

2002 Multi-Species CDQ First Quarter Report

for the

Aleutian Pribilof Island Community Development Association

April 30, 2002

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I. Quarterly Highlights

APICDA's employment goal for 2002 is to provide at least 80 jobs for APICDA residents. By the conclusion of the first quarter, a total of 66 job positions (64 discrete individuals) had been filled by APICDA and CDQ residents, generating wages of \$539,320 for the quarter.

During the first quarter four individuals attended various vocational education or specialized training programs. A total of \$7,427 in vocational education scholarships on behalf of APICDA residents has been spent this quarter.

Twenty-seven individuals used APICDA higher education scholarships during the first quarter of the year. Each scholarship is in the amount of \$5,000 for the school year. A total of \$62,552 in higher education scholarships on behalf of APICDA residents has been spent this quarter.

APICDA will host its fourth annual Community Outreach conference in mid-April. The conference will be attended by representatives from the local government, the village corporation, and the local traditional council or IRA from each of APICDA's eligible communities. The APICDA board and staff, as well as representatives from some of the APICDA harvesting partners, will also attend. The purpose of the conference is to discuss the future of APICDA, its subsidiaries, its impact upon each of the villages, and the goals and desires of the villages.

APICDA concluded its Bering Sea "A" season pollock fishery during the first quarter. A total of 58 metric tons of pollock remains. PSC catch year-to-date consisted of less than one metric ton of halibut, 221 Chinook salmon, eleven bairdi Tanner crab, and eight opilio Tanner crab.

APICDA harvested approximately thirty percent of its Pacific cod quota in the first quarter. Bycatch was kept to an acceptable level. The *Prowler* and *Bering Prowler* participated in the fishery.

In January, APICDA Joint Ventures, Inc., purchased all of the ownership interests held by Aleutian Quality Seafoods, Inc., in the Dipper, L.L.C., the Bering Pacific Seafoods, L.L.C., (BPS) and the Konrad 1, L.L.C. AJV now owns 100% of these companies. The Dipper, L.L.C. is being dissolved, with its assets transferred into BPS. The Konrad 1, L.L.C. will also be dissolved, with its assets transferred into APICDA Vessels, Inc.

Bering Pacific Seafoods processed approximately 2.5 million round pounds of Pacific cod during the first quarter. The plant will continue purchasing fish as the state waters Pacific cod fishery progresses.

The Ugludax Lodge in Nikolski has booked approximately \$50,000 worth of business to-date for this summer. The grand opening is scheduled for early June.

II. Community Development

A. Progress Toward Goals, Objectives, Milestones

The following is a review of the highlights from APICDA's goals, objectives, and milestones. See Tables 1 through 7 for a specific review of all milestones, by community.

1.) Employment: APICDA's employment goal for 2002 is to provide at least 80 jobs for APICDA residents. By the conclusion of the first quarter, a total of 66 job positions (64 discrete individuals) had been filled by APICDA and CDQ residents, generating wages of \$539,320 for the quarter.

2.) Training: APICDA's goal is to provide vocational education and training assistance for any resident who desires the opportunity or needs help. During the first quarter, four APICDA residents attended various vocational education or specialized training programs. Total funds requested and approved were \$7,427.

3.) Education: Twenty-seven individuals used APICDA higher education scholarships during the first quarter of the year. Each scholarship is in the amount of \$5,000 for the school year. A total of \$62,552 in higher education scholarships on behalf of APICDA residents was spent this quarter.

4.) APICDA Joint Ventures, Inc. (AJV) Activities: AJV activities during the first quarter consisted of overseeing the various subsidiary corporations, including Atka Pride Seafoods, Puffin Seafoods, L.L.C., Kayux Development, L.L.C., APICDA Vessels, Inc., Nelson Lagoon Storage Company, L.L.C., Nazan Bay Inn, Prowler, L.L.C., Ocean Prowler, L.L.C., Golden Dawn, L.L.C., Konrad 1, L.L.C., Bering Pacific Seafoods, L.L.C., and MUM Alaska, L.L.C. AJV continued to discuss the formation of new joint venture corporations, and to review other investment opportunities.

5.) APICDA Vessels, Incorporated (AVI): AVI activities during the first quarter consisted of preparing its fleet for the upcoming fisheries. This included the five AP vessels, the *Stardust*, the *Bonanza*, and the halibut sport charter vessel *Grand Aleutian*.

6.) Small Vessel Acquisition Program (SVAP): During the December 1998, board meeting, the SVAP was suspended. The suspension will carry through 2002 while the board reviews methods to improve the program.

7.) Atka Pride Seafoods (APS) Activities: Atka Pride Seafoods is in the process of planning for the up-coming season. Management is in the process of distributing a 2001 post-season fishing settlement. These numbers will be reflected in the second quarter.

8.) Puffin Seafoods, L.L.C.: The Puffin Board of directors approached APICDA to negotiate the lease or sale of the vessel Aleutian Pribilof # 1. This vessel would be used for the halibut tendering operation in St. George.

