



Smolts



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Points of Interest at CIAA

- Tutka Bay Hatchery adds a new assistant manager, Justin Evans, to its staff.
- Lani Eggertsen-Goff resigns from the biologist position and begins work on the Salmon Enhancement Plan.
- Mark Thomas rejoins CIAA's staff as assistant manager at Trail Lakes Hatchery.
- Robert Merchant leaves his CIAA board of directors seat.
- Kadeon Waite resigns from Tutka Bay Hatchery after seven years of service.

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TLH Shows an Amazing Turnaround

By Trenten Dodson—CIAA Staff

"It's a wonderful feeling" exclaimed Trail Lakes Hatcher Manager, Robert Blankenship, referring to the about face his hatchery has undergone over the last year. After a disastrous year in 2001 regarding the decimation of several sockeye salmon stocks to IHNV, production at Trail Lakes Hatchery has soared to record rearing and release numbers thanks in part to several changes in protocol and hatchery modifications. "Basically we've stepped up our disease prevention methods, not only by way of extensive disinfection protocol, but also by means of isolation in our incubation modules" added Blankenship.

The staff was put to the test early in 2003, when two incubators of Big Lake fry were diagnosed with IHNV. The fish were quickly contained and destroyed before the virus could be horizontally transmitted to any of the healthy incubators within the module. Blankenship points out that the incubators are strategically arranged to prevent such a transmission: "We keep a six inch separation between each incubator, and use separate cleaning utensils and nets for each individual incubator. Furthermore, we keep each stock in a separate area or module." These measures allowed the other fry in the Big Lake module to emerge healthy and without infection.

Several other methods have been implemented to en-

sure that fry are exposed to less stress. "We've begun to allow the fry to volitionally migrate to the out door raceways"

Blankenship said, "this has eliminated undue stress caused by manually handling the fry and the results are excellent." To avoid crowding the fry into the outdoor raceways, the Trail Lakes crew brings large aluminum raceways into the hatchery to house more fry. "By spacing the fry out we've seen great improvements in overall fish health and quality. They are no longer stressed due to crowding and oxygen constraints." Blankenship commented.

The coho smolts have

been spaced out as well. "We had two open raceways within the coho module. By rearranging our incubator configuration, we were able to utilize these unused raceways. Our space for ponding coho smolts has now doubled and the results are tremendous. The smolts are able to feed much more efficiently and show fewer signs of worn fins" stated Blankenship.

With these added improvements, Trail Lakes Hatchery, and CIAA experienced a record year in fry production and

See Back Page—An Amazing Turnaround



Photo by Staff / CIAA

Robert Blankenship (centered), recently appointed hatchery manager at Trail Lakes, attends a board of directors meeting in January, at the CIAA office in Kenai. Floyd Heimbuch, the charter executive director of CIAA, is pictured in the back left.

Exxon Antes Up

CIAA Receives Supplemental Payment

By: CIAA Staff

The Cook Inlet Aquaculture Association recently received three payments from the Exxon Qualified Settlement Fund. CIAA's court-approved final percent share of the Aquaculture Claims category is 6.0488%. The three payments were for the Exxon Supplemental Claim Distribution, Compensatory Damages and Compensatory Interest. CIAA's Executive Director, Gary Fandrei, said "We have been waiting for this

payment for some time. It arrived when we needed the funds and they will be a big help in meeting our financial obligations this year". CIAA continues to follow the Exxon lawsuit and is hopeful a final settlement will be determined soon. "We do not know when we will receive any additional payments from the Exxon Settlement, but we are hopeful this lawsuit can be brought to a close" Fandrei concluded.

Letter From The Executive Director



Photo by Staff / CIAA

In 1998, the Association completed an extensive effort to evaluate its enhancement programs. At that time, CIAA's Planning Committee was directed by the Board to address the budget. Their charge was to develop a plan for aligning the Association's expenses with its income. To do this the committee had

to set reasonable goals and objectives, articulate the Association's priorities and establish a mechanism of checks and balances to evaluate the progress made in meeting the goals and objectives. The 1998 effort resulted in 23 specific recommendations.

In 1998, the Association was operating 3 hatcheries - Trail Lakes, Tutka and Eklutna - and only one of those hatcheries was being operated at capacity. To reduce costs and maintain production, the Planning Committee recommended the Association's hatchery operations be consolidated and operation of one of the hatcheries be temporarily suspended. After extensive deliberations, the Committee recommended operations at Eklutna be suspended and its projects discontinued or transferred to Trail Lakes.

It has been 5 years since the Planning Committee reviewed CIAA's enhancement programs and it is appropriate to ask - where are we

now?

Since 1998, we have been working to meet the recommendations of the Planning Committee; and, recently, with help from the Planning Committee, I reviewed CIAA's hatchery programs. While the Planning Committee's 1998 recommendations required extensive modifications to our annual work plans at Tutka Hatchery and physical modifications to Trail Lakes Hatchery, where they were also disrupted by a major IHNV outbreak in 2000/2001, they have been accomplished. The last 5 years have not all been easy; but, with the commitment and dedication of our staff, we have essentially met the hatchery goals established in 1998.

The following tables summarize the fry and smolt releases from Trail Lakes and Tutka Hatcheries for 2002, projects releases for this spring (2003) and outlines the hatchery's targeted goals. Prior to 1998, Trail Lakes Hatchery released ap-

proximately 12 million fish. We are now releasing over 19 million and all released fish are marked and each release is closely monitored and evaluated. In 1998, Tutka Hatchery released an average of 84 million fry. We are now releasing over 96 million fry annually.

The task has not been easy. Salmon markets have changed and ex-vessel salmon prices have continued to fall; but, with the help from members of our local community, such as Mayor Dale Bagely, and our Federal leadership in Congress, Senators Ted Stevens and now Governor Frank Murkowski and Representative Don Young, we have come a long way in meeting the objectives set in 1998. There are, however, still improvements to be made and the Planning Committee is now identifying those improvements and setting our goals and objectives for the next 5 years.

CIAA Continues Staff Realignment

Staff changes continue at CIAA, in hopes of placing a solid foundation of personnel to move forward with the goals set forth by the director. As the association hates to see good people leave, new personnel are always welcomed, along with their ideas.

Tutka Bay Hatchery has an entire new staff, beginning with the hatchery manager - Aaron VanArnum. Aaron brings to the association a wealth of industry knowledge in the aquaculture field. He has a masters degree in Aquaculture and Aquatic Sciences from Kentucky State. Shortly after accepting the manager position, Aaron began a search for an assistant manager. He selected Justin Evans, a graduate from Vermillion College with a bachelor of science in Natural Resource Management. Both

Justin and Aaron have jelled into their new environment, and have great devotion in the continuation of a strong pink salmon run for Tutka.

