

**2006 Multi-Species CDQ  
First Quarter Report  
(Public Version)**

for the

**Aleutian Pribilof Island  
Community Development  
Association**

May 2, 2006

## Table of Contents

I.	Quarterly Highlights	1
II.	Community Developments	
	A. Progress towards Goals, Objectives, Milestones	2-4
		Table 1-7 (pp. 16-22)
	B. Outreach	4
	C. Employment	
	1. Data Form	5
	2. Summary	5-6
	3. Resident Employment List	APP. 14
	4. Employment & Financial Benefactor List	APP. 15
	D. Training	
	1. Data Form	7
	2. Summary	7-9
	3. Education and Training Participant List	APP 16
III.	Administration	
	A. Board Activities	
	1. Change in Membership	9
	2. Decisions/Actions	9
	3. Minutes	APP. 13
	B. State of Alaska Reporting Compliance	10
	C. Amendment Status	10
	D. Corporate Organization Structure	10
IV.	Harvesting Report	
	A. Pollock & MSCDQ harvest Activities by Target Fishery	
	1. Pollock	11
	2. Pacific Cod	12
	3. Atka Mackerel	13
	4. Yellowfin Sole	13
	5. Crab	13
	6. Halibut	13
	7. Sablefish	13
	8. Pollock Harvested by Non-Pollock Vessels	13
	9. PSC Not Accrued Against PSQ Allocation	13
	10. Transfers	14
	B. Pollock & MSCDQ Harvested by Quarter and Y-T-D	
	1. Consolidated Summary of CDQ Harvested	15
	C. Compliance	16
	D. Other Fishing Issues	16

## I. Quarterly Highlights

APICDA's employment goal for 2006 is to provide at least 80 jobs for APICDA residents. By the conclusion of the first quarter, a total of 32 job positions (32 discrete individuals) had been filled by APICDA residents, generating wages of \$284,473 – over \$8,890 per job. Based on population, we employed just over seven percent (6%) of APICDA's community members during the first quarter of 2006.

During the first quarter, sixteen individuals attended various vocational education or specialized training programs. APICDA invested \$14,921 in vocational education scholarships for its residents this quarter.

Forty -one individuals used APICDA higher education scholarships during the first quarter of the year. Each scholarship is capped at \$5,000 for the school year. A total of \$102,500 in higher education scholarships were disbursed in the first quarter.

The APICDA board, subsidiary boards, and committees were quite active in the first quarter. These various boards and committees conducted a total of ten meetings over the quarter.

Management and staff spent approximately 55 "person days" in the APICDA region in the first quarter. Project development, project maintenance, and community outreach were some of the activities/purposes for their trip(s) to the APICDA communities.

APICDA concluded its Bering Sea "A" season pollock fishery during the first quarter, harvesting 100% of the allocation. APICDA also harvested 100% of our 2006 opilio and bairdi Tanner crab CDQ allocations in the first quarter, and 100% of our Pacific cod CDQ "A" season allocation in the first quarter.

APICDA purchased an additional 25% ownership in the Farwest Leader Partnership. The Farwest Leader Partnership owns and operates the F/V *Farwest Leader*, a 100 foot vessel. The vessel operates in the Bering Sea/Aleutian Islands. The *Farwest Leader* harvests crab, Pacific cod, sablefish and tenders salmon. In addition to its harvesting capabilities, the vessel also has extensive fishing rights which include shares of various Bering Sea crab species. APICDA's partner in this venture is Trident Seafoods.

The F/V *Konrad I* participated in three fisheries in the first quarter. In January, the *Konrad* participated in the western gulf Tanner crab fishery harvesting approximately 41,000 pounds of bairdi (nearly 15% of the entire quota for this area). In February, the vessel participated in the state and federal Pacific cod fishery, harvesting over 200,000 pounds of Pacific cod. She is currently harvesting Bering Sea IFQ/CDQ sablefish.

