

REGIONAL FISHERY MANAGEMENT COUNCIL

| <u>Council</u> | <u>ADMINISTRATIVE</u> | | | <u>PROGRAMMATIC</u> | |
|-----------------|--------------------------|---------------------------------------|---------------------------------|--------------------------------|---------------------------------------|
| | <u>FY 80 Granted</u> | <u>FY 81 Council Proposal</u> | <u>FY 81 Recommendation</u> | <u>FY 80 Granted</u> | <u>FY 81 Council Proposal</u> |
| New England | \$ 673 | \$ 995 | \$ 842 | \$ 65 | \$ * |
| Mid-Atlantic | 489 | 784 | 586 | 125 | 135 |
| South Atlantic | 635 | 827 | 727 | --- | 480 |
| Caribbean | 442 | 520 | 510 | --- | 400 |
| Gulf of Mexico | 941 | 1,005 | 930 | 50 | 430 |
| Pacific | 727 | 798 | 798 | 682 | 903 |
| Western Pacific | 453 | 680 | 571 | 105 60 | 170 |
| North Pacific | 737 | 988 | 865 | 517 412 | 839 |
| <u>TOTAL</u> | <u>\$5,097</u> | <u>\$6,597</u> | <u>\$5,829</u> | <u>1,544</u> <u>\$1,594</u> | <u>\$3,357</u> |

* Not proposing for programmatic funds at this time. Reevaluating its programs.

North Pacific Fishery Management Council

Clement V. Tillion, Chairman
Jim H. Branson, Executive Director

Suite 32, 333 West 4th Avenue
Post Office Mall Building



Mailing Address: P.O. Box 3136DT
Anchorage, Alaska 99510

Telephone: (907) 274-4563
FTS 271-4064

February 19, 1981

The FY81 Budget projections are based on holding the following meetings:

| | |
|-----------|---|
| February | 2 day in Anchorage |
| March | 3 day in Anchorage |
| April | 2 day in Anchorage |
| May | 2 day in Kodiak |
| June | No Council meeting, but approximately \$4,000 expenses for Chairmen's meeting in Homer. |
| July | 2 day in Homer |
| August | 2 day in Anchorage |
| September | No meeting |

These meetings are projected to have a two-day SSC meeting and a one-day AP prior to each Council meeting.

The Breaux Bill says if we request the attendance of the State Department, we must pay their expenses. This will be about \$1,500 each trip. We did not budget for this item.

Our total travel budget was \$294,000; our grant was for \$230,000. SSC and AP travel will be lower than the Budget, so these amounts can be shifted to Council member travel.

Two other items are over budget: the P.A./recording contract and meeting room expenses, both of which reflect the changes of the five-day December meeting and the four-day January meeting held in Juneau.

Our grants were lowered by 50% on December 12, 1980. We have been assured the entire amount will be reinstated if there is justification.

All of the Council's FY81 administrative grants were lowered by half on December 12, 1980 because Congress did not pass the appropriations before adjournment. As was done last year, NMFS will have a six-month review, and if justified, all of the original grants will be restored.

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FINANCE COMMITTEE AGENDA

I. Administrative Budget

The FY81 Administrative budget/grant analysis is attached for review. Please note under actual expenses only two Council meetings were held and under the eight remaining months, it is projected we will have six Council meetings plus the Council Chairmens meeting.

II. Programmatic Funding:

At the July, 1980 Finance Committee meeting a programmatic budget for research contracts for up to \$619,000 was approved. To date the Council has obligated \$115,000 for the following projects:

- "Feeding Habits for Walrus/Bristol Bay Clams" \$10,000
- "Fisheries Data Summation" \$55,000
- "Halibut/Crab Pot Study" \$50,000

The SSC will has two additional funding items on their agenda at this meeting and will be making their recommendations to the Finance Committee. Both projects were among the approved list from the July meeting.

"Herring Stock Data" - a study to design the accuracy of the aerial survey for biomass. \$30,000 to \$60,000

"Incidental Catch of Salmon" - a study to determine the stock origins of Chinook Salmon incidentally caught in foreign trawls. approx. \$50,000

- B. Proposed CFEC Study of Salmon Limited Entry - Finance Committee recommendations for the level of funding and the depth of the study is requested. (See attached memorandum for Agenda E-1(a)).

III. CONTRACTS: If the SSC approves the following contracts final reports the Finance Committee is requested to recommend to the Council final payment:

"Offshore Salmon Study - Alaska" Natural Resources, Inc.

Balance of Contract \$6,067.75. *Approve payment. No interest*

"Halibut/Crab Pot Study" - Balance \$50,000.

