



BBRSDA Board Meeting Minutes

January 14–15, 2015 – 8:30 a.m.

Mayflower Hotel – Seattle, WA

January 14, 2015

1. Call to Order/Establishment of Quorum

Chairman Heyano called to order at 8:35 a.m. Board members present were Heyano, Carscallen, Solberg, Christensen, LaRussa, and Marinkovich; Johnson was excused. Staff/contractors present were Executive Director Aspelund, Marketing Director Herendeen, Marketing Assistant, Aurora Lang, and Fieldwork Communications' Coughlin.

Members present were Kristian Schonberg, Peter Most, Mike Matheson, and arriving later, David Harsila.

The board welcomed Lange Solberg and thanked him for his willingness to serve.

2. Approval of Agenda

Carscallen moved and Solberg seconded to approve the agenda as revised to add response to *Battle of the Bay*; review of the March industry meeting draft invitation, draft invitation list, and draft agenda; and an appeal of Carscallen's travel reimbursement denial. Removed from the agenda was review and approval of the financial policies in order to provide more time for substantive review by the Finance Committee. **MOTION CARRIED UNANIMOUSLY.**

3. Approval of Previous Minutes

A. November 22–23, 2014

Christensen moved and Carscallen seconded to adopt the November 22–23, 2014 minutes as amended to strike the minority report section in Agenda Item 11 and add Luck's and Christensen's names as those opposed to approval of the budget. Chairman Heyano clarified that the last sentence under the Agenda Item 6B – Quality Committee report needed to state that BBRSDA cannot be involved in allocative matters and to delete any references to the Board of Fisheries. **MOTION CARRIED 5/0/1 WITH SOLBERG ABSTAINING.**

B. January 5, 2015

LaRussa moved and Carscallen seconded to approve the January 5, 2015 teleconferenced meeting minutes as presented. **MOTION CARRIED 5/0/1 WITH SOLBERG ABSTAINING.**

LaRussa mentioned the need for a policy on minutes and what information they should contain.

4. Member Comments – None.

5. Executive Director Report

In addition to the information included in her written report, Aspelund:

- Inquired about the status of the Director Marketer’s Working Group that was brought to her attention by member Dave Hansen. Board members did not recall that working group; Aspelund, with the assistance of the Marketing Director and Marketing Committee will research and advise the board on what is learned.
- Advised that the *Call for Nominations and Notice of Elections* should hit mailboxes that day.
- Advised that she had been approved for leave 4/15–27/15, nine work days.
- Advised that she had dropped BBRSDA’s corporate records to be scanned on her way to the meeting.

Board comments: Christensen appreciates getting the detailed executive director report. Heyano inquired about the Fed-Ex account item; Aspelund explained that the marketing program ships fish and other supplies by Fed-Ex and having an account will facilitate that process. LaRussa asked how payment would be handled; Aspelund responded that the BBRSDA credit card would be used.

6. Committee Reports

A. Sustainability – LaRussa

LaRussa asked Carscallen to summarize activities of the Sustainability Program. There have been two committee meetings since the last board meeting and one federal strategy meeting in Anchorage in December. Minutes from the two committee meetings and two Sustainability Reports have been provided. The preliminary injunction from the Pebble II lawsuit has resulted in at least a three-month delay in delivery of a final 404(c) determination. These delays will increase the likelihood of congressional actions to prevent 404(c) implementation. Vitter has reintroduced this year’s version of SB 2156. Dates for D.C. meeting are firmed for February 12–13, but introduction of the new bill might change whom and how we meet with Congressmen. A couple of sustainability items will be discussed in executive session. Lang is back on as the Sustainability Project Assistant and Carscallen is working to bring Ben Blakey and Sarah Schumann back on board as contractors. Christensen asked about the slate of offices that the D.C. travel would visit. Carscallen described it as visits to Pacific Northwest congressmen and key fisheries and appropriations committee members, and EPA and White House visits.