The F/V *Taty Z* participated in several fisheries in the first quarter. In early March the vessel harvested APICDA's 3A/B IFQ halibut. Later in the month, the vessel participated in various IFQ Gulf of Alaska sablefish fisheries. The vessel is now in the process of gearing up for the Aleutian Island halibut fishery.

## 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 2006 is to provide at least 80 jobs for APICDA residents. In the first quarter, a total of 32 job positions (32 discrete individuals) had been filled by APICDA and CDQ residents, generating wages of \$283,656.

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, nine APICDA residents attended various vocational education or specialized training programs. Total funds requested and approved were \$14,921.

3.) Internships: APICDA seeks to place five to ten college students in the scholarship program in summer internships. The purpose of the college internship is to provide summer (or non-school time) employment opportunities to residents receiving higher education scholarships in fields of interest to them, APICDA and its subsidiaries. This quarter our Human Resource director began recruiting both student and potential employer participants for this summer's program. We expect to meet the outlined milestones associated with this project.

4.) Education: Forty-one individuals used APICDA higher education scholarships during the first quarter of the year. Each scholarship is in the amount of up to \$5,000 for the school year. A total of \$102,500 in higher education scholarships on behalf of APICDA residents has been spent the first quarter.

5.) 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., Barbara J, L.L.C., Farwest Leader Partnership, Nazan Bay Inn, Starbound Partnership, Cannon Fish Company, Prowler, L.L.C., Ocean Prowler, L.L.C., Golden Dawn, L.L.C., Bering Pacific Seafoods, L.L.C., Ugludax, 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.

6.) APICDA Vessels, Incorporated (AVI): AVI activities during the first quarter consisted of preparing and launching its fleet for the upcoming fisheries. This includes the five AP boats, the *Bonanza*, the *Taty Z*, and the *Konrad I*.

The *AP 1*, *AP 2*, and *AP 3* will be used for the tendering and harvesting platforms in the St. George halibut fishery. Management is in the process of hiring local St. George residents to run the vessels this summer.

The *AP 4*, *AP 5*, *Bonanza*, *Taty Z*, and *Konrad I* will participate in the Atka halibut fishery. AVI staff is currently preparing the vessels for the up-coming season. The 4B halibut fishery is anticipated to commence in early June.

The F/V *Konrad I* participated in three fisheries in the first quarter. In January, the *Konrad* participated in the western gulf Tanner crab fishery. The *Konrad* harvested approximately 41,000 pounds of Bairdi. This harvest represents nearly ten percent (15%) of the entire quota for this area. In February, the vessel participated in the state and federal Pacific cod fishery. Using pot gear, the vessel harvested over 200,000 pounds of Pacific cod. The vessel is currently harvesting Bering Sea IFQ/CDQ sablefish.

The F/V *Taty Z* participated in several fisheries in the first quarter. In early March the vessel harvested APICDA's 3A/B IFQ halibut. Later in the month, the vessel participated in various IFQ Gulf of Alaska sablefish fisheries. The vessel is now in the process of gearing up for the Aleutian Island halibut fishery.

7.) Atka Pride Seafoods (APS) Activities: In the first quarter the final dock modification were completed. This project was originally part of a multi phased up-grade program planned in 2004. The plant will be open in early spring for sablefish deliveries as well as CDQ halibut. The local fleet is expected to commence on the first of June. APS anticipates processing all of APICDA's area 4B CDQ halibut and AI IFQ sablefish.

8.) Puffin Seafoods, L.L.C.: Puffin Seafoods will operate as a fish handling facility in 2006. We anticipate that one, possibly two local community members will be employed. AVI is will be involved with the fishery and committed the use of the *AP 1*, *AP 2*, and *AP 3* as tenders/harvesting vessels. John Moller and Joe Kyle will meet with the St. George Fishermen's Association in May to map out the 2006 operation.