FY81 Administrative Budget

North Pacific

Council

| <u>Object Class</u> | <u>Proposed</u> | <u>Analyst Recommendation</u> | <u>Reviewer Recommendation</u> | <u>Notes</u> |
|---------------------|-----------------|-------------------------------|--------------------------------|--------------|
| Personnel | \$ 432.0 | \$ 390.0 | | A |
| Fringe Benefits | 70.0 | 62.0 | | B |
| Travel | 294.0 | 230.0 | | C |
| Equipment | 8.0 | 7.0 | | D |
| Supplies | 17.0 | 17.0 | | E |
| Contractual | 26.0 | 26.0 | | F |
| Other | 141.0 | 133.0 | | G |
| Total | \$ 968.0 | \$ 865.0 | | |

No programmatic request approval at this time.

NOTES:

A & B - Overoptimistic on member participation.
New hires not approved at this time.

C - Overoptimistic on member participation and number of meetings to be held.

G - Over estimate on transportation of things.

Funds for Administrative Agreement are hereby approved for \$865,000. Please charge organization code FA1000 and task number 88F3NF.

Prepared by: [Signature]

Reviewer: [Signature]

Approving Official: [Signature]

FY81 ADMINISTRATIVE PROJECTIONS

| | <u>GRANT</u> <u>(Thousands)</u> | <u>ACTUAL</u> <u>EXP. THRU</u> <u>1-30-81</u> | <u>(6 months)</u> <u>PROJECTED</u> <u>EXP. THRU</u> <u>3-31-81</u> | <u>(%)</u> <u>6 MO.</u> | <u>(12 months)</u> <u>PROJECTED</u> <u>EXP. THRU</u> <u>9-30-81</u> | <u>(%)</u> <u>12 MO.</u> | <u>REMARKS</u> |
|-------------------------|------------------------------------|---|---|----------------------------|--|-----------------------------|--|
| <u>SALARIES</u> | | | | | | | |
| Staff | 300 | 114,090 | 162,000 | 54 | 328,000 | 109 | 10th Staff position approved by NMFS 9-80 not funded to date |
| Council | 80 | 17,827 | 33,700 | 42 | 70,000 | 88 | |
| Benefits | 62 | 23,261 | 33,600 | 54 | 67,000 | 108 | |
| Spec. Consult. | 10 | 723 | 2,218 | 22 | 10,000 | 100 | |
| TOTAL | <u>452</u> | <u>155,901</u> | <u>231,518</u> | <u>52</u> | <u>475,000</u> | <u>105</u> | |
| <u>TRAVEL</u> | | | | | | | |
| Council | 45 | 16,687 | 31,000 | 69 | 65,000 | 144 | Grant line item for "Total Travel" - any group could be changed (see page 5 for projected meetings and expenses) |
| Staff | 43 | 15,318 | 22,000 | 51 | 43,000 | 100 | |
| SSC | 45 | 5,433 | 15,000 | 33 | 39,000 | 87 | |
| AP | 92 | 14,419 | 34,700 | 38 | 90,300 | 98 | |
| Misc. PDT & State Dept. | 5 | 539 | 4,500 | 90 | 9,500 | 190 | |
| TOTAL | <u>230</u> | <u>52,396</u> | <u>107,200</u> | <u>47</u> | <u>246,800</u> | <u>107</u> | |
| <u>EQUIPMENT</u> | <u>7</u> | <u>1,206</u> | <u>2,500</u> | <u>36</u> | <u>7,000</u> | <u>100</u> | |
| <u>CONTRACTS</u> | | | | | | | |
| Rec.-PA | 10 | 4,440 | 6,200 | 62 | 13,000 | 130 | |
| Janitor | 2.4 | 800 | 1,200 | 50 | 2,400 | 100 | |
| Audit | 10 | -0- | -0- | -0- | 10,000 | 100 | |
| Misc. | 3.2 | -0- | -0- | -0- | 3,200 | 100 | |
| TOTAL | <u>26</u> | <u>5,240</u> | <u>7,400</u> | <u>28</u> | <u>28,600</u> | <u>114</u> | |
| <u>SUPPLIES</u> | <u>14</u> | <u>2,884</u> | <u>7,000</u> | <u>50</u> | <u>14,000</u> | <u>100</u> | |

