farm 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. 2522-17, a breakdown of the lease fee will be as follows:

$2.75 \text{ acres} (1 \text{ acre at } \$450) + (1.75 \text{ acres} \times \$125) = \textbf{\$700.00 per year}$

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 Tideland Survey to accomplish the appraisal. If a survey is required, the cost will be incurred by the applicant.

Bonding:

In accordance with the terms of the current lease, the existing performance bond of \$1,250, submitted via the Ketchikan Geoduck Bond Association under 11 AAC 63.080(b) on June 19, 2024, will be sufficient to satisfy AS 38.05.083(e) and 11 AAC 63.080. This bond will remain in place for the life of the renewed 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, reappraisals, 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:

DMLW is reserving the right to require a reclamation bond in the event of noncompliance issues during the term of the lease or near the end of the life of the project.

Insurance:

In accordance with the terms of the original lease, Tom Carruth dba Alaska Shellfish will be required to submit proof of liability insurance to DMLW, with the State of Alaska listed as a "NAMED" insured party. Tom Carruth dba Alaska Shellfish will be responsible for maintaining such insurance throughout the term of the renewed lease.

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 a lease renewal is consistent with all applicable statutes and regulations. This decision considers the lessee's history and experience with aquatic farming, their proposed Development Plan, the existing uses in the area, and the overall benefit to the State's aquatic farm industry. I recommend the issuance of a 20-year aquatic farm lease renewal to Tom Carruth dba Alaska Shellfish. Failure of the lessee to comply with all stipulated terms of the lease, including the CUR, will constitute a violation of the lease terms and steps may be taken to terminate the lease authorization.



Jen Kopnicky
Natural Resource Specialist

07/20/2026

Date

Decision:

The findings presented above have been reviewed and considered. The case file has been found to be complete and the requirements of all applicable statutes and regulations have been satisfied. I find that it is in the best interests of the State to renew this lease as described under the authority of AS 38.05.070(e) and AS 38.05.083(n). Tom Carruth dba Alaska Shellfish will be required to submit a current certificate of insurance, as all other lease requirements are currently fulfilled. If no appeal is filed by the appeal deadline, this decision goes into effect on the first business day after the twentieth calendar day after signature. If the lessee does not submit the required deliverables before the expiration of the current lease, DMLW may choose to rescind this decision.



Cinnamon Micelotta
Natural Resource Manager 2
Division of Mining, Land & Water
Southcentral Regional Land Office

07/20/2026

Date

Attachments

Attachment A – Development Plan

Appeal:

An eligible person affected by this decision may appeal to the DNR Commissioner per AS 44.37.011 and 11 AAC 02. Any appeal must be received within twenty (20) calendar days after issuance of this decision under 11 AAC 02.040. An eligible person must first appeal a decision to the Commissioner before seeking relief in superior court. The Alaska Court System establishes its own rules for timely appealing final administrative orders and decisions of the department.

Appeals may be mailed or hand-delivered to the DNR Commissioner's Office, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; or faxed to (907)-269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. Appeals must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a)-(b). A copy of 11 AAC 02 is available on the department's website at <https://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf>.

Attachment A Development Plan

PROJECT DESCRIPTION

DATE SUBMITTED: 03/02/2026

Company Name

ALASKA SHELLFISH

Site Location [Include water body, distance from nearest community, any landmarks, general region of Alaska, and whether on state tidal and/or submerged lands or private. Provide enough information to understand where it is located.]

Those tide submerged lands Located within an unnamed cove south of Point Sykes In Rivillagigado channel
Approximately 25 miles southeast of Ketchikan Alaska.

Site Dimensions, Acres for Each Parcel

Intertidal growing area for ~~Geoduck~~ and Pacific oysters is 400 feet by 300 feet

Northeast corner 55 11.136 N 131 5.279 W

Southeast corner 55 11.080 N 131 5.261 W

Southwest corner 55 11.050 N 131 5.326 W

Northwest corner 55 11.113 N 131 5.356 W

Total Acres of All Parcels

2.75 acres

Species You Intend to Farm [Include scientific and common species name]

Geoduck panopea ~~generosa~~

Pacific oysters Magallana gigas

Cockles Clinocardium nuttallii

Little Neck clams Protothaca staminea

Attachment A Development Plan

Culture Method *[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 "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.]*

Year round Farming operations for the development of oysters in Vexar mesh oyster bags The bags will be flipped by tides or by at plus. Natural tide and ocean current will create tumbling for the oysters. The bags will be removed and cleaned, And the oysters will be removed and tumbled on board a boat during heavy summer growth months.

Little neck and cockle clam seed will be placed under predator mesh until larger size.