9.) Nelson Lagoon Storage Company, L.L.C.: In 2005, Nelson Lagoon Storage Company experienced an above average season. With the addition of the travel lift and other associated equipment, more fishermen have expressed interest in using the facility for vessel storage. In 2006, the company will continue to up-grade the facilities and surrounding property to attract clients that mainly, due to the lack of a suitable infrastructure, take their business and vessel south.

10.) Bering Pacific Seafoods, L.L.C.: The APICDA and Bering Pacific Seafoods, L.L.C. Board of Directors approved the shoreside processor business plan prepared by the McDowell Group. Construction will begin in the 2<sup>nd</sup> quarter of CY 2006.

11.) Ugludax Lodge: With the closure of MUM Alaska, Inc., APICDA will be marketing and managing the Ugludax Lodge operations. In the first quarter, the Ugludax Lodge Board of Directors hired the UA Center for Economic Development to develop a strategic marketing plan for the tourism activities in Nikolski. The board is in the process of reviewing the marketing plan. For 2006, we anticipate minimal activities at the Lodge including up holding existing client booking, promotional trips to sport show hosts and outdoor magazine writers.

12.) Akutan Fishing Venture: APICDA established a loan program to assist local Akutan residents to purchase halibut quota shares commencing in 2003. Over \$500,000 was loaned to help local Akutan residents purchase about 60,000 pounds of IFQ halibut. In 2005, approximately ninety-nine percent (59,000 pounds) of the program's IFQ were harvested. In addition to direct benefits to the loan recipients, this program has provided additional jobs in the community as deckhands and shore support functions. In 2005, approximately twelve local community members participated in the fishery.

In the first quarter of 2006, APICDA assisted two local Akutan residents in securing a loan to purchase a vessel for the halibut fishery. At this time, there have been no other loan requests to purchase additional halibut IFQ's.

## **B. Outreach**

APICDA management 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. Management and staff spent approximately 55 "person days" in the APICDA region in the first quarter. Project development, project maintenance, and community outreach are some of the activities/purposes for their trips to the APICDA communities. The bulk of this outreach was in the communities of Atka and False Pass.

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.

APICDA Community Liaison Officers (CLO) provided employment and training information to residents of their communities. This includes assisting in recruiting and recommending funding for in-region training and other training opportunities. All CLO's are required to interview scholarship applicants to verify their eligibility and employment goals after their training. The CLO's work closely with the Human Resources Director in relaying community training needs and ideas.

APICDA provides each entity within our eligible communities a copy of the Community Development Plan (CDP), and public version of the quarterly reports. Quarterly newsletters and website are vehicles used by management to increase awareness of all that APICDA and its subsidiaries have to offer for our community members.

### C. Employment

#### CDQ Local Resident Employment for First Quarter, 2006 and Year-to-Date

	Quarter		Year-To-Date		Year-To-Date
	Positions	Wages	Positions	Wages	Discrete People
Management/Admin	6	\$108,901		\$108,901	6
Board Members	9	56,200		56,200	9
Community Liaisons	7	27,000		27,000	7
CDQ A/B Season	5	61,729		61,729	5
CDQ C/D Season					
Other Fishing	7	73,151		73,151	7
Internships	0	0		0.00	0
Other Employment	7	13,688		13,688	7
Totals	32	\$284,473		\$284,473	32
Quarter Discrete	32	Yearly Discrete Positions	32	Yearly Discrete People	32

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:** Six employees are working for APICDA in Juneau, Anchorage and Nelson Lagoon. These employees are or have been residents of APICDA member villages. Total wages paid this quarter \$108,907.

**Board Members:** During the fourth quarter, nine board members from various boards received compensation for their duties and responsibilities. Total compensation for the quarter was \$56,200 (this figure **IS NOT** included in the above financial statistics).

Community Liaisons: Seven APICDA residents received compensation for CLO duties. The total expended during the quarter was \$27,000.

CDQ A/B Season: Five Atka residents on *C/P Starbound* during the A-Season for a total of \$61,729 in wages paid to them in the first quarter.

