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Representative Josiah Patkotak, Chair  
Alaska House Resources Committee  
State Capitol Building, Room 124  
Juneau, AK 99801

February 11, 2022

Re: Letter of Support for HB52

Cook Inlet Aquaculture Association (CIAA) is a non-profit corporation founded in 1976 to provide and protect the salmon resource in Area H. We produce hatchery-born, ocean-raised salmon for the common property fishery in Cook Inlet and the outer Kenai Peninsula. Maintaining and improving salmon habitat and natural salmon populations is also an important part of CIAA's work. We recognize the value of both hatchery and naturally produced salmon fisheries.

Tutka Bay Lagoon hatchery (TBLH) is a state-owned facility operated by Alaska Department of Fish and Game (ADF&G) from 1976 – 1991. In 1991 CIAA assumed operations of TBLH through an operating agreement with ADF&G.

HB52 resolves a land disposal issue highlighted in the new Intent to Adopt version of the Kachemak Bay State Park management plan deeming the hatchery incompatible within the park. The hatchery has operated in the park under the designation of being compatible for decades and under multiple park management plans.

CIAA also operates Port Graham Hatchery (PGH) in the Port Graham village and Trail Lakes Hatchery in Moose Pass. The loss of operations in any hatchery will have an immediate effect on CIAA's ability to provide funding for its other programs.

There have been discussions regarding the China Poot dip net fishery being used to "bully" this bill through. Stating fact is not a bullying tactic. If TBLH was no longer operational the China Poot dip net fishery does go away along with all sockeye fisheries enhancement in the lower Cook Inlet to include Hazel Lake, Kirschner Lake, and Tutka Bay Lagoon. Documentation was submitted on Monday describing the complexity of the China Poot project.

Statements regarding the program taking place during the shutdown of pink operations at TBLH are true but still required the facility be operational and staffed seasonally. The electric bills, insurance, and maintenance upkeep continued to be paid by CIAA during the entire period of shutdown for the sockeye project to continue and was never designed to be a stand-alone

project. The sockeye program is costly and comes with risk thus requires pink salmon returns for funding for the project to be sustainable.

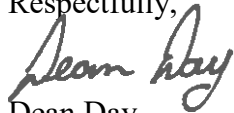
CIAA is governed by a 26 member volunteer board of directors made up of multiple stakeholders who determine funding for the multitude of projects undertaken throughout the entire Cook Inlet region from the Mat-Su to Resurrection Bay. They do so by balancing cost and benefit for all projects related to salmon. Outreach and education about invasive species and habitat are a primary focus of the board to generate a benefit for all within the region. Whether we are in the classroom, notching beaver dams, or clearing culverts it benefits salmon and the habitat.

Discussions regarding the amount of debt for the organization need context. As previously stated the board of directors determine projects and investments. As of 12/31/21 CIAA's total loan balance is \$15.8 million. It is important to note that this amount is an accumulation of investments from 1992 to present. Earlier operating loans have been paid off and CIAA has always and continues to make all loan payments.

Over half of the loan balance has been accrued from 2012 to 2018. Reopening TBLH after years of not being fully operational required an investment in equipment and infrastructure. There was assistance with deferred maintenance but additional funding for operations was required while the pink salmon run matures. At the same time CIAA made the decision to purchase and invest in the PGH. This required a complete renovation and continues to operate as the pink salmon run matures. Of the total loan balance 23.2% is attributed to TBLH and 34.6% to PGH.

Removing park lands is an issue that should be scrutinized. HB52 is a direct resolution to the initial issue of incompatibility. There is no change in public access to Tutka Bay Lagoon or the hatchery where State Park trails exist. All access for recreational purposes to include hiking, boating, fishing, and camping remains the same as it has been for the last 45 years.

Respectfully,



Dean Day

Executive Director

Cook Inlet Aquaculture Association