Lani Eggertsen-Goff recently resigned from the biologist position at CIAA, and has been repositioned as a Special Project manager responsible for the rewriting of the Salmon Enhancement Plan.

A familiar name has returned to the association, Mark Thomas. Mark filled the assistant manager position left vacant when Robert Blankenship was promoted to Trail Lakes Hatchery manager.

Susan Swartz replaced the vacated administrative assistant seat, previously held by Judy Miller. Due to medical reasons, Judy was forced to retire at the end of January.

Table 1. Trail Lakes Hatchery Smolt and Fry Releases for 2002, Projected Releases for 2003 and Long-term Program Goals.

2002	Stock	BY	No.	Wt	Biomass	Comments	%	Comb. %	Project Release	Estimated Return
Hidden	Hidden - Reds	2001	980,000	0.09	84.28		0.6	0.6	980,000	66,000
	Bear - Reds - Fry	2001	2,400,000	0.34	1,252.16		9.0			
	Bear - Reds - Presmolts	2001	802,000	4.10	3,288.20		23.7			142,000
	Bear - Cohos	2001	405,000	1.04	421.20		3.0			
	Bear - Cohos - Smolts	2000	124,000	13.40	1,661.60		12.0	47.7	3,739,000	13,000
Bear	Tustumena - Reds	2001	6,065,000	0.36	2,183.40		15.8	15.8	6,065,000	76,000
Tusty	Tusty - Reds - Leisure	2001	2,246,000	0.42	949.32		6.8			
	Tusty - Reds - Hazel	2001	1,280,000	0.40	512.00		3.7			
	Tusty - Reds - Kirschnher	2001	302,000	0.33	100.87		0.7			
LCI Lakes	Tusty - Reds - Upper Paint	2001	508,000	2.38	1,209.04		8.7	19.9	4,336,000	204,000
	Big Lake - Reds - Blodgett	2001	0	0.00	0.00		0.0			173,000
Big Lake	Big Lake - Reds - Meadow	2001	4,316,000	0.51	2,201.16		15.9	15.9	4,316,000	173,000
Total			19,436,000		13,857.23		99.9	99.9	19,436,000	674,000
Projected 2003			Estimated							
Hidden	Hidden - Reds	2002	600,000	0.09	51.60		0.3	0.3	600,000	41,000
	Bear - Reds - Fry	2002	2,400,000	0.34	816.00		4.8			
	Bear - Reds - Presmolts	2002	800,000	4.50	3,600.00		21.1			
	Bear - Reds - Smolts	2001	250,000	10.00	2,500.00		14.6			167,000
	Bear - Cohos	2002	405,000	0.75	303.75		1.8			
	Bear - Cohos - Smolts	2001	250,000	14.00	3,500.00		20.5			21,000
Bear	Bear - Cohos - Smolts	2001	100,000	14.00	1,400.00		8.2	71	4,205,000	7,000
Tusty	Tustumena - Reds	2002	6,000,000	0.34	2,040.00		11.9	11.9	6,000,000	75,000
	Tusty - Reds - Leisure	2002	2,000,000	0.34	680.00		4.0			
	Tusty - Reds - Hazel	2002	1,250,000	0.34	425.00		2.5			
	Tusty - Reds - Kirschnher	2002	250,000	0.34	85.00		0.5			
LCI Lakes	Tusty - Reds - Upper Paint	2002	0	0.00	0.00		0.0	7.0	3,500,000	140,000
	Big Lake - Reds - Blodgett	2002	2,000,000	0.34	680.00		4.0			
Big Lake	Big Lake - Reds - Meadow	2002	3,000,000	0.34	1,020.00		6.0	10.0	5,000,000	200,000
Total			19,305,000		17,101.35		100.2	100.2	19,305,000	651,000
Program Target			Estimated							
Hidden	Hidden - Reds	??	750,000	0.09	64.50		0.3	0.3	750,000	51,000
	Bear - Reds - Fry	??	2,400,000	0.34	816.00		4.3			
	Bear - Reds - Presmolts	??	800,000	4.50	3,600.00		19.0			
	Bear - Reds - Smolts	??	560,000	10.00	5,600.00		29.6			198,000
	Bear - Cohos	??	400,000	1.00	400.00		2.1			
	Bear - Cohos - Smolts	??	250,000	14.00	3,500.00		18.5	73.5	4,410,000	21,000
Bear	Tustumena - Reds	??	6,000,000	0.34	2,040.00		10.8	10.8	6,000,000	75,000
Tusty	Tusty - Reds - Leisure	??	2,000,000	0.34	680.00		3.6			
	Tusty - Reds - Hazel	??	1,250,000	0.34	425.00		2.2			
	Tusty - Reds - Kirschnher	??	250,000	0.34	85.00		0.4	6.2	3,500,000	140,000
LCI Lakes	Big Lake - Reds - Blodgett	??	2,000,000	0.34	680.00		3.6			
Big Lake	Big Lake - Reds - Meadow	??	3,000,000	0.34	1,020.00		5.4	9.0	5,000,000	200,000
Total			19,660,000		18,910.50		99.8	99.8	19,660,000	685,000

Table 2. Tutka Hatchery Fry Releases for 2002, Projected Releases for 2003 and Long-term Program Goals.

2002	Stock	BY	No.	Wt	Biomass	Comments	%	Comb. %	Project Release	Estimated Return
Pinks	Tutka	2001	99,370,000	0.51	50,678.70		100.0	100.0	99,370,000	1,500,000
Total			99,370,000		50,678.70		100.0	100.0	99,370,000	
Projected 2003			Estimated							
Pinks	Tutka	2001	90,000,000	0.50	45,000.00		100.0	100.0	90,000,000	1,500,000
Total			90,000,000		45,000.00		100.0	100.0	90,000,000	
Program Target			Estimated							
Pinks	Tutka	??	100,000,000	0.50	50,000.00		100.0	100.0	100,000,000	3,000,000
Total			100,000,000		50,000.00		100.0	100.0	100,000,000	

Cook Inlet Aquaculture Staff	
Kenai Office	Tutka Bay Hatchery
Gary Fandrei <i>Executive Director</i>	Aaron VanArnum <i>Hatchery Manager</i>
Lani Eggertsen-Goff <i>Special Projects</i>	Justin Evans <i>Assistant Manager</i>
Susan Swartz <i>Admin. Assistant</i>	Trail Lakes Hatchery
Trent Dodson <i>Project Technician</i>	Robert Blankenship <i>Hatchery Manager</i>
Mark Matarrese <i>Special Projects Mgn.</i>	Thomas Prochazka <i>Assistant Manager</i>
	Mark Thomas <i>Assistant Manager</i>

New Directors Elected to Board

Election for board members from Area H (Cook Inlet/Resurrection Bay) salmon permits holders were not necessary this year since there were only three petitions for nomination, equal to the number of seats vacated. In 1997 the CIAA Board of Directors amended the bylaws such that if the number of candidates exactly matched the number of vacated seats, the balloting of the permit holders would not be necessary. Under these circumstances, at the annual meeting the board would simply declare the nominees to have been duly chosen for the vacant seats and formally seat them for three year terms.