Other Fishing: During the first quarter one resident from Akutan was paid wages of \$6,215 for fishing on the *Barbara J.*

Two St. George residents and one Quinhagak resident who fished on the F/V *Ocean Prowler* and two Akutan residents and one Kotlick resident who fished on the F/V *Prowler* were paid a total of \$66,940 during the first quarter.

Other Employment: Four Atka residents were employed at Atka Pride Seafood during the first quarter for a total of \$4,271 paid in wages.

One Atka resident was employed during the first quarter at Nazan Bay Inn for a total of \$555.00 paid in wages.

One False Pass resident was employed as Bering Pacific's Watchman during this quarter for a total of \$5,538 paid in wages.

One Nelson Lagoon resident was employed this quarter by Nelson Lagoon Storage for a total of \$3,323 in wages.

**D. Training & Education**

**Training and Education for First Quarter, 2006 and Year-to-Date**

	Quarter		Year-To-Date	
	People	Expenditures	People	Expenditures
<b>Scholarships</b>				
Post Secondary	41	\$102,500	41	\$102,500
Vocational		0		0
<b>Voc-Tech Classes</b>				
Basic	6	4,429	6	4,429
Advanced	0	0	0	0
<b>Other Training</b>				
Fisheries Related	10	5,587	10	5,587
Student Loans	0	0	0	0
CDQ Staff/Board	3	1,390	3	1,390
Other	3	4,905	3	4,905
<b>Other Expenditures</b>				
To Educational Institutions				
Education Endowment				
Funds				
Community Conference				
Fish Association Grants	N/A	120,000	N/A	120,000
School Grants	N/A	41,988	N/A	41,988
Miscellaneous Grants	N/A	\$2,857		\$2,857
Total		\$283,656		\$283,656

**Summary**

1.) Higher Education: APICDA awarded forty-one Higher Education Scholarships to students during the first quarter, totaling \$102,500 in awards this quarter. The Human Resources Director was in contact with all students about the progress of their continuing education and received their current transcripts.

Student awards by community:

- Five students from Atka
- Four students from False Pass
- Two students from Nelson Lagoon
- Three students from Nikolski
- Three students from St. George
- Twenty-three students from Unalaska

\*\*An additional scholarship was awarded to one student from Homer, who is benefited as an APICDA employee's dependent.

2.) Vocational Education: During the first quarter nineteen residents participated in APICDA's supplemental education scholarship program, for a total of \$14,921 in awards.

- Ten Atka residents participated in an APICDA sponsored, in-region HAZWOPER training course in February.
- One Akutan and one Atka resident received certificates in water/wastewater treatment.
- One Nelson Lagoon resident received a scholarship to attend distance education Applied Accounting program.
- Two St. George residents received their certificates in Toyo stove and plumbing.
- One Unalaska resident received a scholarship to attend a distance education accounting program.
- One Unalaska resident received a scholarship to attend UAF for one semester for journalism courses.
- One Unalaska resident received a scholarship to earn their Electronic Technicians certificate through distance education.
- One Unalaska resident received a scholarship to earn their masters degree in Bible and Theological studies.

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

APICDA awards Fishermen Association grants in the amount of \$20,000 yearly to our seven participating fishermen's associations. These grants provide seed money to the associations for fishery-related projects, organizational expenses, and funds to participate in regulatory fishery management meetings. A total of \$120,000 was been awarded through the first quarter.

The Miscellaneous Grant program is available for projects in the community that otherwise do not fit within 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. One grant was awarded in the first quarter for a total of \$2,857.