9.) Nelson Lagoon Storage Company, L.L.C.: Management is actively restructuring marketing strategies to increase client use of the facility. With the decline of salmon fishing activities in the region, business has been very slow.

10.) OceanLogic, L.L.C.: The primary focus during the first quarter has been developing the Electronic Logbook (ELB). Beta testing has been ongoing at Westward Seafoods. The company is working with all entities involved in the fishing industry to provide a product that meets the needs and regulations of the fisheries. We expect the product will be ready for commercial distribution later this fall for use in 2003.

Management continues to work with NMFS regarding their approval for the use of our Vessel Verification system (VVS) software as an alternative to the approved VMS software.

11.) Bering Pacific Seafoods, L.L.C.: Bering Pacific Seafoods processed approximately 2.5 million round pounds of Pacific cod during the first quarter. The plant will continue purchasing fish as the state waters Pacific cod fishery progresses.

12.) Ugludax Lodge: The lodge will be in full swing this year. The grand opening is scheduled for late spring. Management continues to market the lodge throughout the United States. With the exception of the cook, all employees at the lodge will be Nikolski residents.

13.) Konrad 1, L.L.C.: The F/V *Konrad 1* had a very successful pot cod fishery in the first quarter. Skippered by a local resident of False Pass, the vessel harvested approximately 700,000 pounds in the Gulf of Alaska pot cod fishery. The vessel also trawled for pollock in the Gulf of Alaska in the first quarter.

14.) Sea Urchins: St. George's sea urchin test fishery is tentatively scheduled for the middle of August. Management will finalize details before the end of April. ADF&G will provide a biologist who will oversee an assessment of the urchin population around the island. The actual assessment will be performed by divers and a vessel, both provided by APICDA. Once the assessment is complete, a determination will be made whether or not there is a sufficient resource to allow a harvest. If the assessment is positive, a test fishery of approximately 50,000 pounds of round urchins will follow.

The urchins will be flown live to Japan, where they will be sold. We will receive feedback from the Japanese on their perception of the flavor, color, and quality of the uni. We will also identify

logistical problems associated with both the harvest and transport of the urchins. This will help determine whether or not a commercial urchin fishery is viable in St. George.

B. Outreach

APICDA staff traveled to many of our communities during the first quarter to meet with residents and discuss a wide variety of CDQ and development related issues.

APICDA will host its fourth annual Community Outreach conference in mid-April. The conference will be attended by representatives from the local government, the village corporation, and the local traditional council or IRA from each of APICDA's eligible communities. The APICDA board and staff, as well as representatives from some of the APICDA harvesting partners, will also attend. The purpose of the conference is to discuss the future of APICDA, its subsidiaries, its impact upon each of the villages, and the goals and desires of the villages. A report from last year's conference has been sent to all participants in the first quarter.

APICDA staff produced a first quarter newsletter. Last minute additions to the newsletter delayed the posted date to April. The newsletter was sent to all APICDA communities, CDQ partners, and various agencies associated with APICDA and the CDQ program.

APICDA's Human Resource department is actively recruiting APICDA residents for available positions and anticipated future positions with APICDA, APICDA subsidiaries, and APICDA harvesting partners.

At the March Executive Committee meeting, committee members expressed interest in expanding the Community Conference to include youth representatives of the communities. They directed management to provide the APICDA board an outline of a youth conference program by early summer. This issue will also be added to the April board of directors meeting agenda.

APICDA's Human Resource department is continuing to gather base line data for The "Job Bank" program that is in progress. Management will be contacting other agencies that work in the Aleutian region on social programs to join efforts to achieve greater success on outreach in the communities.

C. Employment

CDQ Local Resident Employment for First Quarter, 2002 and Year-to-Date

	Quarter		Year-To-Date		Year-To-Date
	Positions	Wages	Positions	Wages	Discrete People
Management/Admin	18	\$106,213	18	\$106,213	18
CDQ A/B Season	7	54,985	7	54,985	7
CDQ C/D Season	0	0	0	0	0
Other Fishing	28	323,310	28	323,310	28
Internships	0	0	0	0	0
Other Employment	13	44,812	13	44,812	13
Totals	66	\$529,320	66	\$529,320	64
	Quarterly Discrete People	Yearly Discrete Positions	64	Yearly Discrete People	64

Note: "Positions" are the total number of individuals who receive compensation for the quarter or year-to-date. "Discrete people" and "discrete positions" refer to the actual number of individuals or positions during the time period. Several individuals were employed in different categories during the quarter or year-to date; this means that these individuals are double (or triple) counted in the "positions" column or category, and show up in more than one of the "discrete people" categories; however, they are only counted once in the bottom line under "discrete people" or "discrete positions." Additionally, **Appendix 15** provides a complete listing by name, category, and community for all individuals employed for the first quarter. **Appendix 16** provides a complete list of Alaska Residents employed by APICDA and subsidiaries in the first quarter.