FY81 ADMINISTRATIVE PROJECTIONS (CONTINUED)

| | <u>GRANT</u> <u>(Thousands)</u> | <u>ACTUAL</u> <u>EXP. THRU</u> <u>1-30-81</u> | <u>(6 months)</u> <u>PROJECTED</u> <u>EXP. THRU</u> <u>3-31-81</u> | <u>(%)</u> <u>6 MO.</u> | <u>(12 months)</u> <u>PROJECTED</u> <u>EXP. THRU</u> <u>9-30-81</u> | <u>(%)</u> <u>12 MO.</u> | <u>REMARKS</u> |
|-------------------|------------------------------------|---|---|----------------------------|--|-----------------------------|----------------|
| <u>OTHER</u> | | | | | | | |
| Freight | 1.5 | 98 | 200 | 13 | 1,500 | 100 | |
| Employee Move | 5 | -0- | 5,000 | 100 | 5,000 | 100 | |
| Telephone | 13 | 4,014 | 6,500 | 50 | 13,000 | 100 | |
| Postage | 15 | 4,560 | 6,500 | 43 | 15,000 | 100 | |
| Printing | 19.5 | 2,813 | 7,000 | 36 | 19,500 | 100 | |
| Misc. | 1 | -0- | 500 | 50 | 1,000 | 100 | |
| Rents: | | | | | | | |
| Office | 38.7 | 12,904 | 19,356 | 50 | 38,712 | 100 | |
| Meeting Rooms | 6 | 3,155 | 4,755 | 79 | 8,455 | 141 | |
| Equipment | <u>36</u> | <u>5,943</u> | <u>18,000</u> | <u>50</u> | <u>36,000</u> | <u>100</u> | |
| TOTAL OTHER | <u>136</u> | <u>33,487</u> | <u>67,811</u> | | <u>138,167</u> | <u>102</u> | |
| TOTAL PROJECTIONS | <u>865</u> | <u>251,115</u> | <u>426,629</u> | <u>49</u> | <u>909,567</u> | <u>105</u> | |

FY80 ACTUAL EXPENDITURES

| | <u>ACTUAL</u> | <u>GRANT</u> | <u>%</u> |
|---------------------------|-------------------|-------------------|------------|
| <u>SALARIES</u> | | | |
| Staff | 256,527.86 | | |
| Council | 46,366.72 | | |
| Part-time Spec. Consult. | 15,645.24 | | |
| TOTAL | <u>318,539.82</u> | <u>313,041.00</u> | <u>102</u> |
| <u>BENEFITS</u> | | | |
| FICA | 15,530.78 | | |
| Health-Life | 8,106.56 | | |
| Retirement | 24,605.52 | | |
| TOTAL | <u>48,242.56</u> | <u>49,691.00</u> | <u>97</u> |
| <u>TRAVEL</u> | | | |
| Council | 57,188.57 | | |
| Staff | 53,811.60 | | |
| AP | 62,500.14 | | |
| SSC | 32,426.53 | | |
| Misc. | 6,506.28 | | |
| TOTAL | <u>212,433.12</u> | <u>207,650.00</u> | <u>103</u> |
| <u>EQUIPMENT</u> | | | |
| | <u>4,750.45</u> | <u>7,000.00</u> | <u>68</u> |
| <u>SUPPLIES</u> | | | |
| | <u>13,100.03</u> | <u>13,000.00</u> | <u>101</u> |
| <u>CONTRACTS</u> | | | |
| Rec.-PA/Meetings | 11,727.01 | | |
| Janitorial | 2,450.00 | | |
| TOTAL | <u>14,177.01</u> | <u>17,525.00</u> | <u>81</u> |
| <u>OTHER</u> | | | |
| Rents: 69,674.27 | | | |
| Office | 38,712.00 | | |
| Equipment (IBM) | 30,962.27 | | |
| Freight: 18,540.85 | | | |
| Moving Expenses | 16,628.40 | | |
| Misc. | 1,912.45 | | |
| Communications: 23,047.62 | | | |
| Telephone | 13,047.62 | | |
| Postage | 10,000.00 | | |
| Printing | 11,314.64 | | |
| Training | 320.00 | | |
| Misc. | 3,198.55 | | |
| TOTAL OTHER | <u>126,095.93</u> | <u>129,484.00</u> | <u>97</u> |
| TOTAL EXPENDITURES: | <u>737,338.92</u> | <u>737,391.00</u> | <u>100</u> |

MEETINGS & EXPENDITURESPLANNED MEETINGS

| | |
|------------|---------------------------|
| April 1981 | Anchorage (2 day) |
| May | Kodiak (2 day) |
| June | Homer-Executive Directors |
| July | Homer (2 day) |
| August | Anchorage (2 day) |
| September | |

PROJECTED COUNCIL MEETING EXPENDITURES

| | <u>Anchorage</u> 2 day | <u>Anchorage</u> 3 day | <u>Out of Town</u> Kodiak & Homer |
|----------------------------------|---------------------------|---------------------------|--------------------------------------|
| Meeting Rooms | 750 | 1000 | 1000 |
| PA - Recording | 800 | 1000 | 2000 |
| Salaries-Council | 4880 | 6440 | 5300 |
| Travel | | | |
| Council | 5200 | 6000 | 7000 |
| State Dept. | 1500 | 1580 | 1600 |
| SSC | 4000 | 4500 | 5400 |
| AP (18) | 10500 | 12000 | 12300 |
| PDT (2) | 1300 | 1500 | 1500 |
| Staff | 100 | 150 | 5800 Kodiak 4800 Homer |
| Misc. | | | |
| Phone, car rental, copy, etc. | <u>10</u> | <u>15</u> | <u>600</u> |
| Totals | 28,960 | 34,185 | 42,500 Kodiak 41,500 Homer |

FINANCE COMMITTEE MINUTES
July 1980

The Finance Committee of the N.P.F.M.C., met July 24, 1980 with a total of 19 people attending for the purpose of approval of payments of contracts, and for FY80 and FY81 Programmatic budget and Administrative budget discussion and approval.