Our congratulations go to Dyer Van Devere, who has been reelected to another three year term, along with two new inductees, James Butler III and Steven Tvenstrup. Mr. Van Devere selected Dr. Roland Maw as his alternate, Mr. Butler named Phillip Squires, and Mr. Tvenstrup choose Dan Thompson to serve as his alternate. The three newly nominated director/alternate teams were seated at CIAA's 26th annual meeting held on February 15th, 2003.

DYER VAN DEVERE (Director) was first elected as a board member in 1989 and served as an alternate for Richard King from 1985 to 1988. Dyer has been involved in the fishing industry in this state since "he could walk", and he continues to participate in finfish and bottom fish fisheries, and contributes his time to help the industry solidify a future. Mr. Van Devere also has group affiliations with UCIDA, UFA, and CIFF.



Dyer Van Devere

Dyer believes that the importance of aquaculture to the state and the users of this resource is to continue to increase the populations of stocks for the common property fisheries. When asked how his participation will benefit the salmon fisherman in Cook Inlet, he responded: "I want to help see CIAA through the hard times. I think to a degree we can help stabilize the fisheries through larger returns, which benefits more users of the resource." He also believes that small stream enhancement and beaver dam control are important components for naturally adding to stock populations.

DR. ROLAND MAW (Alternate) currently resides in Kasilof, and has actively participated as a drift salmon fisherman since 1973 in Cook Inlet. He fishes for halibut and pacific cod, and tendered salmon in Prince William Sound and Chignik in the early 1990's. Dr. Maw has a PhD. in Resource Management and has been a university professor responsible for educating some 1400 fish and/or wildlife biologists. He is currently the director of UCIDA, and also a member of the CIFF.



Dr. Roland Maw

JAMES BUTLER III (Director) lives in Kenai with his wife Tana, and three children, Selia, Eli, and James. Mr. Butler came to Alaska in 1976, acquired a UCI salmon drift permit and has participated in the Cook Inlet salmon drift net fishery. He also crabbed in the Bering Sea in the late 1970's, and fished halibut in the north gulf coast in the late 1980's. Besides fishing, Mr. Butler served as a staff assistant to Senator (now governor) Frank Murkowski, and a special assistant to the KPB mayor for the Exxon Valdez oil spill. Currently Mr. Butler has his own law practice in Kenai specializing in Corporate, Environmental, and Incident Management law. James graduated from George Washington University with a degree in Business Administration in 1988, and then received his law degree from the University of Puget Sound School of Law in 1992. He was the former president of the Kenai Chamber of Commerce Board of Directors, holds the public interest seat on the Kenai/Soldotna Fish & Game Advisory Council, and was the former director of the South Central Alaska Chapter of the American Red Cross.



James Butler III

Mr. Butler brings a wealth of experience to the association, and wants to learn more about the enhancement activities that the association is responsible for. He expects to pursue, as a director, the responsible management of the Association's funds.

PHILLIP SQUIRES (Alternate) formerly served as a director and an alternate for Dyer Van Devere, is a Kenai resident and is currently employed by Agrium. Mr. Squires has been a Cook Inlet drift gill netter for over twenty five years, and also has halibut fished for seven-teen years. (No current photo on file)

STEVEN TVENSTRUP (Director) a long time Kenai resident who actively fishes in the salmon drift gill net and halibut fisheries, has been unavailable for an interview prior to this publication. (No current photo on file)

DAN THOMPSON (Alternate), is married to wife Kathleen and they reside in Kenai. Their son Richard Thompson lives in Soldotna. Mr. Thompson is currently employed by Tesoro Petroleum as an operator and has been for the past fifteen years. He spent four years in college at Marshall University in Huntington, W. Va. He has six years of dragging experience for shellfish and fin fish in the Atlantic Ocean, and has gillnetted for eighteen years for salmon in Cook Inlet.



Dan Thompson

Mr. Thompson said he hopes to raise the awareness of our salmon resource to the general public with first hand knowledge he gains from working with the CIAA mission. "I believe a salt water harvest is the best tool to manage the needs of a biologically managed salmon fishery. With this in mind, I hope to help in anyway I can to keep this salmon resource healthy and maximized for years to come," stated Dan when he was asked what contribution he can offer to the salmon resource as a CIAA board member.

Board of Directors

A Board of Directors that meets monthly controls the affairs of the association. Twenty three of the twenty-eight seats on the Board are currently filled. None of the Directors receives any compensation, per diem, or expense reimbursements from the Association for serving on the board. The Directors commitment and time to the Association's mission must not go unnoticed.

Commercial Fishermen of Cook's Inlet	Alternates
DIRECTORS: VACANT	None
VACANT	None
Cook Inlet Fishermen's Fund:	
DIRECTORS: DOUGLAS F. BLOSSOM	Chris Garcia
DAVID MARTIN	Chris Garcia
Cook Inlet Seiners Association:	
DIRECTORS: CHARLES WALKDEN	John Wise
NATHAN WISE	None
Inlet Wide Commercial Fishermen Representatives:	
DIRECTORS: JAMES BUTLER III	Phillip Squires
BUDDY HARRIS	Steven Perrizo
DREW SPARLIN, SR.	Dennis Crandall
STEVE TVENSTRUP	Dan Thompson
DYER VAN DEVERE	Roland Maw
Kenai Peninsula Fishermen's Association:	
DIRECTORS: HOWARD DAVIS	Rory Morrison
VACANT	None
North Pacific Fisheries Association:	
DIRECTORS: JESSIE NELSON	Dan Winn
VACANT	None
Northern District Set Netters of Cook Inlet:	
DIRECTORS: JEAN RING	Stephen Braund
VACANT	None
United Cook Inlet Drifters Association	
DIRECTORS: JOHN EFTA	Leonard Efta
FRANCIS DEROSSITT	Ron Rust
City of Homer:	
DIRECTOR: LEONARD MILLER	Al Ray Carroll
City of Kachemak:	
DIRECTOR: PAUL JONES	Emil Nelson
City of Seward:	
DIRECTOR: JOHN FRENCH	None
Cook Inlet Region, Inc.:	
DIRECTOR: PAUL SHADURA	None
Kenai Peninsula Borough:	
DIRECTOR: CHRISTOPHER MOSS	Ron Long
Matanuska-Susitna Borough:	
DIRECTOR: JAMES CHESBRO	None
Municipality of Anchorage:	
DIRECTOR: DICK TREMAINE	Dan Kendall
Ninilchik Village Council:	
DIRECTOR: STEPHEN VANEK	None
Processor Representative:	
DIRECTOR: TIMOTHY SCHMIDT	Duff Hoyt