Summary

Management/Administrative: During the first quarter, there were eighteen APICDA residents who received compensation for management/administrative duties. These functions ranged from staff employment and honorariums, to Community Liaison Officers (CLO) activities. The total expended during the quarter was \$106,213.

Direct Employment from CDQ Pollock Fishing: Seven CDQ residents (two from APICDA communities) were employed in pollock fishing and/or processing operations at-sea on the *C/P Starbound* during the quarter. Total wages were \$54,985

Other Fishing: Twenty-eight CDQ residents (twenty-seven from APICDA communities), were employed in the "other fishing" category: Two CDQ residents (one from an APICDA community) participated in the Pacific cod fishery on the *F/LL Ocean Prowler* and *Ocean Prowler*; ten APICDA residents generated wages from the Bering Pacific operation; thirteen APICDA residents generated wages from the Atka Pride Seafoods operations; and three APICDA residents participated in tendering/fishing operations for our partner Trident Seafoods in Akutan. Total wages for all other fishing activities combined for the first quarter was \$323,310.

Other Employment: Thirteen APICDA CDQ residents were employed in a variety of non-direct fishery activities, including the Nazan Bay Inn, L.L.C., Bering Pacific Seafoods, L.L.C. operation, and construction projects directly related to APICDA CDP projects, and other activities. Total wages generated for the first quarter were \$44,812.

Interns: By the conclusion of 2001, three APICDA residents participated in APICDA's summer college intern program. Total wages generated were \$11,318. Management anticipates increased participation in 2002.

Ancillary Employment and Economic Impacts: The activities of APICDA and its subsidiaries generate significant economic benefits in the region, but much of the benefit is not captured by the existing employment and earnings data tables. For example, the Bering Pacific Seafoods facility in False Pass purchases fish from resident fishermen, from fishermen living in the region (but outside the CDQ eligible communities), and from fishermen living outside the region. Similarly, BPS (and other APICDA subsidiaries) employs local residents, regional residents, other Alaska residents, and non-residents. The purchase of fish and the payment of wages, whether to residents or non-residents, have an undeniable economic impact in the community. Goods are purchased with the money received and taxes are paid to the city, the borough and the state.

As an example, shown below is a summary of payments made during the first through first quarters resulting from Bering Pacific Seafoods operations in False Pass. BPS employed fifty-three individuals total during the quarter; of these, eight were False Pass residents, twenty-five were Alaska residents from non-CDQ communities, and twenty were non-Alaska residents. In addition, BPS purchased Pacific cod and/or salmon from ten different vessels through the first quarter; many of these vessels employed CDQ community residents and other Alaska residents.

Category	1st Quarter	2nd Quarter	3 rd Quarter	Total
Salmon Marketing Tax	\$ 0	0	0	\$ 0
State Raw Fish Tax (3%)	19,078	0	0	19,078
Aleutians East Borough Tax (2%)	12,719	0	0	12,719
City of False Pass Tax (2%)	14,447	0	0	14,447
ASMI Tax (.3%)	1,908	0	0	1,908

Total Fish Purchases	635,925	0	0	635,925
City of False Pass Berthing Fees	9,125	0	0	9,125
City of False Pass Warfage	7,268	0	0	7,268
Total Employee Wages	261,212	0	0	261,212
Rent	13,250	0	0	13,250
Utilities	10,635	0	0	10,635
Fuel	20,288	0	0	20,288
Total	\$ 869,212	0	0	\$ 869,212

D. Training & Education

Training and Education for First Quarter, 2002 and Year-to-Date

		Quarter		Year-To-Date	
		People	Expenditures	People	Expenditures
Scholarships					
	Post Secondary	27	\$62,552	27	\$62,552
	Vocational	4	7,427	4	7,427
Voc-Tech Classes					
	Basic	0	0	0	0
	Advanced	0	0	0	0
Other Training					
	Fisheries Related	0	0	0	0
	Student Loans	0	0	0	0
	CDQ Staff/Board	9	13,888	9	13,888
	Other	0	0	0	0
Other Expenditures					
	To Educational Institutions	0	0	0	0
	Community Conference	0	0	49	0
	Fish Association Grants	N/A	140,000	N/A	140,000
	School Grants	N/A	0	N/A	0
	Miscellaneous Grants	N/A	2,857	N/A	2,857
	Total	40	\$226,724	40	\$226,724

Summary

1.) Vocational Education: During the first quarter four individuals attended various vocational education or specialized training programs. A total of \$7,427 in vocational education scholarships on behalf of APICDA residents was spent this quarter.

2.) Higher Education: Twenty-seven individuals used APICDA higher education scholarships during the first quarter of the year. Each scholarship is in the amount of

\$5,000 for the school year. A total of \$62,552 in higher education scholarships on behalf of APICDA residents was spent in the first quarter.

3.) Summer Intern Program: Three APICDA residents participating in the Summer Intern Program in the year 2001. Two individuals worked at the Museum of the Aleutians in Unalaska, and one individual had an internship with Altman, Rogers & Company, accountant firm, in Anchorage. Management is anticipating an increased participation in 2002. The human resource department is actively coordinating with APICDA's partners and subsidiaries to provide opportunities for our higher education participants in the intern program this summer.