The School Grant is available to schools in each of the eligible communities. An amount of up to of \$6,000 per year is available. Seven grants for a total of \$41,988 have been awarded for the 2004-05 school year. A brief description of the school grant awarded is as follows:

<u>School</u>	<u>Amount</u>	<u>Program</u>
Akutan	\$6,000	Culture Camp
Atka	\$5,988	Culture Camp "Igyax Project"
False Pass	\$6,000	Culture Camp, USF&W Guest Speaker, Saltwater Aquarium
Nelson Lagoon	\$6,000	Culture Camp
Nikolski	\$6,000	Juneau Fishery Field Trip
St. George School	\$6,000	State Science Fair travel and Material Purchases
Unalaska	\$6,000	Fish Hatchery Facilities, King Salmon Sport Fishery Development

APICDA also provides education and training opportunities to employees of APICDA and its subsidiaries. In the first quarter, three staff members attended various training and educational programs. Total expenditures were \$1,390.

**Appendix 17** provides a breakdown of each individual enrolled/attending APICDA funded education and training programs.

### **III. Administration**

#### **A. Board Activities**

1.) Changes in Board: In March, St. George APICDA board member Lawrence Prokopiou resigned. The St. George Fishermen Association met and selected Mr. Patrick Pletnikoff as their new APICDA representative.

2.) Decisions/Actions: The Board of Directors for APICDA met in February and March. 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 is scheduled for May, 2006, although committees and subsidiaries will meet throughout the quarter.

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**

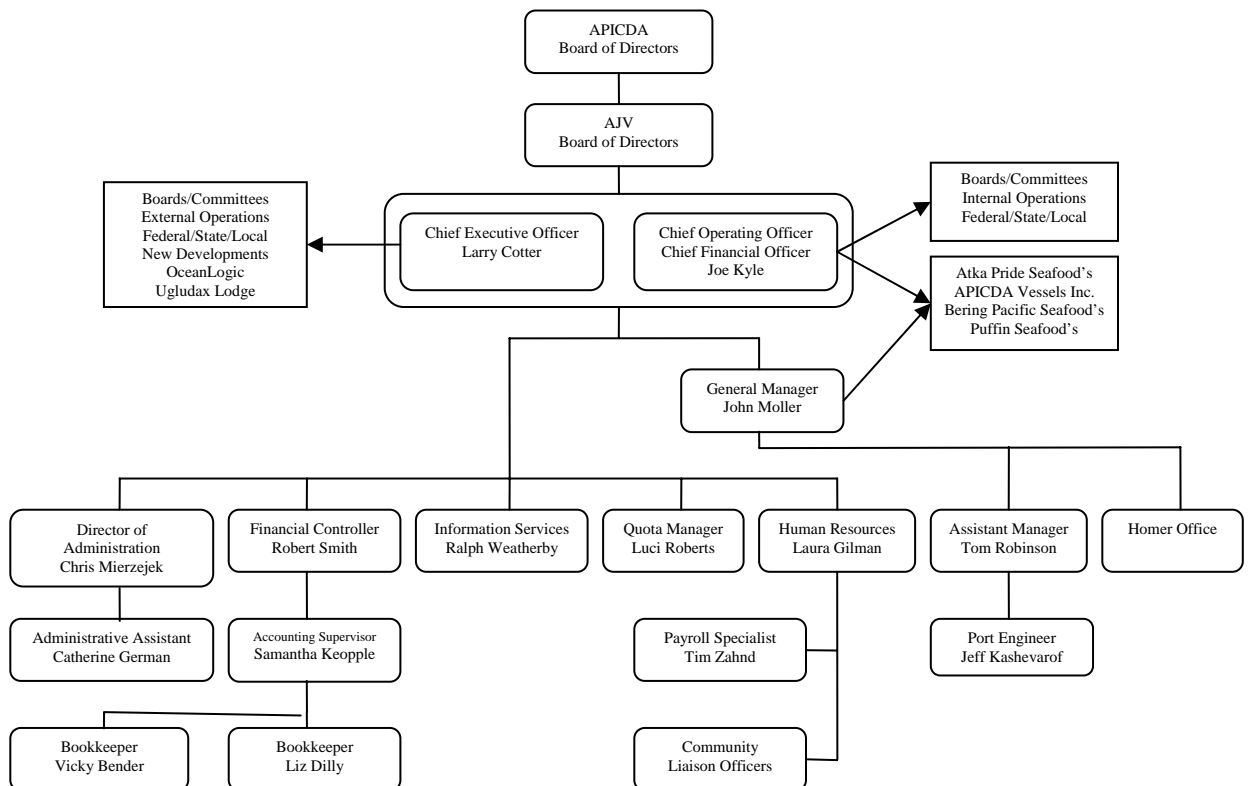
APICDA and its subsidiaries are and were in full compliance with all State of Alaska CDQ reporting regulations.