Geoduck clam Will be placed in vexar predator tubes or mesh for grow out.

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.]*

Year round oyster gear will include up to 120 to 140 ground lines 200 feet long installed on bottom and attached at both ends Two 30 inch metal earth anchors. Approximately 100 Vexar mesh oyster bags approximately 30 inches by 30 inches attached with Long Line Canyon tied to a long line snap here and snap to the ground line. This will be the area zero tide and plus tide zone of the site.

Little neck and Cockle will be placed under four by 20 foot Vexar predator and left for grow in minus tide areas below zero tide.

Vexar tubes and Vexar Predator will be placed in the minus tide areas of the site for geoduck planting.

Attachment A Development Plan

Seed Acquisition Plan (Commercially produced and/or wildstock) *(Commercially produced juveniles or seed stock must be obtained from an approved seed source. Do you intend to collect wildstock juveniles or natural set organisms for direct culture on your proposed site? Yes/No. If yes, describe collection methods (applicable for indigenous species: i.e. mussels, scallops, abalone, natural set aquatic plants, etc. This does not refer to broodstock collection on behalf of hatcheries for propagation. If increasing number of acquisitions per year, indicate projected amounts per year. Aquatic plant species can be combined into total feet of line per year.)*

For Geoduck We will collect wild broodstock from the wild and work with Alutiq Pride in Seward to receive juvenile geoduck for plant out on the site.

For Pacific oysters we will work with commercial hatcheries to receive spat to plant out at the site.

For little neck clams and cockles we will work Alutiq Pride for seed source.

Harvest Equipment and Method *(Describe harvest equipment and methods to be used, activities to be done onsite, and schedule of harvest of aquatic farm product. If more than one species, include harvest information for each species or group of species like macroalgae if the harvest information is the same.)*

pacific oysters harvest by hand

littleneck and cockles harvest by hand,rake

geoduck harvest by mechanical dig,hand

Support Facilities (Type, Size, Number, Configuration, Material, and Anchoring) *(Support facilities include caretaker facility, storage rafts, work rafts, processing rafts, etc.)*

none

Attachment A Development Plan

Access to and from Site *(Include nearest community, transportation type used and how many times traversing back and forth)*

25 miles south east of Ketchikan, access to site is by boat
probably travel back and forth once or twice a month in spring, summer months
probably zero in harsh winter months

Storage Location of Equipment and Gear When Not in Use *(Include whether on private lands and nearest community)*
at my house, private uplands in Ketchikan

C. PROJECT OPERATION PLAN

1. How will support facilities, culture gear and anchoring systems be maintained?

- a. How often, in days per month, do you intend to monitor your site for things such as adequate anchoring, disease, exotic species settlement, fouling, gear drift, snow load, wind damage, vandalism, etc.?

Growing season 4 or 5 days (days/month) Off months 0 (days/month)

- b. How will you keep the gear and shellfish free of fouling organisms (hot-dip, air dry, pressure washing, etc.)?
pressure wash, air dry

- c. How will you manage reduction of competing species over the course of operations (relocate sea stars, grow-out cages, or other possible protection from competing species)?
grow out bags for oysters protect against predators; geoduck bury in sand

- d. If you intend to use predator netting, how long will you keep netting over your product?
12-16 (months)