4.) Other Expenditures: APICDA provides various programs to the communities that derive funds from the Training & Education Program. These programs provide benefits to APICDA communities in education, experience, and good will services.

APICDA awards grants in the amount of \$20,000 yearly to the fishermen's association in each community. These grants provide seed money to the associations for projects, participation in the fishery management process, and other activities. A total of \$140,000 was awarded through the first quarter.

The Miscellaneous Grant program is available for projects in the community that otherwise do not fit in the existing APICDA programs. An amount up to \$2,857 can be awarded to eligible community. The Executive Committee reviews each proposal before funds are awarded. A total of \$2,857 was distributed through the first quarter.

The School Grant is available to schools in each of the eligible communities. A total of \$6,000 per year is available. No grants were proposed this quarter.

APICDA also provides education and training opportunities to employees of APICDA and its subsidiaries. In the first quarter, nine staff members attended various training and educational programs. Total expenders were \$13,888.

E. Other Issues

There are no other issues not otherwise addressed.

III. Administration

A. Board Activities

1.) Changes in Board Members: There were two APICDA board member changes during the first quarter. Rick Lauber replaced Jim Branson as the fishing industry

representative on the APICDA board, and Jeff Kashevarof replaced Ilarion Philemonof as the St. George board member.

2.) Decisions/Actions: The Board of Directors for APICDA met in January. There were no other decisions or actions of major consequence that are not included here or in the confidential section of this report.

3.) Schedule for Next Quarter: The next APICDA board meeting will be in April, 2002.

4.) Minutes: Approved minutes from board meetings in the first quarter are attached as **Appendix 14** in the confidential section of this report.

B. State Of Alaska Reporting Compliance

APICDA and its subsidiaries are and were in full compliance with all State of Alaska CDQ reporting regulations.

C. CDP Amendment Status

Shown below are the plan amendments approved in the first quarter:

2002 Technical / Substantial Amendments				
Numbers	Technical or Substantial	Description	Date Submitted	Date Approved
TA#02-01	Technical	Add a vessel - Seattle Enterprise	02/04/02	02/05/02
SA#02-02	Substantial	BPS/Dipper Partnership Buy-Out	02/07/02	02/25/02
TA#02-03	Technical	Trident/Starbound 2002-2003 CDQ pollock contract	02/13/02	03/14/02
SA#02-04	Substantial	2002 Budget Revisions	02/14/02	
SA#02-05	Substantial	Transfer Atka Mac/POP from CVRF	02/19/02	02/25/02
SA#02-06	Substantial	Transfer Atka Mac/POP from CBSFA	02/20/02	02/25/02
SA#02-07	Substantial	Transfer Atka Mac/POP from YDFDA	03/04/02	03/06/02

D. Other Issues

There are no other issues not otherwise addressed.

IV. Harvesting Report

A. Target Fishery Harvest Activity

Pollock CDQ Harvest: The pollock "A" season CDQ fishery was completed in the first quarter. The *C/P Starbound*, *C/P Island Enterprise*, *C/P Kodiak Enterprise*, and *C/P Northern Hawk*, harvested APICDA's "A" season pollock.

	Metric Tons Harvested					YTD Harvest	Target Fishery Information % of Target Harvest
	CDQ Allocation	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.		
A/B Season	8,316.000	8,257.221				8,257.221	98.58%
C/D Season	12,474.000					0.000	
Total	20,790.000					8,257.221	98.58%
Sablefish, Trawl - BS		0.000	0.000	0.000	0.000	0.000	0.00%
Sablefish, Trawl - AI		0.000	0.000	0.000	0.000	0.000	0.00%
Pacific Cod		25.009	0.000	0.000	0.000	25.009	0.30%
WAI Atka mackerel		0.000	0.000	0.000	0.000	0.000	0.00%
CAI Atka mackerel		0.000	0.000	0.000	0.000	0.000	0.00%
EAI Atka mackerel		0.006	0.000	0.000	0.000	0.006	0.00%
Yellowfin sole		30.440	0.000	0.000	0.000	30.440	0.36%
Rock sole		36.655	0.000	0.000	0.000	36.655	0.44%
Greenland Turbot BS		0.043	0.000	0.000	0.000	0.043	0.00%
Greenland Turbot AI		0.000	0.000	0.000	0.000	0.000	0.00%
Arrowtooth flounder		0.782	0.000	0.000	0.000	0.782	0.01%
Alaska Plaice		0.727	0.000	0.000	0.000	0.727	0.00%
Flathead sole		15.421	0.000	0.000	0.000	15.421	0.18%
Other flatfish		0.954	0.000	0.000	0.000	0.954	0.01%
True POP - BS		0.000	0.000	0.000	0.000	0.000	0.00%
WAI POP		0.000	0.000	0.000	0.000	0.000	0.00%
CAI POP		0.000	0.000	0.000	0.000	0.000	0.00%
EAI POP		0.000	0.000	0.000	0.000	0.000	0.00%
BS other red rockfish		0.000	0.000	0.000	0.000	0.000	0.00%
AI Northern		0.000	0.000	0.000	0.000	0.000	0.00%
AI Shortraker/Rougheye		0.000	0.000	0.000	0.000	0.000	0.00%
Other rockfish - BS		0.000	0.000	0.000	0.000	0.000	0.00%
Other rockfish - AI		0.000	0.000	0.000	0.000	0.000	0.00%
Other species		9.176	0.000	0.000	0.000	9.176	0.11%
TOTAL		8,376.434	0.000	0.000	0.000	8,376.434	99.99%
PSQ Bycatch							
PSQ Red King Crab Zone 1		0	0	0	0	0	0.00%
PSQ Bairdi Tanner Zone 1		11	0	0	0	11	0.13%
PSQ Bairdi Tanner Zone 2		0	0	0	0	0	0.00%
PSQ Opilio Tanner Crab		8	0	0	0	8	0.10%
Halibut mortality		0.534	0	0	0	1	0.01%
PSQ Chinook		221	0	0	0	221	2.64%
PSQ Non-Chinook salmon		0	0	0	0	0	0.00%