Cook Inlet Aquaculture Association's

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Cook Inlet Aquaculture Association, Inc.
Kenai, Alaska

We have audited the accompanying statements of financial position of Cook Inlet Aquaculture Association, Inc. (a nonprofit organization) as of June 30, 2002 and 2001, and the related statements of activities, statements of functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cook Inlet Aquaculture Association, Inc. as of June 30, 2002 and 2001, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Lambert, Titus & Wagner CPAs

September 12, 2002

COOK INLET AQUACULTURE ASSOCIATION, INC. STATEMENTS OF FINANCIAL POSITION June 30, 2002 and 2001

	2002	2001
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 343,932	\$ 756,930
Grant receivable	236,366	-
Accounts receivable	10,000	-
Prepaid expenses	34,360	22,342
Total current assets	624,658	779,272
PROPERTY AND EQUIPMENT		
	3,685,776	3,497,241
Less accumulated depreciation	(2,179,371)	(2,088,248)
	<u>1,506,405</u>	<u>1,408,993</u>
	\$2,131,063	\$2,188,265
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 33,172	\$ 6,721
Accrued personnel expenses	73,111	82,447
Deposits advanced	-	100,000
Accrued interest	57,789	57,560
Current portion of notes payable	<u>44,065</u>	<u>42,782</u>
Total current liabilities	208,137	289,510
NOTES PAYABLE, less portion classified as current		
	2,264,161	2,171,696
	<u>2,472,298</u>	<u>2,461,206</u>
NET ASSETS		
Unrestricted	(694,889)	(272,941)
Temporarily restricted	353,654	-
	<u>(341,235)</u>	<u>(272,941)</u>
	\$2,131,063	\$2,188,265

COOK INLET AQUACULTURE ASSOCIATION, INC. STATEMENT OF ACTIVITIES Year ended June 30, 2002

	Unrestricted	Temporarily Restricted	Total
REVENUES AND OTHER SUPPORT			
Grants	\$ -	\$ 1,015,000	\$ 1,015,000
Enhancement tax proceeds	339,676	244,555	584,231
Terminal fish revenues	12,719	-	12,719
Interest	57	-	57
Other	352,452	1,259,555	1,612,007
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program restrictions	905,901	(905,901)	-
Total revenue and other support	<u>1,258,385</u>	<u>353,654</u>	<u>1,612,039</u>
PROJECT EXPENSES			
Tutka Hatchery	376,247	-	376,247
Trail Lakes Hatchery	655,558	-	655,558
Eklutna Hatchery	80,853	-	80,853
Field projects	211,865	-	211,865
Special projects	8,383	-	8,383
Total	<u>1,332,906</u>	<u>-</u>	<u>1,332,906</u>
GENERAL AND ADMINISTRATIVE EXPENSES			
	347,395	-	347,395
Total expenses	1,680,301	-	1,680,301
CHANGE IN NET ASSETS	(421,948)	353,654	(68,294)
NET ASSETS AT JUNE 30, 2001	(272,941)	-	(272,941)
NET ASSETS AT JUNE 30, 2002	<u>\$ (694,889)</u>	<u>\$ 353,654</u>	<u>\$ (341,235)</u>

COOK INLET AQUACULTURE ASSOCIATION, INC. STATEMENT OF ACTIVITIES Year ended June 30, 2001

	Unrestricted	Temporarily Restricted	Total
REVENUES AND OTHER SUPPORT			
Grants	\$ -	\$ 469,005	\$ 469,005
Enhancement tax proceeds	625,115	-	625,115
Terminal fish revenues	40,000	-	40,000
Interest	40,811	-	40,811
Other	454	-	454
Total	<u>666,380</u>	<u>509,005</u>	<u>1,175,385</u>
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program restrictions	509,005	(509,005)	-
Total revenue and other support	<u>1,175,385</u>	<u>-</u>	<u>1,175,385</u>
PROJECT EXPENSES			
Tutka Hatchery	486,845	-	486,845
Trail Lakes Hatchery	522,402	-	522,402
Eklutna Hatchery	112,705	-	112,705
Field projects	295,327	-	295,327
Special projects	350	-	350
Total	<u>1,377,629</u>	<u>-</u>	<u>1,377,629</u>
GENERAL AND ADMINISTRATIVE EXPENSES			
	386,130	-	386,130
Total expenses	1,763,759	-	1,763,759
CHANGE IN NET ASSETS	(588,374)	-	(588,374)
NET ASSETS AT JUNE 30, 2000	315,433	-	315,433
NET ASSETS AT JUNE 30, 2001	<u>\$ (272,941)</u>	<u>\$ -</u>	<u>\$ (272,941)</u>

COOK INLET AQUACULTURE ASSOCIATION, INC. STATEMENT OF FUNCTIONAL EXPENSES Year ended June 30, 2002

	Tutka Hatchery Operations	Trail Lakes Hatchery Operations	Eklutna Hatchery Operations	Field Projects	Special Projects	General and Administrative Expenses	Total
Wages	\$122,568	\$168,295	\$ 2,340	\$ 98,638	\$ -	\$188,939	\$ 580,780
Supplies	25,159	72,938	573	20,994	-	18,289	137,953
Payroll taxes and benefits	17,856	47,811	1,642	17,719	-	37,804	122,832
Utilities	41,024	72,812	(515)	1,620	-	5,188	120,129
Interest	-	116,178	-	637	-	29	116,844
Building and land maintenance	2,277	95,548	-	120	-	225	98,170
Depreciation	6,961	5,497	66,605	-	-	12,060	91,123
Insurance/workers compensation	24,330	16,589	6,920	488	-	28,789	79,116
Fish food	53,145	12,683	-	10,113	-	-	75,941
Equipment operation and maintenance	19,948	20,311	345	2,264	-	8,984	51,852
Fish harvesting	42,713	1,500	-	-	-	-	44,213
Aircraft and boat charters	3,622	-	-	31,442	8,033	539	43,636
Professional services	-	400	-	18,240	-	9,992	28,632
Postage and freight	3,203	10,190	-	90	-	3,616	17,099
Medication and disinfectants	7,630	7,655	-	-	-	-	15,285
Travel, lodging and meals	1,004	355	46	131	-	10,472	12,008
Telephone	1,604	2,309	1,012	1,655	-	5,301	11,881
Safety program	104	669	-	270	-	1,525	2,298
Rent	-	-	1,500	-	-	-	1,770
Other	1,099	3,838	385	7,444	350	15,643	28,739
	<u>\$376,247</u>	<u>\$655,558</u>	<u>\$ 80,853</u>	<u>\$211,865</u>	<u>\$ 8,383</u>	<u>\$347,395</u>	<u>\$1,680,301</u>