Marinkovich moved and Christensen seconded to accept the report. **MOTION CARRIED 5/0/1 WITH CARSCALLLEN ABSTAINING.**

B. Marketing – Herendeen

The priority for marketing staff and committee has been to continue work on the Marketing Strategic Plan; they hope to have the draft ready for the board's review soon. It will inform a lot of 2015 activities, but will also set the stage for longer term. A couple of takeaways are trying to identify BBRSDA's role on the larger marketing stage and how to not be redundant with other efforts. It also tries to identify who our audience is, being realistic about what we can and can't do.

Herendeen traveled to D.C. in December to meet with *Top Chef's* Tom Colicchio and his team. He initiated the meeting because he wants to be more vocal about both protecting and promoting Bristol Bay. His right-hand and lead chef is going to be part of the Bristol Bay Press Tour this summer. Herendeen is working on lining up some of the contractors that will help us implement our marketing plans. Social media is a cost effective way to communicate, so Herendeen is in the process of finalizing that plan. She has firmed lodging for the Press Tour and has begun planning for it. *The Breach* U.S. premiere was very successful in Palm Springs in early January, earning Best of Fest so they were able to provide a third showing. The audiences erupted in applause over the news that they'd receive a can of salmon; Mark Titus, the producer, has received a lot of input about people liking the salmon and wanting to get more. The take-home message is that Bristol Bay sockeye is wild and safe to eat.

Herendeen has been talking a lot with ASMI; the sockeye surplus is on everyone's mind. Aspelund and Herendeen participated in a special board meeting that was specifically held to address the Bay's huge forecasted run in 2015. Herendeen will continue to work with the Marketing Committee about how BBRSDA can best support those efforts. Schonberg stated that the marketing work is the most important work this association does. He talked to his market recently and learned that it still has a lot of canned inventory. Their fillets are gone, but when there are too many fish, fish have to go into cans in order to prevent having fishermen go on limits. He wants to know if BBRSDA has worked with the processors about what inventory they're holding and how we might help. Herendeen responded that the work is ongoing with ASMI and that she has followed up with ASMI's retail program to see how we may help. ASMI is focusing on large retailers that can move a lot of product, particularly in Canada. She is trying to identify what ASMI and processors aren't or can't do that we might be able to.

Marinkovich asked if there were other ways that people can see *The Breach*. Herendeen explained that there is a special link on the cans of salmon; it was seen over 1,000 times just this weekend from those 400 cans provided. LaRussa asked if the film was edited from the version we saw in November. Herendeen responded that they are trying to get some interviews added to some of the screenings. They've applied to a number of film festivals. They want to kick off the national tour, working with the BBRSDA, in Alaska in February, and they're working with us to identify the other cities—geographically strategic—where the other showings will be. The national tour is important to the BBRSDA because we have more control over the showings, can do

postcard signings, serve Bristol Bay sockeye, and have lengthier discussions with audiences.

Marinkovich moved and Christensen seconded to accept the Marketing Report.

MOTION CARRIED UNANIMOUSLY.

C. Quality

Aspelund stated that she'd not received a Quality Report, but that she's started working with the committee to schedule a strategic planning session around the March board meeting. Harsila reported that the committee has been discussing quality issues by email. He discussed the need for a tender delivery system on the ice barges that can more easily deliver ice to a crabber/tender. It would likely be up to BBEDC, but is a worthy idea for a project for this season. Johnson has done a lot of the work on the history of the quality program and Harsila has done some. Canned salmon will be with us a long time; a lot of those fish don't necessarily need refrigeration, so the goal of 100% chilling in the Bay needs to be revisited. The filet market is where the money is made so we do need to have more than 50% chilled—maybe need 80% chilled—to reach critical mass. We do need more ice; ice is better than gold. There are 300-ton ice barges out there at a reasonable price. There are things that can be done to assist those that want to use refrigeration systems, too. Some processors are putting up money to fund refrigeration systems where they weren't before. Christensen asked Harsila if he had a thumbnail cost for the ice barge delivery unit; Harsila responded that he didn't, but that Johnson might. He stated that we should be able to do that project this year, though. Christensen also asked about whether or not there's any additional information on moving the Bristol Bay Borough's ice machine to provide a better delivery system on a deeper corner of the city dock. Aspelund explained that she had met with the Bristol Bay Borough folks at their request during Expo and that they were asking about funding to work on their ice project. She explained the new funding process to them and informed them that there is some funding available in the Quality budget, inviting them to send us a proposal, but they have not.