CONTRACTS

77-5 "An Observer Program," to ADF&G. The final report for the Gulf of Alaska was approved and the committee recommends payment of \$12,837.00. The \$10,000.00 balance of this \$100,000.00 contract will be approved upon receipt and acceptance of the Bering Sea Aleutian Island phase of this contract, which should be in September.

78-5 "Assessment of Spawning Herring and Capelin Stocks at Selected Coastal Areas in the Eastern Bering Sea".

A final report was also accepted and the committee recommends approval of payment of \$11,610.00. The remaining balance of \$10,000.00 of this \$240,000.00 contract, will be pending receipt and approval of infra-red study.

II. FY 80 Programmatic Funds

The SSC recommended, for approval to the Council, the following funding for the unobligated FY 80 Programmatic Funds and the Finance Committee concurred.

I. 80-3 "Feeding Habits of the Walrus of Bristol Bay"
The Finance Committee discussed and recommended additional funding of up to \$10,000.00, upon receipt of an additional budget from the contractor, to cover unexpected inflationary fuel costs for charter services.

II. "Pot Gear vs. Halibut" for approval of \$55,000.00.
This project would involve a study of the mortality of halibut in pot gear.

III. "Fisheries Data Summation" for approval of \$50,000.00.
This would provide funding to the State of Alaska for a full-time position for the purpose of providing immediate access to data needed for the development and maintenance of management plans.

These three projects would require approval of funding and of an additional \$115,000.00 to the FY 80 Programmatic request. This brings the total for this year to \$517,000.00.

III. FY 81 Programmatic Funds

The SSC had received 17 proposals for the FY 81 Programmatic Funds. Each proposal was examined to see if it fit the Council's criteria for funding controls which are:

1. Does it pertain to Council Management Plan.
2. Short-term (about 2 years).
3. Funding can not be obtained elsewhere.

After discussion, the Committee recommends this Council request \$839,000.00 for FY 81 Programmatic funds. The following projects were considered to be within the criteria for funding, but before final funding would be approved, re-examination and approval will be done by the SSC Finance Committee and Council. The total of these proposals is \$619,000.00.

- Herring Research
- Predator/Prey Interactions
- Socio-economic Data
- Feeding Habits of Marine Mammals
- Incidental Catch of Salmon
- Crab Pot/Halibut Mortality Study
- Tanner Crab Study

Additional funding for short-term research up to \$150,000 was also recommended as was \$70,000 to ADF&G for the writing and development of management plans.

IV. FY 81 Administrative Budget A tenth staff position as "Plan Coordinator", was approved by the Finance Committee. With the addition of this position, for the NPFMC, the total of this budget would be \$989,304.00. The Finance Committee recommends approval.

PROGRAMMATIC RESEARCH FUNDING

September 24, 1980
BUDGET TOTAL

PRIORITY

| PRIORITY | | BUDGET | TOTAL |
|----------|---|---------|---------|
| 1. | <u>RAPID/RESPONSE UNFORESEEN DATA NEEDS</u> | 80,000 | 80,000 |
| 2. | <u>Herring Stock Data</u> A study to design an experiment to evaluate the accuracy of the aerial survey for biomass should be undertaken first (est 30,000 to 60,000). Depending on the results of that study, we would recommend either 1)undertaking the experiment and/or 2)the study on identification of Bering Sea Herring Stock using scale pattern analysis. | 150,000 | 230,000 |
| 3. | <u>FISHERY EMPLOYMENT COLLECTION SYSTEM</u> A study to set up within the State's Department of Labor the capability of collecting and generating detailed fisheries employment data. | 30,000 | 260,000 |
| 4. | <u>INCIDENTAL CATCH OF SALMON</u> A study to determine the stock origins of Chinook Salmon incidentally caught in foreign trawls. | 50,000 | 310,000 |
| 5. | <u>BIOECONOMIC MODEL OF KING CRAB FISHERY</u> Funding for an economist to work with center scientist to refine current bioeconomic models of the King Crab fishery. This study would gain more information on how size variation would offset price. | 30,000 | 340,000 |
| 6. | <u>CRAB POT/HALIBUT MORALITY STUDY</u> This study is to develop the methodology for determining halibut incidence in Yakutat Tanner Crab and Kodiak King and Tanner Crab Fisheries. | 70,000 | 410,000 |
| 7. | <u>PREDATOR/PREY INTERACTIONS</u> This study would provide the sorting and analysis of stomach sample from NMFS Gulf of Alaska survey. The data would be used in multi-species and ecosystem models. | 20 000 | 430,000 |