COOK INLET AQUACULTURE ASSOCIATION, INC. STATEMENT OF FUNCTIONAL EXPENSES Year ended June 30, 2001

	Tutka Hatchery Operations	Trail Lakes Hatchery Operations	Eklutna Hatchery Operations	Field Projects	Special Projects	General and Administrative Expenses	Total
Wages	\$154,293	\$149,544	\$ 8,240	\$ 98,801	\$ -	\$212,048	\$ 622,926
Supplies	25,445	76,823	2,473	21,271	-	12,705	138,717
Payroll taxes and benefits	28,798	38,992	949	11,858	-	36,234	116,831
Utilities	23,644	57,200	(246)	1,608	-	4,600	86,806
Interest	-	114,902	-	637	-	29	114,902
Building and land maintenance	9,454	6,602	-	-	-	882	16,938
Depreciation	17,283	8,732	88,109	-	-	17,119	131,243
Insurance/workers compensation	25,235	16,499	8,612	-	-	33,626	83,972
Fish food	43,559	7,704	-	4,548	-	-	55,811
Equipment operation and maintenance	45,114	26,709	1,005	11,791	-	8,794	93,413
Fish harvesting	84,958	-	-	50,000	-	-	134,958
Aircraft and boat charters	972	-	-	29,006	-	350	30,328
Professional services	650	2,210	-	16,261	-	19,177	38,298
Postage and freight	14,624	6,848	416	2,038	-	2,151	26,077
Medication and disinfectants	4,144	2,528	-	-	-	-	6,672
Travel, lodging and meals	4,152	619	127	67	-	6,297	11,262
Telephone	1,865	2,889	660	2,721	-	5,896	14,031
Safety program	1,592	937	-	168	-	788	3,485
Rent	-	-	1,600	5,040	300	-	9,822
Other	1,063	2,664	760	148	50	22,621	27,307
	<u>\$486,845</u>	<u>\$522,402</u>	<u>\$112,705</u>	<u>\$255,327</u>	<u>\$ 350</u>	<u>\$386,130</u>	<u>\$1,763,759</u>

2002 Financial Statements

COOK INLET AQUACULTURE ASSOCIATION, INC.
STATEMENTS OF CASH FLOWS
Years ended June 30, 2002 and 2001

	2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from grants and contracts	\$ 778,634	\$ 40,000
Cash received from terminal fish revenue	229,676	815,204
Cash received from enhancement tax proceeds	244,555	469,005
Cash received from other sources	57	454
Interest received	12,719	40,811
Interest paid	(116,615)	-
Cash paid to suppliers and employees	(1,467,237)	(1,558,439)
Net cash used by operating activities	(318,211)	(192,965)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(52,035)	(22,932)
Performance bond redemptions	-	1,000
Net cash used for investing activities	(52,035)	(21,932)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term financing	-	350,000
Principal payments on long-term financing	(42,752)	-
Net cash (used) provided by financing activities	(42,752)	350,000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(412,998)	135,103
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	756,930	621,827
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 343,932	\$ 756,930
RECONCILIATION OF CHANGES IN NET ASSETS TO NET CASH USED BY OPERATING ACTIVITIES		
	2002	2001
CHANGE IN NET ASSETS	\$ (68,294)	\$ (588,374)
ADJUSTMENTS TO RECONCILE CHANGES IN NET ASSETS TO NET CASH USED BY OPERATIONS		
Depreciation	91,123	131,243
Increase in accrued interest	229	57,560
(Increase)/decrease in accounts receivable	(10,000)	90,089
Increase in notes payable	-	57,342
Increase in prepaid expenses	(12,018)	(12,180)
Increase/(decrease) in accounts payable	26,451	(25,529)
Decrease in accrued personnel expenses	(9,336)	(3,116)
(Decrease)/increase in deposits payable	(100,000)	100,000
Increase in grant receivable	(236,366)	-
	(249,917)	395,409
	\$ (318,211)	\$ (192,965)
SUPPLEMENTAL SCHEDULE OF NONCASH FINANCING ACTIVITIES:		
	2002	2001
Deferred interest on notes payable to State of Alaska	\$ -	\$ 57,342
During the year ended June 30, 2002, the Association financed the purchase of property as follows:		
Bear lake property	\$ 137,500	-
Down payment	-	(1,000)
Note payable to State of Alaska	-	\$ 136,500

COOK INLET AQUACULTURE ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT.)
June 30, 2002 and 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

g. Cash and Cash Equivalents
 For purposes of the statement of cash flows, the Association considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

2. GRANT RECEIVABLE
 Grant receivable consists of the following:

	Total Award Amount	Receivable at June 30, 2002
U.S. Fish and Wildlife Service	\$1,000,000	\$ 236,366

3. PROPERTY AND EQUIPMENT
 Property and equipment at June 30, 2002 and 2001, is as follows:

	2002	2001
Tutka Lagoon Hatchery	\$ 129,871	\$ 81,428
Eklutna Hatchery and equipment	2,636,555	2,636,555
Trail Lakes Hatchery and equipment	232,822	232,381
Bear Lake property	137,500	-
Headquarters building	314,951	314,871
Field equipment	165,056	165,056
Office equipment	59,385	57,314
Warehouse equipment	9,636	9,636
	3,685,776	3,497,241
Less accumulated depreciation	(2,179,371)	(2,088,248)
	\$1,506,405	\$1,408,993

The Association operates the facilities owned by the State of Alaska at Tutka Lagoon and Trail Lakes. Title of the physical properties is retained by the State of Alaska and the costs of the physical plants are not reflected in the financial statements of the Association.

The Association provides minimal operations at its Eklutna Hatchery to ensure the safekeeping of hatchery property owned by the Association until such time as the Board of Directors determine to reopen the hatchery.

4. DEPOSITS ADVANCED
 Deposits advanced of \$100,000 at June 30, 2001, consist of cash received from processors for the acquisition of surplus fish from planned terminal recovery harvests.