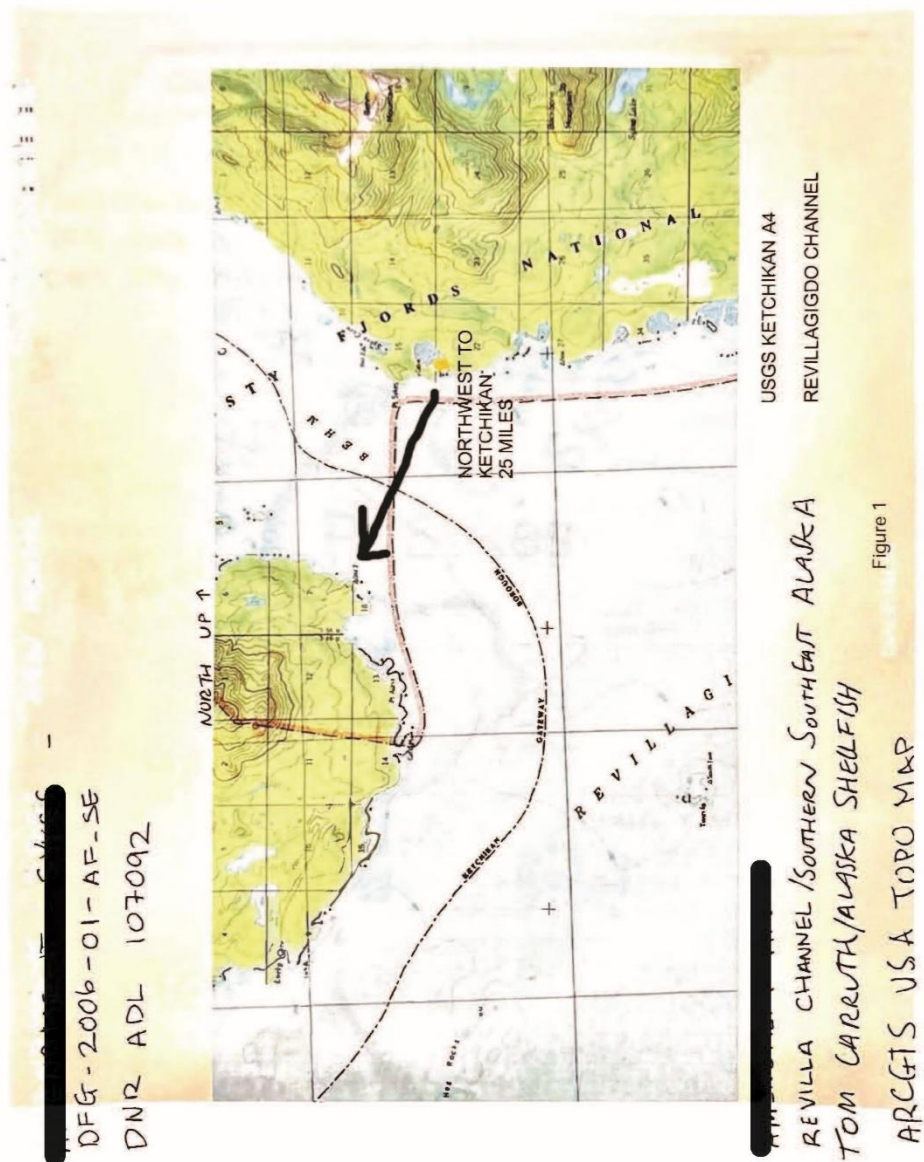
- e. If using predator netting, how will you minimize impacts on non-target species, including seabirds, seals, sealions, walrus and whales?
mesh is quarter inch, so pretty minimal impacts, probably zero

2. Projected Harvest Rotation Consistent with Life History

- a. How often do you intend to harvest your product by species?
hopefully oysters will be annually, geoduck 5-7 yr growout then annually

- b. Do you plan on utilizing density manipulation by culling or redistribution?
oysters will be sorted into grow out bags as they get larger, so yes, but no for geoduck