**C. CDP Amendment Status**

Shown below are the plan amendments approved through the first quarter.

2006 Technical / Substantial Amendments				
Numbers	Type	Description	Date Submitted	Date Approved
SA#06-01	Substantial	2006 Budget Amendment	02/14/06	03/16/05
SA#06-02	Substantial	Increased Ownership of Farwest Leader	03/14/05	03/17/05

**D. Corporate Organizational Structure**



#### IV. Harvesting Report

##### A. Target Fishery Harvest Activity

1.) Pollock CDQ Harvest: The pollock “A” season CDQ fishery was completed in the first quarter. The *C/P Starbound*, *C/P Island Enterprise*, and *C/P Kodiak Enterprise*, harvested APICDA’s “A” season pollock.

CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (40%)	mt	8,422.400	8,407.247				8,407.247	100.000%
B Season (60%)	mt	12,633.600					0.000	0.000%
BS Pollock Total	mt	21,056.000	8,407.247	0.000	0.000	0.000	8,407.247	100.000%
<b>Bycatch</b>								
Pacific Cod	mt	2,117.025	47.828				47.828	0.569%
BS FG Sablefish	mt	42.300					0.000	0.000%
AI FG Sablefish	mt	63.000					0.000	0.000%
BS Sablefish	mt	22.260					0.000	0.000%
AI Sablefish	mt	14.560					0.000	0.000%
WAI Atka Mackerel 543	mt	348.900					0.000	0.000%
CAI Atka Mackerel 542	mt	900.000					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	168.900	0.008				0.008	0.000%
Yellowfin Sole	mt	2,009.840	4.438				4.438	0.053%
Rock Sole	mt	747.120	26.460				26.460	0.315%
BS Greenland Turbot	mt	22.720	0.007				0.007	0.000%
AI Greenland Turbot	mt	10.880					0.000	0.000%
Arrowtooth Flounder	mt	214.500	1.834				1.834	0.022%
Flathead Sole	mt	292.600	38.290				38.290	0.455%
Other Flatfish	mt	68.380	1.684				1.684	0.020%
Alaska Plaice	mt	84.000	0.044				0.044	0.001%
BS Pacific Ocean Perch	mt	17.850	0.023				0.023	0.000%
WAI Pacific Ocean Perch 543	mt	114.300					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	68.400					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	69.300					0.000	0.000%
BSAI Northern Rockfish	mt	0.000	0.005				0.005	0.000%
BSAI Shortraker Rockfish	mt	0.000	0.049				0.049	0.001%
BSAI Rougheye Rockfish	mt	0.000					0.000	0.000%
BS Other Rockfish	mt	7.350	0.015				0.015	0.000%
AI Other Rockfish	mt	9.240					0.000	0.000%
Other Species	mt	0.000	6.752				6.752	0.080%
<b>PSQ Reserve Category</b>								
Zone 1 Red King Crab	ea	3,546	0				0	
Zone 1 Bairdi Tanner Crab	ea	19,110	4				4	
Zone 2 Bairdi Tanner Crab	ea	53,460	6				6	
Opilio Tanner Crab	ea	108,032	7				7	
Pacific Halibut (mortality)	mt	75.240	0.670				0.670	0.008%
Chinook Salmon	ea	305	142				142	
Non-Chinook Salmon	ea	441	0				0	

## 2006 First Quarter, APICDA Report

May 2, 2006

Page 12

2.) Pacific Cod CDQ Harvest: The *Prowler* vessels in combination harvested approximately 1,209 metric tons of Pacific cod in the first quarter.

CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (60%)	mt	1,270.215	1209.703				1,209.703	100.000%
B Season (40%)	mt	846.810					0.000	0.000%
Pacific Cod Total	mt	2,117.025	1,209.703	0.000	0.000	0.000	1,209.703	100.000%
<b>Bycatch</b>								
Non Pollock Quota	mt	N/A					0.000	0.000%
BS FG Sablefish	mt	42.300					0.000	0.000%
AI FG Sablefish	mt	63.000					0.000	0.000%
BS Sablefish	mt	22.260					0.000	0.000%
AI Sablefish	mt	14.560					0.000	0.000%
WAI Atka Mackerel 543	mt	348.900					0.000	0.000%
CAI Atka Mackerel 542	mt	900.000					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	168.900					0.000	0.000%
Yellowfin Sole	mt	2,009.840					0.000	0.000%
Rock Sole	mt	747.120	0.010				0.010	0.001%
BS Greenland Turbot	mt	22.720					0.000	0.000%
AI Greenland Turbot	mt	10.880					0.000	0.000%
Arrowtooth Flounder	mt	214.500	1.108				1.108	0.092%
Flathead Sole	mt	292.600	2.125				2.125	0.176%
Other Flatfish	mt	68.380					0.000	0.000%
Alaska Plaice	mt	84.000					0.000	0.000%
BS Pacific Ocean Perch	mt	17.850					0.000	0.000%
WAI Pacific Ocean Perch 543	mt	114.300					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	68.400					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	69.300					0.000	0.000%
BSAI Northern Rockfish	mt	0.000	0.009				0.009	0.001%
BSAI Shortraker Rockfish	mt	0.000					0.000	0.000%
BSAI Rougheye Rockfish	mt	0.000	0.027				0.027	0.002%
BS Other Rockfish	mt	7.350	0.007				0.007	0.001%
AI Other Rockfish	mt	9.240					0.000	0.000%
Other Species	mt	0.000	115.252				115.252	9.527%
<b>PSQ Reserve Category</b>								
Zone 1 Red King Crab	ea	3,546					0	
Zone 1 Bairdi Tanner Crab	ea	19,110					0	
Zone 2 Bairdi Tanner Crab	ea	53,460					0	
Opilio Tanner Crab	ea	108,032					0	
Pacific Halibut (mortality)	mt	75.240	0.453				0.453	0.037%
Chinook Salmon	ea	305					0	
Non-Chinook Salmon	ea	441					0	

- 3.) Atka Mackerel CDQ Harvest: No activity in the first quarter
- 4.) Yellowfin Sole CDQ Harvest: No activity in the first quarter

**CDQ Crab Harvest**

- 5.) Opilio CDQ Harvests:

CDQ Reserve Category	Units	Annual Allocation	Trans.In	Trans. Out	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	Percent Harvested	Remaining Allocation
Bering Sea C. <i>Opilio</i>	lbs	297,472			297,472	297,472				297,472	100%	0
Bering Sea C. <i>Bairdi</i>	lbs	16,200			16,200	16,200				16,200	100%	0
Bristol Bay Red King crab	lbs	0			0					0	0.00%	0
Norton Sound Red King crab	lbs	0			0					0	0.00%	0
Pribilof Red & Blue King crab	lbs	0			0					0	0.00%	0
St Matthew Blue King crab	lbs	0			0					0	0.00%	0

- 6.) Halibut Harvesting: No activity in the first quarter.
- 7.) Sablefish Harvesting: No activity in the first quarter.

**PSC Harvests**

- 8.) Pollock Harvested by Non-Pollock Vessels: In the first quarter, the F/LL *Bering Prowler/Ocean Prowler/Prowler* combined harvested approximately twelve metric tons of pollock while harvesting CDQ Pacific cod.