5. NOTES PAYABLE
 Notes payable at June 30, 2002 and 2001, consist of the following:

	2002	2001
Note payable including deferred interest to the Dept. of Commerce and Economic Development, State of Alaska, Division of Investments, secured by an assignment of future revenues and proceeds of sales of surplus fish and eggs, with interest at 9.5% beginning December 20, 1994, and payable in equal annual installments of \$36,874 including deferred interest beginning January 1, 2002.	\$ 361,111	\$ 375,317

COOK INLET AQUACULTURE ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2002 and 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cook Inlet Aquaculture Association, Inc. is an Alaskan regional nonprofit corporation established under Alaska Statutes and operated for the enhancement of salmon in Alaska.

The accounting policies that affect the more significant elements of the financial statements of the Association are summarized as follows:

a. Method of Accounting
 The Association reports information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted amounts are those currently available at the discretion of the Board for use in the Association's operations.

Temporarily restricted amounts are those that are stipulated by donors or grantors for specific operating purposes.

Permanently restricted amounts are those for which the principal is stipulated by donors or grantors to be invested in perpetuity.

b. Contributions
 All contributions are considered to be available for unrestricted use unless specifically restricted by the donor or grantor. Amounts received that are designated for future periods or restricted by the donor or grantor for specific purposes are reported as temporarily restricted or permanently restricted support that increase those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

c. Property and Equipment
 Property and equipment are recorded at cost and depreciated over their estimated useful life. Depreciation is computed using the straight line method.

d. Income Tax
 The Internal Revenue Service has determined that the Association is exempt from federal and applicable state income tax under Section 501(c)(3) of the Internal Revenue Code.

e. Enhancement Tax
 Cook Inlet commercial fishermen voted in 1981 to assess a 2% tax on gross value of the salmon harvest from Cook Inlet. The tax is collected by the State of Alaska from salmon processors and then paid to the Association by the state in the form of a grant. The proceeds are to be used for enhancement and development of the salmon fishery with a goal of stabilizing the salmon run and producing sufficient fish to meet the needs of all user groups. The enhancement tax revenue is a major source of funding for the Association.

f. Estimates
 The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

COOK INLET AQUACULTURE ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT.)
June 30, 2002 and 2001

5. NOTES PAYABLE (cont.)

	2002	2001
Note payable including deferred interest to the Dept. of Commerce and Economic Development, State of Alaska, Division of Investments, secured by an assignment of future revenues and proceeds of sales of surplus fish and eggs, with interest at 9.5% beginning December 20, 1994, and payable in equal annual installments of \$13,909 including deferred interest beginning January 1, 2002.	136,202	141,561
Note payable including deferred interest to the Dept. of Commerce and Economic Development, State of Alaska, Division of Investments, secured by all property now owned or hereafter acquired and an assignment of future revenues and proceeds of sales of surplus fish and eggs, with interest at 9.5% beginning September 9, 1998, and payable in equal annual installments of \$107,918 including deferred interest beginning January 1, 2002.	1,075,182	1,097,600
Note payable to the Dept. of Commerce and Economic Development, State of Alaska, Division of Investments, secured by all property now owned or hereafter acquired and an assignment of future revenues and proceeds of sales of surplus fish and eggs, with interest at 9.5% beginning April 4, 2006, and payable in equal annual installments of \$28,104 including interest beginning January 1, 2007.	249,981	250,000
Note payable to the Dept. of Commerce and Economic Development, State of Alaska, Division of Investments, secured by all property now owned or hereafter acquired and an assignment of future revenues and proceeds of sales of surplus fish and eggs, with interest at 9.5% beginning May 7, 2007, and payable in equal annual installments of \$40,465 including interest beginning January 1, 2008.	349,250	350,000
Note payable to the Dept. of Commerce and Economic Development, State of Alaska, Division of Investments, secured by real property and by all property now owned or hereafter acquired and an assignment of future revenues and proceeds of surplus fish and eggs, with interest at 6% beginning June 18, 2008, and payable in equal annual installments of \$12,133 including interest beginning January 1, 2009.	136,500	-
	2,308,226	2,214,478
	(44,065)	(42,782)
Less current portion	-	-
	\$2,264,161	\$2,171,696

CIAA 2002 Financial Statements (cont.)

COOK INLET AQUACULTURE ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 June 30, 2002 and 2001

5. NOTES PAYABLE (cont.)

Following are maturities of long-term debt for each of the next five years:

2003	\$ 44,065
2004	46,346
2005	48,844
2006	51,578
2007	54,573

6. ANNUAL LEASES

The Association entered into a long-term lease with the federal government on July 22, 1982, for lease of approximately two acres for the Eklutna Hatchery. The lease is for a period of 30 years with right of renewal. Lease payments are \$1,200 per year and can be adjusted every five years to reflect current market value. The annual lease payments were \$1,500 for years ended June 30, 2002 and 2001. This amount is included with Eklutna Hatchery expenses.

On July 7, 1985, the Association entered into a lease with the Kenai Peninsula Borough on 4.9 acres of land which is the site of a new headquarters complex. The lease was for a period of 30 years with right to renewal. Annual lease payments were set at 5% of the current year assessed value of the land. The annual lease payment for the year ended June 30, 2001, was \$2,432 and is included in general and administrative expenses. During the year ended June 30, 2002, the Kenai Peninsula Borough transferred the land that is the site of the headquarters complex to the Association with the special restriction that the property be used solely for the operation of Association authorized purposes. The Association may remove the restriction by paying the Borough fair market value for the land.

On February 15, 1991, the Association entered into a lease with the State of Alaska on 4.68 acres of land, which is the site of the Paint River fish ladder. The lease is for a period of 55 years with right to renewal. Annual lease payments are \$200. Total lease payments for the years ended June 30, 2002 and 2001, were \$200. This amount is included with special projects expenses.

Future minimum rental payments in aggregate for all leases:

2003	\$ 1,700
2004	1,700
2005	1,700
2006	1,700
2007	1,700

7. COMMITMENTS AND CONTINGENCIES

On December 8, 1994, the Association entered into a memorandum of agreement with the Seward Silver Salmon Derby-Fish Restoration Fund whereby the Association agreed to produce and stock 150,000 or more silver salmon smolt yearly for a ten-year period for a fee of \$15,000 per year. The Association received \$15,000 in 2002 and \$40,000 in 2001.

8. RELATED PARTY TRANSACTIONS

During the year ended June 30, 2002, the Association paid \$43,127 to a board member under a contract to harvest fish for the Association's Hatchery Cost Recovery program.