Pacific Cod CDQ Harvest: The 2002 Pacific cod CDQ fishery was concluded late in the first quarter. Approximately thirty-two percent of APICDA's annual Pacific cod has been harvested. The *F/LL Prowler*, and *Bering Prowler* harvested APICDA's entire quota in the first quarter.

	CDQ Allocation	Metric Tons Harvested				YTD Harvest	Target Fishery Information
		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.		% of Target Harvest
Pacific Cod	2,400.000	776.029	0.000	0.000	0.000	776.029	85.62%
Bycatch							
Sablefish, FG - BS		0.000	0.000	0.000	0.000	0.000	0.00%
Sablefish, FG - AI		0.000	0.000	0.000	0.000	0.000	0.00%
Sablefish, Trawl - BS		0.000	0.000	0.000	0.000	0.000	0.00%
Sablefish, Trawl - AI		0.000	0.000	0.000	0.000	0.000	0.00%
WAI Atka mackerel		0.000	0.000	0.000	0.000	0.000	0.00%
CAI Atka mackerel		0.000	0.000	0.000	0.000	0.000	0.00%
EAI Atka mackerel		0.009	0.000	0.000	0.000	0.009	0.00%
Yellowfin sole		0.000	0.000	0.000	0.000	0.000	0.00%
Rock sole		0.104	0.000	0.000	0.000	0.104	0.01%
Greenland Turbot BS		0.043	0.000	0.000	0.000	0.043	0.00%
Greenland Turbot AI		0.000	0.000	0.000	0.000	0.000	0.00%
Arrowtooth flounder		0.826	0.000	0.000	0.000	0.826	0.09%
Flathead sole		2.121	0.000	0.000	0.000	2.121	0.23%
Other flatfish		0.000	0.000	0.000	0.000	0.000	0.00%
True POP - BS		0.010	0.000	0.000	0.000	0.010	0.00%
WAI POP		0.000	0.000	0.000	0.000	0.000	0.00%
CAI POP		0.000	0.000	0.000	0.000	0.000	0.00%
EAI POP		0.000	0.000	0.000	0.000	0.000	0.00%
BS other red rockfish		0.026	0.000	0.000	0.000	0.026	0.00%
AI Northern		0.000	0.000	0.000	0.000	0.000	0.00%
AI Shortraker/Rougheye		0.000	0.000	0.000	0.000	0.000	0.00%
Other rockfish - BS		0.004	0.000	0.000	0.000	0.004	0.00%
Other rockfish - AI		0.000	0.000	0.000	0.000	0.000	0.00%
Other species		108.291	0.000	0.000	0.000	108.291	11.95%
Non-Pollock Quota BS		18.930	0.000	0.000	0.000	18.930	2.09%
TOTAL		906.393	0.000	0.000	0.000	906.393	100.00%

PSQ Bycatch

Halibut mortality	1.557	0.000	0.000	0.000	1.557	0.17%
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**Halibut in the longline fishery is the only species deducted from PSQ allocations

The other PSQ catch, such as crab and salmon do not count against PSQ allocations

Atka Mackerel Harvesting: APICDA's partner, Cascade Fishing, Inc., has shown great efficiency in harvesting CDQ Atka mackerel. Their ability to minimize excess bycatch has made it desirable for other CDQ groups to transfer their annual allocations of Atka mackerel and related bycatch to APICDA for near complete harvest of the CDQ allocation. Through the first quarter, APICDA received a total of 1,473 metric tons of Atka mackerel and related bycatch from CVRF, YDFDA, and CBSFA combined. These transfers, including APICDA's allocation, represents seventy percent of the total Atka mackerel 2002 CDQ allocation. The F/T *Seafisher* harvests APICDA's Atka mackerel and Pacific Ocean Perch.