PROGRAMMATIC RESEARCH FUNDING

PAGE 2

September 24, 1980

8. FEEDING HABITS OF MARINE MAMMALS 40,000 470,000

A study to compile available information on the status of marine mammals in the Bering Sea, their feeding habits and importance in the ecosystem, to identify data gaps and design a research plan to obtain the required data and priorities for implementation.

9. TANNER CRAB STOCK STUDY 110,000 580,000

A study to develop a new data base for Tanner Crab fishing off Southeast and Yakutat. Data would consist of size at maturity, density distribution relative female ovigerity, growth notes and other life history information.

3. Draft of Implementing Regulations

- a. Must be internally consistent.
- b. Includes substantive scheme, application procedures, adjudication procedures, delegation of authority, and special and miscellaneous provisions such as transferability, fees, etc.

4. Identification of Significant Legal Issues

- a. Requirements of MFCMA and other applicable federal law.
- b. Consistency with existing state law.
- c. Constitutional considerations.
- d. Consultation with NOAA Counsel.

5. Legal Analysis

- a. Consultation with NOAA Counsel and redraft of regulations.
- b. Final draft of fully conforming regulations.
- c. Council responsibilities for implementation of limited entry.

Given approval to proceed on this study, CFEC would probably have Task 1 completed by about March 20, 1981, Tasks 2, 3, and 4 by April 20, and Task 5 and final presentation of work products to the Council by May 20.

Anticipated costs are \$10,000 for the data compilation, presentation, and analysis in Tasks 1 and 2, and \$28,000 - \$30,000 for Tasks 3 - 5. The total cost of \$38,000 - \$40,000 could be mitigated somewhat by a greater use of NOAA General Counsel for the legal work, and also by similarities between the data analysis required here and that required by existing Contract Number 81-2, "Processing of Fisheries Data," between the Council, ADF&G, and CFEC.

Council guidance is needed on how far and fast it wishes to pursue a limited entry scheme for this year. It is unlikely that a system could be put in place for the 1981 fishery. If the above study is carried out, there will need to be considerable interaction between the Council and the contractor to identify thresholds in the qualifying schemes and goals and objectives of the limited entry program. The discussions of these issues should probably be spread over several meetings this year with the intention of having a program ready for the 1982 season.

MEMORANDUM

TO: Council, SSC, and AP
FROM: Jim H. Branson
Executive Director
DATE: February 17, 1981
SUBJECT: Proposed CFEC Study of Salmon Limited Entry

ACTION REQUIRED

Council guidance on developing a limited entry program for the Southeast Alaska salmon troll fishery.

BACKGROUND

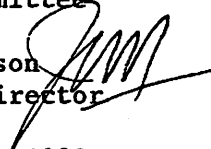
At the January meeting, the Council voted to postpone the discussion of limited entry until further information was obtained from the Commercial Fisheries Entry Commission. After the Council had adjourned, the Board of Fisheries approved new regulations for hand trollers. The Board removed all differential time and area restrictions between hand and power trollers. The Board also limited hand trollers to one gurdy and one sport line or four sport lines in an attempt to control the total catch of the hand troll fleet. This action, if implemented in the FCZ also, would probably eliminate the need for limited entry in the hand troll fleet. However, because the action effectively eliminates any professional hand trollers, the Secretary may not accept it.

We contacted CFEC in January to rough out a preliminary proposal for obtaining information on the number of fishermen who would be permitted to fish under different qualifying schemes. John Williams submitted a draft statement of work having five main tasks:

1. Data Compilation and Presentation
 - a. Sort landings in poundages by year and gear type for hand and power trollers.
 - b. Graphically display same.
2. Data Analysis
 - a. Evaluate various qualifying schemes.
 - b. Determine numbers of fishermen under each scheme.

MEMORANDUM

TO: Finance Committee

FROM: Jim H. Branson 
Executive Director

DATE: December 24, 1980

SUBJECT: Payment for Contract 80-5 "A Study of the Offshore Chinook and Coho Salmon Fishery Off Alaska" with Natural Resources Consultants

ACTION REQUIRED

Decide whether to pay cost overrun.

BACKGROUND

In December the Council and the Finance Committee reviewed the financial status of the subject contract. Two actions were required, to approve the transfer of travel funds to general expenses and approve payment of final billing, and secondly, to consider additional funds for the contract overrun.