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COOK INLET AQUACULTURE ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 June 30, 2002 and 2001

9. FINANCIAL INSTRUMENTS

Financial instruments that potentially subject the Association to concentration of credit risk consist principally of temporary cash investments. The Association places its temporary cash investments with money market funds through McDonald Investments, Inc.

10. RETIREMENT COSTS

The Association sponsors a defined contribution retirement plan that covers all regular employees. Contributions to the plan are based on a percentage of the employee's base salary that is established from time to time by the Board. There is no retirement expense for 2002 and 2001.

11. MAJOR FUNDING SOURCES

The Association receives a substantial portion of its annual funding through a U.S. Fish and Wildlife Service grant and the State of Alaska Enhancement Tax proceeds. The funding received from these two sources totaled \$1,244,555 and \$469,005 for the years ended June 30, 2002 and 2001, respectively.

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**INDEPENDENT AUDITOR'S REPORT
 ON SUPPLEMENTARY INFORMATION**

Board of Directors
 Cook Inlet Aquaculture Association, Inc.
 Kenai, Alaska

Our report on our audits of the basic financial statements of Cook Inlet Aquaculture Association, Inc. (a nonprofit corporation) at and for the years ended June 30, 2002 and 2001, appears on page 10. We conducted our audits in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The following schedule on field and special projects expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Lambert, Titus & Wagner CPAs

September 12, 2002

A Farewell From Judy

By: CIAA STAFF

After four years of service to the association, Judy Miller, the administrative assistant for CIAA, has left her post as of January 31st, 2003. We will all miss Judy and her varied talents that she brought to the association, and wish her well in her future endeavors.

Susan Swartz, a resident of Kenai, Alaska since 1988, will be the new "office boss". Susan has a background in fishery related business from her past experiences as an executive secretary for a local fish processor. She currently is enrolled at KPC in pursuit of a bachelors degree in business administration. Her time must be well managed, for she also is of mother of a teenage boy.

Judy left with the following statement:

"I have truly enjoyed working for Cook Inlet Aquaculture and regret leaving for medical reasons, as I know I will miss the people I have worked with, and the Board members I have worked with for the last four years.

I did not know anything about commercial fishing when I started working for CIAA. I admire the goal of the

Association and wish that everyone in the Cook Inlet area realized what good work has and is being done to preserve and restore the salmon by the commercial fishermen. I believe the commercial fishermen are an important part of the lifestyle and economy of our community.

I have succeeded in getting all accounting automated, changed many Dos applications to the Windows Operating System, worked on getting group medical and dental insurance for the employees and also updating the filing system.

Susan Swartz has been hired to replace me as Administrative Assistant. She brings excellent computer, organizational, accounting and secretarial skills and experience to the job. I am sure she will do well and hope everyone will welcome her to Cook Inlet Aquaculture Association.

It has been a pleasure to work

COOK INLET AQUACULTURE ASSOCIATION, INC.
 SCHEDULE OF FIELD AND SPECIAL PROJECTS EXPENSES
 Years ended June 30, 2002 and 2001
 See Auditor's Report on Supplementary Information

	2002	2001
Field Projects		
Bear Lake	\$ 56,034	\$ 55,395
Tustumena Lake	52,261	28,114
Hidden Lake	30,847	6,223
Big Lake	27,229	6,995
Leisure Lake	14,616	-
Lower Cook Inlet Lakes	14,340	18,382
Grouse Lake	13,900	88,304
Packers Lake	2,639	29,914
Special Projects		
Habitat Survey	8,033	-
Paint River	350	350
	<u>\$220,249</u>	<u>\$255,677</u>

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with such a great staff and the Board of Directors and I wish you all well as you endeavor to restore and enhance the salmon and their habitat in Cook Inlet."

CIAA Moves Forward on Saltonstall-Kennedy Grant Funded Project

By: CIAA Staff

The January 2002 issue of Smolts announced the funding recommendation for the Saltonstall-Kennedy (SK) grant application for the "Evaluation of the Cook Inlet Regional Salmon Enhancement Plan 1981-2000." Since that recommendation occurred, the project was funded and work was authorized to begin in summer 2002. However, the field season began with new staff Biologist, Lani Eggertsen-Goff and Project Technician, Trent Dodson, both working on the numerous field projects. This resulted in the SK project being put on hold.

In October Ms. Eggertsen-Goff was hired to take over the Special Project Manager position for the SK project. Her family is moving to Homer which required her resignation from the Biologist position, while allowing her to work on the SK Project in a "telecommuting" arrangement.

Since October Lani has been working on several aspects of the project. These have included the orientation to the project requirements, review of the Cook Inlet Regional Salmon Enhancement Plan 1981-2000, a literature review, and data compilation. In addition to these tasks, she has been gathering in-house records and data, and contacting local, state and federal agencies to obtain relevant data. In January Lani began rewriting the Introduction and Regional Profile chapters of the old plan.

The next steps on the project's Milestone schedule include: meeting with the ADF&G Regional Planning Team's Resource Biologist, Sean Palmer, update of the Stock Status chapter, and evaluation of the production goal and enhancement strategies discussed in the 1981-2000 plan. During the summer and fall of 2003 there will be onsite evaluations, and coordination with resource managers and the new CIAA Biologist to evaluate the current status of salmon enhancement in Cook Inlet.

If you have any questions about this project or would like be added to the list of people slated to receive a copy of the draft report due out in October of 2003, please contact Lani Eggertsen-Goff through email, lgoff@ciaanet.org or by calling CIAA headquarters. If you want to give any suggestions regarding the plan and planning process, we are interested in your input.

Tutka Files Flood Claim with FEMA

By CIAA Staff

Tutka Hatchery submitted a claim to the Federal Emergency Management Agency (FEMA) as the result of the damage caused by the late fall flooding in the lower areas of the Kenai Peninsula. Aaron Van Arnum, Tutka's hatchery manager, reported the water entering the hatchery during the days of local flooding had the "consistency of chocolate milk". The siltation that entered the incubators, at a stage of development where any handling of the eggs would be fatal, choked off the perforated plate which allows water to flow upward through the incubator media. This lack of circulation became a catalyst for rapid fungus growth along with increased organic deposits from the flooding waters, resulting in the early mortality of approximately 20% of the hatchery inventory.

Tutka Hatchery has asked FEMA for assistance from the monetary losses due to the flooding, and funds to remedy the problem from happening in the future.