	CDQ Allocation	Metric Tons Harvested				YTD Harvest	Target Fishery Information
		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.		% of Target Harvest
Total Atka Mackerel	2576.050	245.495	0.000	0.000	0.000	245.495	74.00%
Totals by Areas:							
WAI	1,039.150	0.000	0.000	0.000	0.000	0.000	
CAI	1,257.250	0.000	0.000	0.000	0.000	0.000	
EAI	279.650	245.495	0.000	0.000	0.000	245.495	74.00%
Bycatch							
Sablefish, Trawl - BS		0.000	0.000	0.000	0.000	0.000	0.00%
Sablefish, Trawl - AI		0.000	0.000	0.000	0.000	0.000	0.00%
Pacific Cod		3.810	0.000	0.000	0.000	3.810	1.15%
Yellowfin sole		0.000	0.000	0.000	0.000	0.000	0.00%
Rock sole		0.101	0.000	0.000	0.000	0.101	0.03%
Greenland Turbot BS		0.000	0.000	0.000	0.000	0.000	0.00%
Greenland Turbot AI		0.000	0.000	0.000	0.000	0.000	0.00%
Arrowtooth flounder		2.749	0.000	0.000	0.000	2.749	0.83%
Alaska Plaice		0.000	0.000	0.000	0.000	0.000	0.00%
Flathead sole		0.042	0.000	0.000	0.000	0.042	0.01%
Other flatfish		0.000	0.000	0.000	0.000	0.000	0.00%
True POP - BS		0.000	0.000	0.000	0.000	0.000	0.00%
WAI POP		0.000	0.000	0.000	0.000	0.000	0.00%
CAI POP		0.000	0.000	0.000	0.000	0.000	0.00%
EAI POP		70.768	0.000	0.000	0.000	70.768	21.33%
BS other red rockfish		0.000	0.000	0.000	0.000	0.000	0.00%
AI Northern		6.528	0.000	0.000	0.000	6.528	1.97%
AI Shortraker/Rougheye		0.000	0.000	0.000	0.000	0.000	0.00%
Other rockfish - BS		0.000	0.000	0.000	0.000	0.000	0.00%
Other rockfish - AI		0.081	0.000	0.000	0.000	0.081	0.02%
Other species		0.266	0.000	0.000	0.000	0.266	0.08%
Non-Pollock Quota AI		1.889	0.000	0.000	0.000	1.889	0.57%
TOTAL		331.729	0.000	0.000	0.000	331.729	100.00%

PSQ Bycatch

Halibut mortality	0.519	0.000	0.000	0.000	0.519	0.16%
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**Halibut in the Atka mackerel fishery is the only species deducted from PSQ allocations

The other PSQ catch, such as crab and salmon do not count against PSQ allocations

CDQ Crab Harvest

Opilio CDQ Harvests: No landings of CDQ opilio crab were recorded in the first quarter. Vessels participating in the 2002 opilio harvest are the *Farwest Leader*, and *Billikin*.

	CDQ	Metric Tons Harvested				YTD	
	Allocation	1st Qrt.	2nd Qrt.	3rd Qrt.	4th Qrt.	Harvest	% of Harvest
Opilio Crab	248,079	0	0	0	0	0	0

Halibut Harvesting: No activity in the first quarter

Sablefish Harvesting: No activity in the first quarter

- 7.) PSC Harvest: The bycatch of prohibited species continues to be low. The first quarter results are reported in the following table.

Pollock Harvested by Non-Pollock Vessels:

	Harvest(mt)	Retained (mt)	Discarded (mt)	% Retained
Fixed Gear	18.930	10.992	7.938	58.07%
Trawl Catcher Processor	1.889	1.889	0.000	100.00%
Total	20.819	12.881	7.938	61.87%

PSC that does not accrue against the PSQ allocation:

	<u>Chinook</u>	<u>Non-Chinook</u>	<u>King Crab</u>	<u>Bairdi</u>	<u>Opilio</u>
Fixed Gear	0	0	0	0	46
Trawl Catcher-Processor	3	0	0	0	0
Trawl Catcher Vessel	0	0	0	0	0
<u>Total</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>46</u>