The Council approved the transfer of travel funds to general expenses, but remanded the consideration of additional funds for contract overrun to the Finance Committee for further review. An additional \$2,917.41 is required to cover all of NRC's expenses on this contract to date. Below is a brief history of decisions that were made concerning this contract in the last several months and a brief analysis of the contract's finances.

The original contract was signed on May 12, 1980 for a total of \$48,000 for salaries and general expenses. Funds for travel were to be negotiated between the North Pacific Fishery Management Council and NRC and \$10,000 in travel funds were set aside for this purpose. So, overall the contract had \$58,000 in it. It was supposed to be completed by October 31, 1980, at which time we should have had a draft fisheries management plan for the Alaska Salmon Fishery.

On September 21, 1980, in Sitka at a meeting with the Salmon PDT, Frank Fukuhara and Mike Fredin explained that various data sets required for the new draft FMP were missing. These included, among others, stock distribution data

from Canada and the Washington Department of Fisheries, stock transfer information from the Washington Department of Fisheries, and stock status data from the Washington Department of Fisheries and the Alaska Department of Fish and Game. Discussions with the PDT members indicated that most of these data would be available by late October 1980.

With the data available by late October, it was planned that a draft document could be ready for peer review in early November. The comments would be sent to NRC, and a report could be distributed to the Council as a draft FMP in late November or early December for review at the December meetings of the SSC and the Council.

On September 25, 1980, in Sitka, Lee Alverson appeared before the Finance Committee and presented several options for completing the contract as explained in his letter to me of December 18, 1980 (see attached). The options included: (1) complete the draft with existing data; (2) extend the contract and complete the draft with additional data supplied by November 1; and (3) put the contract on a continuing basis to be updated with new data as they become available. Lee estimated that an additional 80 man-days plus about \$24,000 would suffice if the Council chose option 2.

With the promise of significantly important data sets becoming available in late October, as per previous discussions with the PDT, the Finance Committee recommended that the Council chose option 2 thus amending the contract through November with additional funding of up to \$24,000 to accommodate the compilation of the new data. These new data were to be provided by the Washington Department of Fisheries and the Alaska Department of Fish and Game on interception rates and escapement patterns for Chinook and Coho salmon (per Finance Committee Meeting Minutes of September 25, 1980). The additional funds were to be made available from the fiscal year 1981 budget.

Following the September Council meeting, Lee wrote me (see attached letter of September 30, 1980) indicating his plans to submit a draft by December 5-10. He explained that had the original contract schedule been adhered to, a draft report would have been submitted to the Council by October 10, and it would have been as complete as permitted by the time schedule and available data. He further explained that the report would have been inadequate due to the lack of data. In his letter (page 2), a list of data requirements was provided that would provide a report that was more useful and complete for the Council's decision-making purposes. These data, and the augmented report would have been provided under the extension recommended by the Finance Committee at the September meeting. However, Lee anticipated that an additional \$27,800 would be needed, \$3,800 more than the \$24,000 the Finance Committee had approved in September. According to the letter of September 30, 1980, the \$27,800 would pay for 40 man-days (\$16,000), overhead (\$8,800), and miscellaneous contingencies (\$3,000). We gave Lee provisional agreement to this arrangement.

On October 10, 1980, we received a telephone call from Lee in which he explained that various of the data sets promised for late October would not be available by then and possibly not until January. After a lengthy discussion with Lee on the low probabilities of getting useful new data in the near future, we mutually agreed that NRC should wind up the contract report as much

as possible and send it in by mid-November so that the Salmon PDT could have something to look at before they approached the decisions to be made on salmon in January. Lee agreed to indicate on a task-by-task basis, the portion of the task completed, why it was not fully completed, and if lack of data was the reason. Where lack of data was the reason, the data needed would be identified along with their anticipated time of availability. He agreed to use the money still available in the contract and bill us for more if necessary. If the cost went beyond the terms of the contract, Lee would either absorb the overrun or request more. His letter of November 12, 1980 (see attached) indicates that the cost overrun was approximately \$2,918.

ANALYSIS OF FINANCES

In the original proposal submitted by NRC, they proposed to undertake the work outlined in the RFP for \$48,000. This was based on an estimated 123 man-days of involvement. Travel and per diem would be borne by the North Pacific Fishery Management Council. The specific cost breakdowns in the proposal were as follows: Salaries - \$26,000, Overhead - \$16,000, and Miscellaneous - \$6,000 for a total of \$48,000.

The following is a table that breaks out for each billing period the actual costs of labor, the overhead and project supervision, and travel.