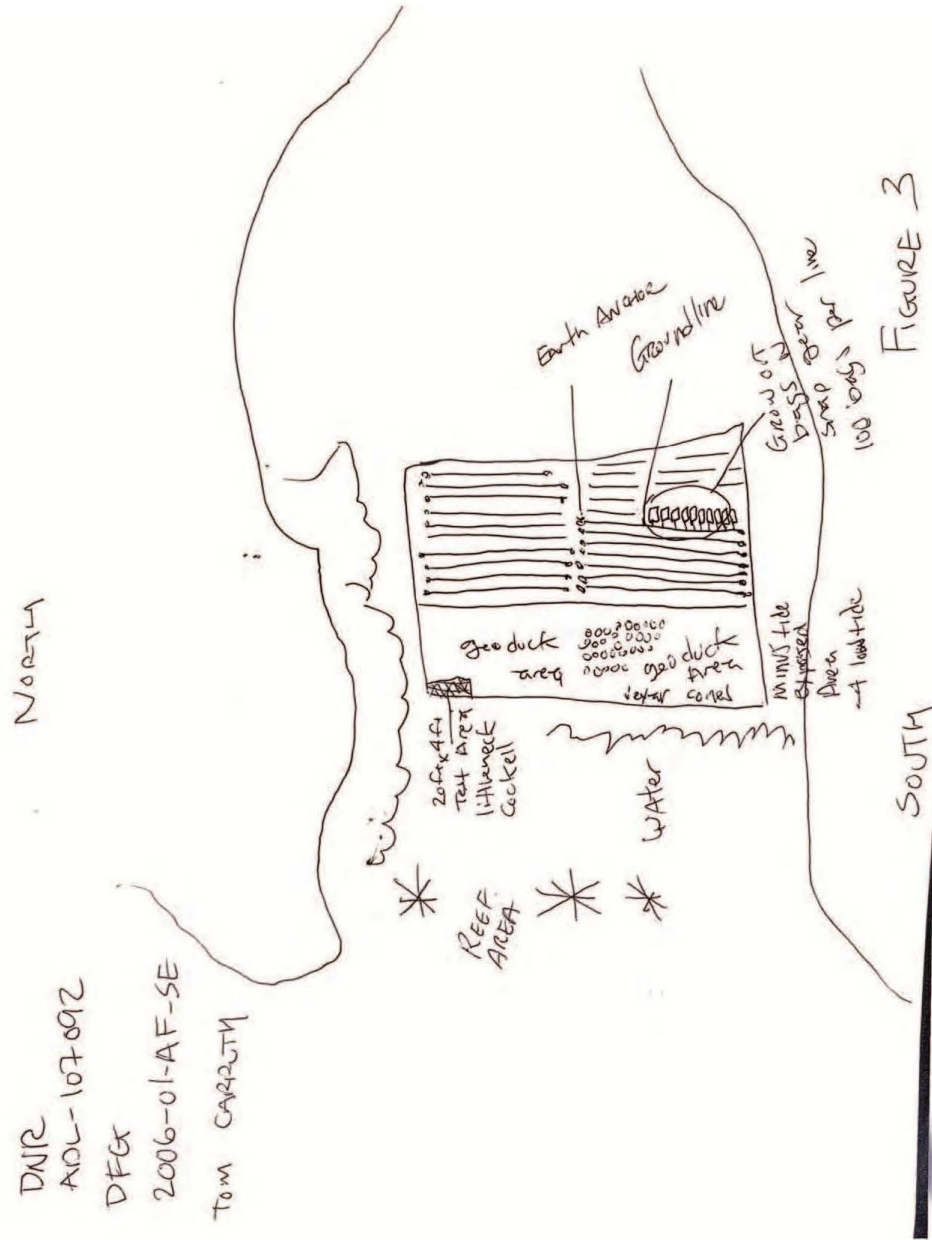
Attachment A Development Plan



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ADL-107092
ADFG
2006-01-AP-SE
Tom Carretta