B. CDQ Harvest by Quarter and Year-to-Date

Species	2002 CDQ Allocation	Trans In	Trans Out	Metric Tons Harvested				YTD Harvest	Percent of Allocation
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr		
Atka Mackerel									
Eastern 541	123.900	155.750		245.510	0.000	0.000	0.000	245.510	87.79%
Central 542	535.500	721.750		0.000	0.000	0.000	0.000	0.000	0.00%
Western 543	443.400	595.750		0.000	0.000	0.000	0.000	0.000	0.00%
Arrowtooth	144.000	9.000		4.357	0.000	0.000	0.000	4.357	2.85%
Alaska Plaice	225.000			0.727	0.000	0.000	0.000	0.727	0.32%
Other Flatfish	56.250			0.954	0.000	0.000	0.000	0.954	1.70%
Flathead Sole	375.000			17.584	0.000	0.000	0.000	17.584	4.69%
Turbot (BS)	80.400			0.086	0.000	0.000	0.000	0.086	0.11%
Turbot (AI)	31.368	4.000		0.000	0.000	0.000	0.000	0.000	0.00%
Pacific Cod	2,400.000	120.000		804.848	0.000	0.000	0.000	804.848	31.94%
Pollock BS	20,790.000			8,257.221	0.000	0.000	0.000	8,257.221	39.72%
A Season	8,316.000			8,257.221	0.000	0.000	0.000	8,257.221	99.29%
B Season	12,474.000			0.000	0.000	0.000	0.000	0.000	0.00%
Pollock AI	14.000			0.000	0.000	0.000	0.000	0.000	0.00%
Non- Pollock Quota - BS	N/A			18.930	0.000	0.000	0.000	18.930	N/A
Non- Pollock Quota - AI	N/A			1.889	0.000	0.000	0.000	1.889	N/A
Pacific Ocean Perch (BS)	35.460			0.010	0.000	0.000	0.000	0.010	0.03%
Pacific Ocean Perch (AI)									
Eastern 541	78.000	96.000		70.768	0.000	0.000	0.000	70.768	40.67%
Central 542	69.000	86.000		0.000	0.000	0.000	0.000	0.000	0.00%
Western 543	127.500	165.000		0.000	0.000	0.000	0.000	0.000	0.00%
Other Red Rockfish BS	2.300			0.026	0.000	0.000	0.000	0.026	1.13%
Northern (AI)	151.800	127.000		6.528	0.000	0.000	0.000	6.528	2.34%
Shortraker/Rougheye (AI)	14.960	7.760		0.000	0.000	0.000	0.000	0.000	0.00%
Other Rockfish BS	6.750			0.004	0.000	0.000	0.000	0.004	0.06%
Other Rockfish AI	11.730	2.500		0.081	0.000	0.000	0.000	0.081	0.57%
Rock sole	972.000			41.957	0.000	0.000	0.000	41.957	4.32%
Sablefish Trawl (BS)	12.240			0.000	0.000	0.000	0.000	0.000	0.00%
Sablefish Trawl (AI)	11.520			0.000	0.000	0.000	0.000	0.000	0.00%
Sablefish Fixed Gear (BS)	28.950			0.000	0.000	0.000	0.000	0.000	0.00%
Sablefish Fixed Gear (AI)	57.450			0.000	0.000	0.000	0.000	0.000	0.00%
Yellowfin Sole	1,806.000			30.440	0.000	0.000	0.000	30.440	1.69%
Other species	353.736	5.000		117.733	0.000	0.000	0.000	117.733	32.82%
Non Specific Reserve	206.424			0.000	0.000	0.000	0.000	0.000	0.00%
4B Halibut (lbs)	836,000			0	0	0	0	0	0.00%
4C Halibut (lbs)	101,500			0	0	0	0	0	0.00%
BS Opilio (lbs)	245,856	2223		0	0	0	0	0	0.00%
BB Red King Crab (lbs)	N/A			0	0	0	0	0	#VALUE!
Prohibited Species									
Halibut (MT)	75.460			2.610	0.000	0.000	0.000	2.610	3.46%
Bairdi Zone 1 (#s)	19110			9	0	0	0	9	0.05%
Bairdi Zone 2 (#s)	51233			6	0	0	0	6	0.01%
Opilio Tanner Crab (#s)	78300			8	0	0	0	8	0.01%
Red King Crab (#s)	2110			0	0	0	0	0	0.00%
Chinook Salmon (#s)	416			221	0	0	0	221	53.13%
Other Salmon (#s)	473			0	0	0	0	0	0.00%

C. Compliance

APICDA and its partners are and were in full compliance with all NMFS and State of Alaska reporting requirements in the first quarter.

D. Other Fishing Issues/Activities

There were no other fishing issues or activities.

Table 1
Akutan Milestones

Project	Completion Date	Status
Identify funding for harbor.	2004	\$1 million commitment by APICDA and \$2 million by AEB. Permitting underway.
Complete species/production identification plan, complete harvest and marketing plans, and complete corporate structure for seafood company.	2002	Pending.
Initiate seafood company.	2003	Pending.
Continue seafood company operations.	2004	Pending.
Construct harbor.	2004	Pending.

Table 2
Atka Milestones

Project	Completion Date	Status
Continue water taxi and pilot boat business.	Ongoing	Continuing.
Process sablefish & halibut CDQ.	Ongoing	Continuing.
Expand processing at APS, both by species and time of year.	Ongoing	In progress.
Evaluate possibilities for value-added production of sablefish, halibut and cod at APS.	2001	Continuing.
Complete feasibility analysis and business plan for proposed lodge. Start operations in fall. Provide six local jobs.	2003	Proposed.
Provide limited vessel repair opportunity.	2001/02	Complete.
Provide fuel depot services.	2003	Pending.
Provide warehouse storage opportunity.	2003	Pending.