(rounded to nearest dollar)

| <u>Billing Period</u> | <u>Labor</u> | <u>Overhead/ Supervision</u> | <u>Travel</u> |
|-----------------------|--------------|------------------------------|---------------|
| May | \$ 3,300 | \$ 2,475 | \$ 232 |
| June | 5,200 | 3,900 | 518 |
| July | 4,200 | 3,150 | -0- |
| August | 6,350 | 4,762 | 752 |
| September | 8,875 | 1,712 | 1,286 |
| October | <u>7,075</u> | <u>7,006</u> | <u>124</u> |
| TOTAL | \$35,000 | \$23,005 | \$2,912 |

Comparison of Proposed to Actual

| <u>Item</u> | <u>Proposed</u> | <u>Actual</u> | <u>Overrun</u> |
|----------------------|-----------------|---------------|----------------|
| Salaries | \$26,000 | \$35,000 | \$ 9,000 |
| Overhead/Supervision | <u>22,000</u> | <u>23,006</u> | <u>1,006</u> |
| TOTAL | \$48,000 | \$58,006 | \$10,006 |

The cost overrun on salaries was \$9,000 and the overrun on overhead and miscellaneous was approximately \$1,000. Therefore, the original proposal to do the work for \$48,000 was exceeded by \$10,000 or 21%. A separate fund of

\$10,000 (beyond the \$48,000), had been set aside for travel and from this travel fund only \$2,911.49 was used. Because of subsequent decisions to transfer money out of the travel fund to labor and overhead expenses, it appears that the cost overrun is only approximately \$2,917 which is the amount above \$58,000 that Lee is requesting. However, it should be kept in mind by the Finance Committee when considering payment for this overrun that in reality the costs exceeded the original contract by \$10,000 for labor and overhead/project supervision. The increase was due mainly to an increase in labor. The original estimate was for 123 man-days and in actuality 175 man-days were spent on the contract.



NATURAL RESOURCES CONSULTANTS

4055 21st Avenue West • Seattle, Washington 98199, U.S.A. • (206) 285-3480

September 30, 1980

Mr. Jim Branson
Executive Director
North Pacific Fishery Management Council
P. O. Box 3136 DT
Anchorage, AK 99510

Dear Jim:

Following the Sitka session I have requested that Frank Fukuhara and Mike Fredin operate on the basis that we will proceed to revise the existing draft, incorporating the elements identified in Sitka and provide a completed version on December 5-10, 1980. In order to meet financial commitments, we are, as discussed with you, operating on the assumption that we can transfer \$4,000 from the existing travel budget to salaries. This will carry us through the month of September and the first week of October. This reallocation will also leave adequate travel money for the extended period.

Under the original contract, we would have had a completed draft by October 10, 1980. Although we have no revised contract in hand, on the strength of the recommendations and directions received at the Sitka meeting, we now plan to have a draft completed by December 5-10. The following is a tentative schedule of events:

1. Receive all data and analyses for augmenting and up-dating the present draft from Washington Department of Fisheries (Dennis Austin) and Alaska Department of Fish and Game (Dave Cantillon or Mel Seibel) by November 1, 1980.
2. Complete the documentation of evidence bearing on the 1981 regulatory options by November 15. Review with FDT, meeting around November 19-21. Incorporate the evidence in appropriate sections of the FMP (Sections 3, 4, 8, 9 and 11) and complete the first draft of the FMP by December 5-10. Certain sections of the draft such as 1, 2, 5, 6, 7, 10, 12 and 13 should be essentially completed well in advance of November 15.

Mr. Jim Branson
September 30, 1980
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3. Submission of the final Draft FMP on December 5-10, 1980, in accordance with the "Deliverables" of the contract dated May 12, 1980.

The draft report which was available to you at the Sitka meeting could have been completed by the October 10 deadline. Such a report would have been as complete as permitted by the time schedule and available data. This report would have been submitted along with a report indicating data and information gaps and an outline for a coastwide chinook salmon management plan to satisfy the requirements of our contract. As we explained, however, there were certain inadequacies in the report which became particularly apparent during the PDT's deliberations and after the regulatory options were specified. To provide a report which is more useful and complete for the Council's decision-making purposes, we propose to augment the present draft in the following manner:

1. Organize all relevant evidence and provide additional data and analyses to strengthen support for some suggested regulatory options.
 - a. Update catch, effort and resource data to include 1980.
 - b. Review marking data for additional information regarding
 - i. Stock composition of coho and chinook in the SE Alaska troll fishery (ADF&G); and
 - ii. Evaluation of potential catch transfers to the BC troll fishery (WDF).
 - c. Provide additional data on escapements, particularly for SE Alaskan coho.
 - d. Provide further evaluation to eliminate argument that environmental degradation may be limiting natural chinook production (e.g., slides, log jams, etc.).
 - e. Provide further elaboration on comparative trends in stock conditions of:
 - i. SE Alaska vs. BC vs. WA/OR chinook; and
 - ii. SE (northern and southern sections) vs. north coast district of BC coho.
 - f. Include further consideration of shakers.