Heyano recommended that the committee consider "chilled fish" rather than "iced fish". He explained that the cost of the ice barges is so high that we need to really keep that in mind. Harsila highlighted technological changes and units made in China at lower costs as beneficial toward that end. Marinkovich talked about inability to get tenders chilled down in time during the peak of the season and that use of added ice could help get their water chilled down before they take fish.

LaRussa would like to see the Ocean Beauty and Trident ice barge reports. Ice is so expensive; he believes that refrigeration systems are really the way to go. Harsila responded that smaller, older boats are not good candidates for refrigeration systems, but that they're willing to use ice. We are likely to need both for the foreseeable future. Heyano commented that to date all of the emphasis has been on ice, but we need to start looking more at refrigeration systems. Christensen mentioned putting small

standalone units on tenders, but that discussion's been put on hold because the committee is working now on strategic planning. It could still be done based on processor interest and could likely pay for itself the first year so he wants to keep it on the radar

Christensen moved and Marinkovich seconded to accept the Quality Committee report.
MOTION CARRIED UNANIMOUSLY.

D. Finance

LaRussa walked through the Financial Report and internal controls. Aspelund highlighted the needed Sustainability spending by March 31 required by the Moore Grant.

Christensen moved and Solberg seconded to accept the Finance Committee report.
MOTION CARRIED UNANIMOUSLY.

E. Buyback

Carscallen reminded the board that at November meeting the board discussed next steps and it was agreed that the Buyback Committee would make a recommendation about a second survey. Aspelund developed draft questions, but the committee couldn't agree on them. She has provided a memo on the process and it's placed on the Miscellaneous Business agenda for board action. Carscallen also questioned whether or not, in the absence of a committee chair, whether or not she is the chair or if a new one needs to be appointed. Aspelund called the board's attention to the draft revised Committee Policy & Procedures later on the agenda that would address that question, is approved.

Christensen moved and Marinkovich seconded to accept the Buyback Committee report. **MOTION CARRIED UNANIMOUSLY.**

7. Review/Evaluation of Committee Process

In his absence, Johnson sent an email about the board's use of committees, the gist of which is it fails to fully keep board members apprised on some issues. Marinkovich agrees, stating that perhaps once the committee processes all get ironed out it'll work better, but he doesn't have another solution. Christensen doesn't feel fully equipped to address this, but understands a bit of what Johnson is talking about. There are challenges with the process, but believes it's still the right process and that it's a matter of trying to grow into it. With only two members on a committee it can be hard to get a consensus on, so having a minimum of three members is important. Johnson states that some issues are important enough that the entire board should be involved in all of that subject's discussions. The committees can relieve pressure on the whole board so there is a desire by some members that the board to stay the course, but have a minimum of three board members and a couple of non-board members to better handle the workload and make recommendations. Carscallen agrees with Christensen that we should give the process a chance, citing the

policy discussions from the board training and being clear through policy that committees only make recommendations and can't proscribe actions. Christensen further recommended that board members take a leading role in the committees to ensure that committees are working consistently with board direction and policy.

Marinkovich noted the new committee policies would slow the process down so that board members can be fully apprised of committee discussions and recommendations.