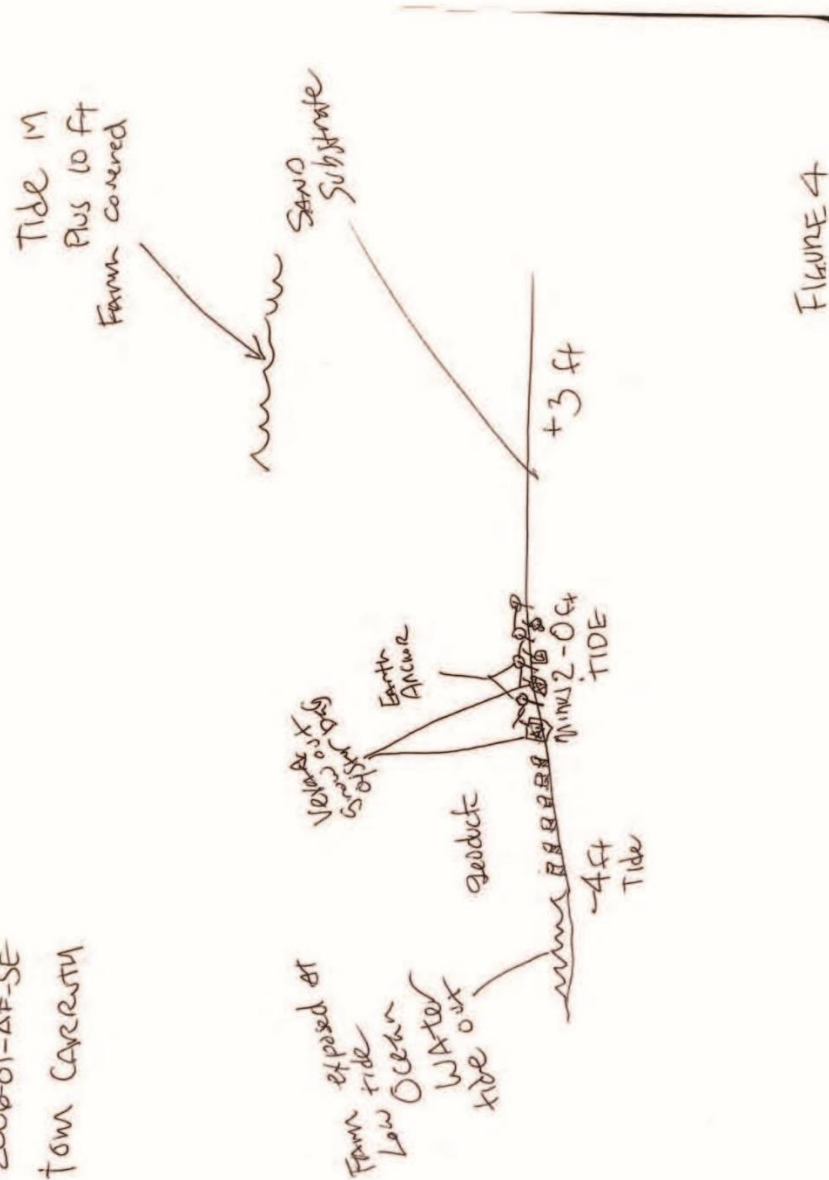
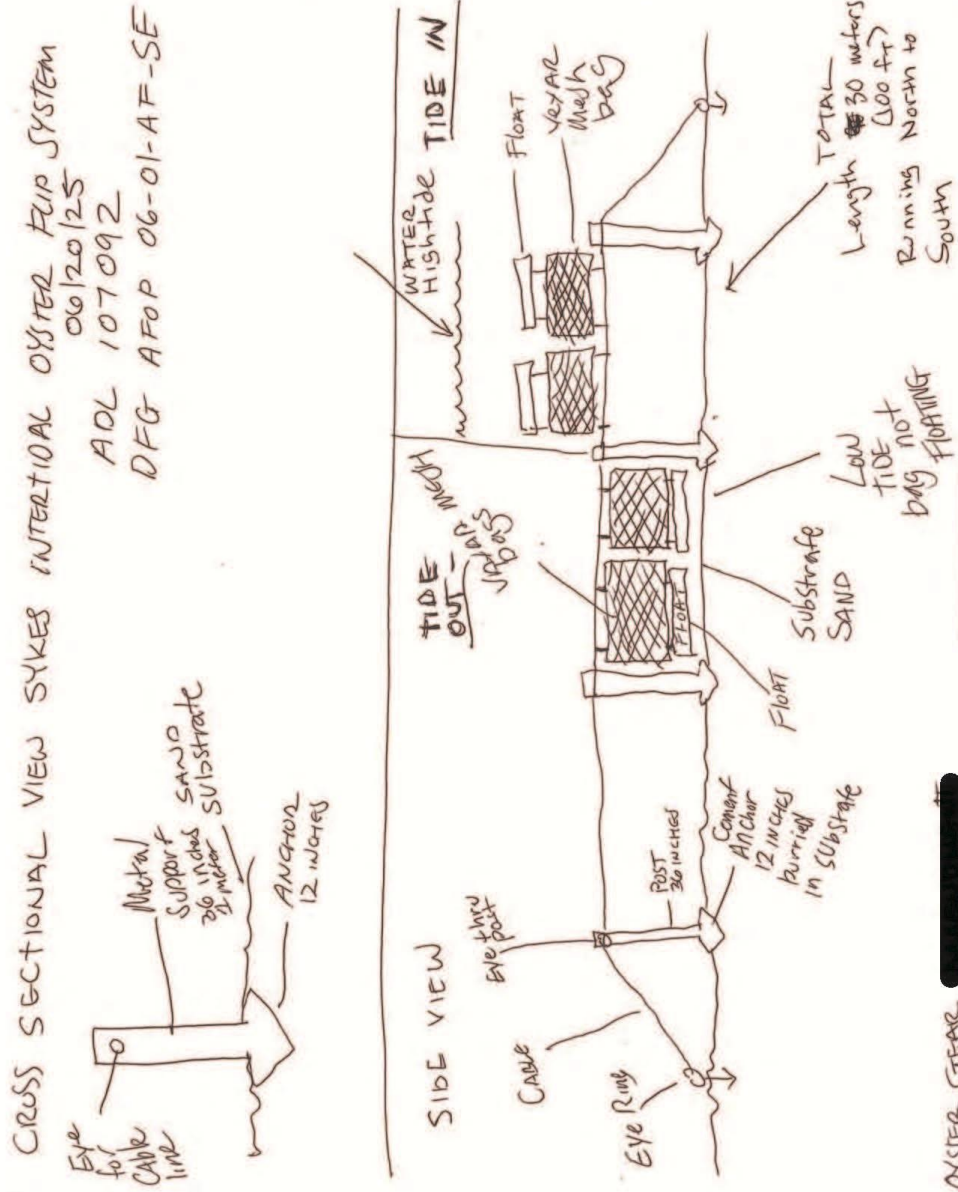


FIGURE 4

Attachment A Development Plan



Attachment A Development Plan



Earth anchor with 3 inch diameter auger



LONGLINE SNAP 5/16



Gangion line attached to snap gear



Oyster grow out bag



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

Attachment A Development Plan