Table 3
False Pass Milestones

Project	Completion Date	Status
Employ fifteen local residents in connection with Dipper operations.	Ongoing.	In progress.
Purchase and process 3 million pounds of Pacific cod and salmon.	2001/02	Pending.
Complete plan to transition to shoreplant.	2004	Pending.
Construct shore plant and expand operations.	2004	Pending.
Complete feasibility analysis and business plan for store.	2002	Pending.
Open store and employ five residents.	2003	Pending.

Table 4
Nelson Lagoon Milestones

Project	Completion Date	Status
Construct ice delivery system.	2001/02	Pending.
Complete processing plant decision-making process.	2002/03	Pending.
Construct processing plant (if approved)	2004	Pending.
Open processing plant.	2004	Pending.

Table 5
Nikolski Milestones

Project	Completion Date	Status
Evaluate near shore fishing opportunities.	2001	In progress.
Employ six local residents in lodge business.	2001	In progress.
Operate lodge profitably.	2002	Pending.

Table 6
St. George Milestones

Project	Completion Date	Status
Complete evaluation for construction of new processing plant.	Winter, 2001	Completed.
Construct processing plant.	2004	Pending.
Open processing plant for business.	2001/02	Pending.
Harvest 4C halibut CDQ and IFQ.	Continuing.	Continuing.
Initiate gear and vessel upgrade program	Continuing.	Continuing.
Identify Tract I tenants or generate revenue from facilities	Continuing.	Continuing.

Table 7
Other APICDA Milestones

Purchase large commercial fishing vessels.	Ongoing	Continuing.
Continue Quota Share Loan Guarantee Program.	Ongoing	Continuing.
Purchase Quota Shares.	Ongoing	Continuing.
Provide annual donation to local fishermen's associations.	Spring (each year)	Continuing.
Hold annual APICDA Village Outreach Conference.	Spring (each year)	Continuing.
Assessment of Product Diversification Program expansion opportunities.	Ongoing	Ongoing
Develop flatfish operation.	Ongoing	In process.
Distribute annual school grants.	Winter (annual)	Continuing.
Establish higher education scholarship funding levels and identify recipients.	Spring (annual)	Ongoing.
Continue implementation of Small Vessel Acquisition Program.	Fall (annual)	In Process.
Evaluate all joint venture and subsidiary investments from a goal, objective, and profit making perspective.	Ongoing	Continuing.
Maximize harvest of all APICDA MSCDQ allocations.	Ongoing	Continuing
Maximize the harvest of target species and minimize the harvest of incidental species, particularly prohibited species.	Ongoing	Continuing.

Table 7 Other APICDA Milestones (continued)

Maximize the use of gear types that have minimized adverse impacts upon habitat.	Ongoing	Continuing.
Monitor MSCDQ vessel harvesting activities on an individual vessel basis to manage target and non-target harvests.	Ongoing	Continuing.
Monitor MSCDQ vessel activities to ensure compliance with all federal and state regulations.	Ongoing	Continuing.
Comply with all state and federal reporting requirements on a timely basis.	Ongoing	Continuing.
Achieve a royalty return from MSCDQ harvesting and processing operations that are fair to all parties involved.	Ongoing	Continuing.
Maximize the return from MSCDQ harvesting and processing operations by participating as a whole or part-owner at as many levels of the industry (harvesting, processing, marketing, etc.) as possible and practical.	Ongoing	Continuing.
Maximize the employment of local residents in all phases of MSCDQ harvesting, processing, and marketing.	Ongoing	Continuing.
Contribute ten percent of annual APICDA revenue into the Longterm Reserve Account (LRA).	Ongoing	Continuing.
Invest LRA funds in accordance with APICDA's Investment Guidelines.	Ongoing	Continuing.
Manage non-LRA funds to maximize liquidity while emphasizing security.	Ongoing	Continuing.
Normally generate one-half to one percent above prime as a rate of return for internal loans.	Ongoing	Continuing.
Establish annual board and administrative budgets, and monitor budgets on a continuing basis.	Ongoing	Continuing.

Table 7 Other APICDA Milestones (continued)

Maintain a cash flow projection six months into the future.	Ongoing	Continuing.
Establish annual board and administrative budgets, and monitor budgets on a continuing basis.	Ongoing	Continuing.
File quarterly and annual reports on a timely basis.	Ongoing	Continuing.
Comply with all CDQ federal and state rules and regulations.	Ongoing	Continuing.
Complete an annual audit.	Ongoing	Continuing.
Have regular board and sub-committee meetings.	Ongoing	Continuing.
Review by-laws on an annual basis.	Ongoing	Continuing.
Ensure that fishermen associations conduct their APICDA board representative elections in accordance with appropriate by-laws.	Ongoing	Continuing.
Ensure that staff implements board policies as enunciated.	Ongoing	Continuing.
Implement Quota Share Retention Program.	Ongoing	Continuing.
Implement College Intern Program.	Ongoing	Continuing.