Heyano discussed the fact that past lack of committee structure and process has led to some of the concerns, but believes that the policy work that's been done to clarify structure, process, minutes, consideration of recommendations, etc. will help solve that and will result in a far better product than consideration by the full board. He wants committee members recognized as having the same rights on a committee as board members do.

The issue will be discussed further under agenda item 11 addressing the committee policy and procedures.

8. Committee Appointments

Luck's resignation has resulted in board vacancies on the Buyback Ad Hoc and Marketing committees that need to be filled, particularly because he was the chair of both.

Solberg requested that this item be moved to Miscellaneous Business to provide him more time to discuss committees with board and committee members, and staff contractors.

9. Review/Approve FY 14 Audit

Aspelund and LaRussa discussed aspects of the FY 14 audit and stood for questions.

LaRussa moved and Carscallen seconded to accept the FY 14 audit as presented. **MOTION CARRIED UNANIMOUSLY.**

The executive director was directed to post both the FY 15 summary budget and the State of Alaska audit report, as well as the auditor's letter to the board on the BBRSDA website.

The board recessed for lunch at 11:36 a.m. and resumed work at 1:17 p.m.

10. Sustainability Program

There are a couple of items that would be best addressed in executive session. One is splitting Commercial Fishermen for Bristol Bay off from BBRSDA; the other is a method for working for the long-term protection of Bristol Bay that would utilize the aligned directions of United Tribes of Bristol Bay, Trout Unlimited, and BBRSDA, and a desire to secure funding for those efforts. There also needs to be a discussion about whether or not the board wants to review its stance on lobbying now that 404(c) legislation has been introduced.

It is important to set the record straight for members that BBRSDA has not lobbied. The landscape has changed for the currently planned meetings in D.C. now that legislation has been introduced to ensure that lobbying does not inadvertently occur during coalition meetings.

It's Heyano's understanding that while the BBRSDA can legally engage in lobbying at the federal level, the BBRSDA is uncomfortable doing so and he doesn't see any reason at this point for the organization to change that direction. That being the case, it makes sense that the commercial fisheries voice be heard in D.C. outside of the BBRSDA structure.

Additional discussion will be held in executive session on lobbying, the CFBB split, and planning for long-term protections of Bristol Bay.

11. Review/Approve Policies

A. Review/Approve Updated Committee Policy & Procedures

This revision further clarifies committee appointments and meeting notice, minutes, and recommendation procedures.

Marinkovich moved and Carscallen seconded to approve Resolution 14-11 – Committee Policy & Procedures as amended. **MOTION CARRIED UNANIMOUSLY.**

12. Executive Session

Solberg moved and Christensen seconded to go into executive session at 3:01 p.m. for the purposes of discussing personnel, finances, and sensitive issues.

The board recessed for the day at 6:31 p.m.

January 15, 2015

The board reconvened in executive session at 8:32 a.m. and came out of executive session and recessed for lunch at 12:06 p.m.

The meeting reconvened at 1:31 p.m. LaRussa moved and Marinkovich seconded to go back into executive session for purposes of discussing personnel at 1:34 p.m. The board came out of executive session at 2:03 p.m. No action was taken.

11. Review/Approve Policies – continued

B. Review/Approve Updated Meeting Notice Policy & Procedures

This revision adds additional committee meeting procedures to the existing policy.

LaRussa moved and Carscallen seconded to approve the update to Resolution 14-11 – Meeting Notice Policy & Procedures. **MOTION CARRIED UNANIMOUSLY.**

C. Review/Approve Email Voting Policy & Procedures

This policy provides authority for the board to approve time-sensitive actions by email and has been reviewed by our attorney.

Marinkovich moved and Christensen seconded to approval Resolution 15-01 – Email Voting Policy & Procedures as presented. **MOTION CARRIED UNANIMOUSLY.**

D. Review/Approve Updated Travel Policy & Procedures

Does the board wish to implement a travel policy for non-taxable per diem/meal reimbursements?