Mr. Jim Branson
September 30, 1980
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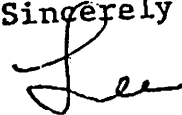
2. We need to provide a more analytical discussion and estimates of MSY, ABC and OY as these concepts relate to mixed stock fisheries.
3. The socioeconomic (S/E) section needs rewriting to correct an imbalance in the present draft which gives heavy emphasis on hand trollers to the total exclusion of net fishermen. Also, need data and analyses to evaluate S/E impact of regulatory options.
4. It was also the suggestion of the PDT to allow at least three weeks for editing.

These revisions and rescheduling activities will entail two actions. The first as noted earlier is to permit us to utilize \$4,000 of travel funds for salaries under our current contract.

The second action involves extending the current contract in time to December 5-10, 1980. The additional cost associated with this extension is \$27,800 which will be used in the following manner:

| | |
|--|--------------|
| Salaries for professional services of Fukuhara and Fredin (40 days each at \$200/day)..... | \$16,000 |
| Overhead..... | 8,800 |
| Miscellaneous contingencies..... | <u>3,000</u> |
| | \$27,800 |

Sincerely yours,



Dayton L. Alverson
Managing Partner

Mr. Jim Branson
November 12, 1980
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necessitating the hiring of temporary office help; Xeroxing expenses have been high, as have mailing costs. Jim, it should be noted that NRC's normal charges would have been:

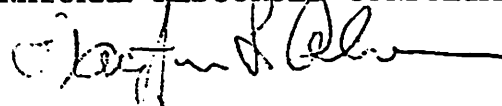
| | |
|---|------------|
| Professional services (Mike and Frank)... | \$ 7,075 |
| Overhead..... | 5,306 |
| Miscellaneous (work-processing and graphics)..... | 1,500 |
| NRC supervision..... | 200 |
| Travel..... | <u>124</u> |
| Total..... | \$14,205 |

Therefore, we will eat \$2,918 of this amount. The \$11,287.75 balance due will keep us within the budget contract but will require the transfer of \$7,088.51 from the travel category. Since additional work was done by Mike and Frank during the month of October at the request of the Council, we believe the charges reflected by our invoice are appropriate. It might also be appropriate to point out that Mike and Frank continue to work on this project, in spite of the fact that they will not be compensated for their time.

We anticipate that the FMP will be completed by the word-processor late this week or early next week. We will get it into the mail at the earliest possible time.

Yours sincerely,

NATURAL RESOURCES CONSULTANTS



Dayton L. Alverson
Managing Partner

Enclosures

FINANCE COMMITTEE MINUTES

SEPTEMBER 25, 1980

SITKA, ALASKA

The Finance Committee of the North Pacific Fishery Management met September 25, 1980 for the purpose of reviewing contracts for final payment, SSC Programmatic recommendations, and review of FY81 administrative funding.

The group was given a briefing on the status of Contract #80-5, "Offshore Salmon Study" by Natural Resource Corp staff members. After discussion the Finance Committee recommends the Council amend this contract through November with additional funding up to \$24,000 to accommodate compiling of new information. This new information to be provided by the Washington Department of Fisheries and the Alaska Department of Fish and Game on interception rates and escapement patterns for silver salmon and to develop broader interpretation of ABC and OY. Funds are available from the FY81 budget.

Upon recommendations from the SSC, the Finance Committee recommends approval for final payment of the following contracts:

- 77-5 - Groundfish observer - ADF&G - \$15,718.28
- 78-4 - Computer Program - ADF&G for \$49,779.74
- 80-2 - Key punch and analysis of halibut fish tickets - \$10,000

The Finance Committee then discussed the funding of a representative from the Alaska Board of Fisheries to attend each Council meeting. Should the Council desire to assist in funding this representative, funds are not available in the FY81 budget and supplemental funding would have to be requested.

The Committee then reviewed the prioritized Programmatic research funding list from the SSC. The list is an appendix to the SSC minutes. The Committee recommends acceptance of these projects, up to \$580,000 in concept. It was noted some of these studies could possibly be funded and/or administered by other agencies and the Executive Director was requested to pursue this premise, and any remaining funds be protected for the "rapid response unforeseen data need" line item.

The Executive Director then requested authority to research the possibility of the Northwest and Alaska Center becoming the contract monitor for the NPFMC. The Council would write the request for proposals and choose the contractor then request the Center administer it from that point, with Council funds. The Finance Committee recommends this concept be studied and further information be given in the future.

The FY81 administrative funding was then reviewed, and the Committee was informed additional funding would be available if needed at the 6 month review period, as was done in FY80.