Work Continues on Bear Creek Visitors

By CIAA Staff

CIAA has hired HDR Alaska, Inc. to evaluate the demand and supply of tourism activities on the Seward Highway corridor and to determine the economic feasibility of providing visitor attractions and services at the Bear Creek Weir and/or the Trail Lake Hatchery. The study will explore whether there are opportunities to serve summer visitors at the two sites, and whether providing expanded visitor attractions could generate revenue to finance other CIAA projects.

To date, the project team has conducted a site visit, outlined the project goals and objectives, and completed numerous interviews with visitor industry experts to assess the potential demand and interest in visitor attractions at the proposed sites. The next step is to create concept-level designs for potential attractions based on the information collected so far.

For more information, contact Kristen Maines at HDR Alaska at 907.274.2000.

Help Support Salmon Habitat Restoration

And receive free CIAA Gear!

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We thank you for your support and dedication in our efforts to continue enhancement and rehabilitation of Cook Inlet Salmon.




Each garment features an embroidery of the CIAA logo.



Proceeds will help support our salmon habitat restoration projects



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Online at:
<http://www.ciaanet.org>

CIAA Project Updates

By: CIAA Staff

Sockeye Enhancement Projects:

CIAA currently conducts sockeye salmon enhancement activities at Tustumena Lake, Big Lake, Bear Lake, and Hidden Lake.

Cost Recovery Projects:

In an effort to recover salmon enhancement costs, CIAA has created terminal sockeye salmon fisheries by releasing fry to Leisure Lake, Hazel Lake, and Kirschner Lake. These combined projects yielded a return of over 171,000 sockeye salmon, with approximately 64% going to common property fisheries.

Sport Fishing Projects:

Currently the City of Seward provides CIAA with funds to raise coho salmon to enhance the coho fishery in Resurrection Bay.

Flow Control Structures & Fish Ladders:

To help aid the escapement of salmon to various water systems, CIAA has constructed flow control structures at Marten Lake and Daniels Lake to provide adequate water flow for adult salmon to reach their spawning areas. Other improved fish-ways include several jumping pools at Chenik Lake and the Paint River Fish Ladder.

Hatcheries:

At present, CIAA operates two state owned salmon hatcheries: Trail Lakes Hatchery and Tutka Bay Lagoon Hatchery. All sockeye and coho salmon projects are housed at the Trail Lakes facility. Tutka Bay is responsible for pink salmon production. The returning adult pinks are harvested by CIAA to recover the cost of the program, leaving the remainder of the return to be harvested in various commercial gear groups and other common property fisheries. Eklutna Salmon Hatchery is not operational at this time.

Bear Lake Weir:

Bear Lake Weir is currently being evaluated as a prime area for a visitor's center. Many activities ranging from smolt enumeration and egg collections to fish sales attract hundreds of school children and thousands of visitors

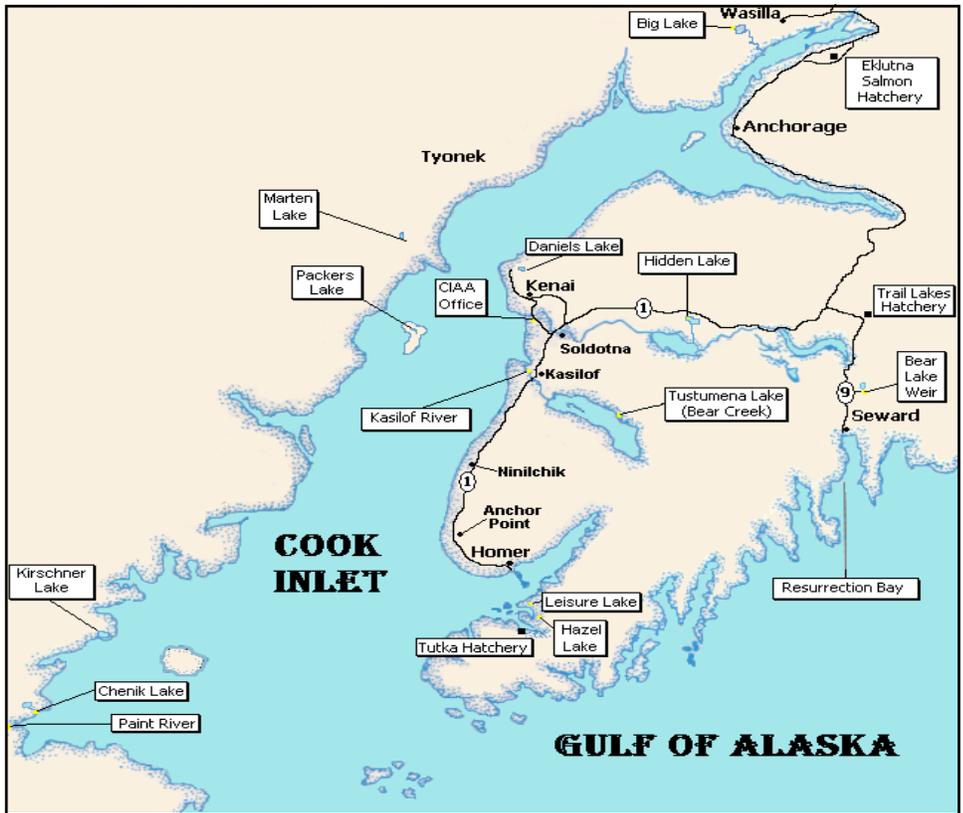
An Amazing Turnaround

Continued from Page 1

release in 2002. All release goals were met with exception to Big Lake sockeye and Bear Lake Coho. "This year we've released over twenty percent more fish than our previous record year" CIAA Executive Director, Gary Fandrei pointed out. "However, numbers aren't everything; these fish were of much better quality than ever before. The Trail Lakes staff and all others involved have done an outstanding job in every respect," he commented. The 2002 improvements to the facility as well as the work ethic and attitude of the staff have carried over into 2003. Once again a problem arose early within the Big Lake sockeye module. And once again, the proper measures were taken to combat the IHNV. The remaining emergent fry seem in good health and excellent condition. "We'll keep a close eye on them [the fry]

and periodically send samples to ADF&G for pathology updates", reported Blankenship, "If all goes well and the remaining fry stay healthy, this year's release numbers should match the 2002 release."

As the crew prepares the hatchery for placing the fry in the raceways, Blankenship discusses other improvements the hatchery might see in the future. Such as reinstalling a water circulation pump in the coho module to help reduce water consumption. Another modification would include the installation of an ultraviolet light treatment unit to help disinfect the hatchery's incoming water supply. Finally Blankenship noted: "There is always room for improvements and we keep finding ways to make ourselves and the facility better. The better we are, the better our fish are."



Pictured at Right: This map pinpoints all the sites where CIAA has salmon activities and operational facilities.

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