LaRussa moved and Marinkovich seconded to approve the updated Resolution 14-10 – Travel Policy deleting per diem/meal allowance payments and replacing that with an additional \$100/day to its meeting fee, understanding that meeting fees are taxable income. **MOTION CARRIED UNANIMOUSLY.**

LaRussa moved and Marinkovich seconded to amend the meeting fee in Resolution 14-02 – Meeting Fees from \$200 to \$300/day. **MOTION CARRIED UNANIMOUSLY.**

13. Miscellaneous Business

A. Next Steps – Buyback Study

Aspelund presented the following questions for consideration by the board to go out as a second buyback survey.

1. *Based on what you already know about permit buyback programs, do you think a buyback program is a good idea for the Bristol Bay driftnet salmon fishery?*

BBRSDA contracted development of a report that could assist Bristol Bay's drift gillnet fleet in determining whether or not it wishes to further explore a permit buyback. The report provides objective economic information about the Bristol Bay salmon drift gillnet fishery, as well as projecting how different buyback scenarios and associated payback schedules might impact gross and net revenues.

In order to provide comprehensive information upon which to base informed decision making on the pros and cons of a potential Bristol Bay drift gillnet permit buyback, socio-economic impact(s) research and analyses needs to be undertaken to augment the objective economic analyses.

2. *Based on the information presented in the BBRSDA's Buyback economic report, do you support BBRSDA contracting to undertake this socio-economic impact(s) research and analyses?*

The mailing would be a postcard mailing like the last survey and requires a hard-copy response, perhaps with a postage paid tear-off response card to facilitate return.

Marinkovich moved and Solberg seconded to send a postcard survey asking the two approved questions. **MOTION CARRIED UNANIMOUSLY.**

- B. Guidance on Scope of BBRSDA Activities Unrelated to Strategic Plan Elements
Aspelund requested guidance necessary to clearly understand if and if so, how much time, the board would like her to spend in support of activities not clearly articulated in the BBRSDA Strategic Plan.

The board left it to the executive director's discretion pending workload and consistency with mission.

- C. Marinkovich Appeal of Travel Reimbursement
LaRussa moved and Lange seconded to reimburse his hotel for the Fish Expo trip that was withheld. **MOTION CARRIED 4/1/0 WITH MARINKOVICH ABSTAINING.**
- D. Response to *Battle on the Bay*
The board directed staff to work on a coordinated response to correct misinformation and leverage it as positive press as possible, working with ASMI, etc.
- E. Review March industry meeting agenda, invitation, and invitation list
The draft agenda and invitation list were reviewed and the executive director requested to proceed with plans for the invitation-only meeting.
- F. Carscallen Appeal of Change Fee Reimbursement
No action.
- G. Committee Assignments
Solberg is interested in serving on, in priority order, 1) Quality and 2) Marketing. It was noted that the Quality Committee already has the required board members on it.

Chairman Heyano appointed Christensen as the interim Marketing chair.

Chairman Heyano appointed Carscallen as the interim Buyback Committee chair and Marinkovich was appointed to the Buyback Committee.

Carscallen vacated her seat on the Finance Committee and was appointed to the Marketing Committee, leaving a vacancy in the Finance Committee.

Solberg was appointed to the Sustainability Committee.

14. Future Agenda Items

The following items/issues were noted as agenda items for future board and/or committee meetings.

- A. Review of Committee Memberships/Composition

- B. Policy on interaction of staff contractors with board members
- C. Board of directors and contractors “directors” title confusion
- D. Marinkovich & Sustainability Committee – response to anti-commercial fishing ads

15. Review/Confirm Future Meeting Dates

February meeting: February 17–18, 2015 – Mayflower

March meeting: March 9–10, 2015 – Dimond Center Hotel, Anchorage

June Annual Meeting: June 6, 2015 – Dillingham, AK

16. Adjourn

Christensen moved and Marinkovich seconded to adjourn at 5:08 p.m. **MOTION CARRIED UNANIMOUSLY.**