Gear Type	Harvest(mt)	Retained (mt)	Discarded (mt)	% Retained
Fixed Gear	12.171	9.338	2.833	77%
Trawl Catcher Processor	0.000	0.000	0.000	0%
Total	12.171	9.338	2.833	77%

- 9.) PSC Not Accrued Against PSQ Allocations: A small number of opilio and Tanner crabs were taken in the Pacific cod CDQ fixed gear fishery and Bering Sea pollock trawl fishery in the first quarter.

Gear Type	Chinook	Non-Chinook	King Crab	Tanner	Opilio
Fixed Gear	0	0	0	3	32
Trawl Catcher Processor	0	0	0	10	7
Trawl Catcher Vessel	0	0	0	0	0
Total	0	0	0	13	39

**Transfers**

10.) CDQ Allocation Transfers: Due to a regulation change, NMFS transferred 266 metric tons of AI pollock to APICDA's BS pollock.

<b>CDQ Group: APICDA</b>	<b>Units</b>	<b>Initial</b>	<b>Transferred In</b>	<b>Transferred Out</b>	<b>Total After</b>
<b>CDQ Reserve Category</b>		<b>Allocation</b>	<b>NMFS</b>	<b>NMFS</b>	
BS Pollock	mt	20,790.000	266.000		21,056.000
AI Pollock	mt	266.000		266.000	0.000
Pacific Cod	mt	2,117.025			2,117.025
BS FG Sablefish	mt	42.300			42.300
AI FG Sablefish	mt	63.000			63.000
BS Sablefish	mt	22.260			22.260
AI Sablefish	mt	14.560			14.560
WAI Atka Mackerel 543	mt	348.900			348.900
CAI Atka Mackerel 542	mt	900.000			900.000
EAI/BS Atka Mackerel 541	mt	168.900			168.900
Yellowfin Sole	mt	2,009.840			2,009.840
Rock Sole	mt	747.120			747.120
BS Greenland Turbot	mt	22.720			22.720
AI Greenland Turbot	mt	10.880			10.880
Arrowtooth Flounder	mt	214.500			214.500
Flathead Sole	mt	292.600			292.600
Other Flatfish	mt	68.380			68.380
Alaska Plaice	mt	84.000			84.000
BS Pacific Ocean Perch	mt	17.850			17.850
WAI Pacific Ocean Perch 543	mt	114.300			114.300
CAI Pacific Ocean Perch 542	mt	68.400			68.400
EAI Pacific Ocean Perch 541	mt	69.300			69.300
BSAI Northern Rockfish	mt	0.000			0.000
BSAI Shortraker Rockfish	mt	0.000			0.000
BSAI Rougheye Rockfish	mt	0.000			0.000
BS Other Rockfish	mt	7.350			7.350
AI Other Rockfish	mt	9.240			9.240
Other Species	mt	0.000			0.000
<b>PSQ Reserve Category</b>					
Zone 1 Red King Crab	ea	3,546			3,546
Zone 1 Bairdi Tanner Crab	ea	19,110			19,110
Zone 2 Bairdi Tanner Crab	ea	53,460			53,460
Opilio Tanner Crab	ea	108,032			108,032
Pacific Halibut (mortality)	mt	75.240			75.240
Chinook Salmon	ea	305			305
Non-Chinook Salmon	ea	441			441

**B. Pollock & MSCDQ Harvested by Quarter and Y-T-D**

CDQ Group: APICDA CDQ Reserve Category	Units	Initial Allocation	Transferred In	Transferred Out	Allocation after transfers	CDQ / PSQ Catch Reported				YTD Harvest	Percent Harvested	CDQ / PSQ Remaining	Percent Remaining
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr				
BS Pollock	mt	20,699.000	0.000	0.000	20,699.000	8,233.379	0.000	0.000	0.000	8,233.379	39.8%	12,465.621	60.2%
AI Pollock	mt	266.000	0.000	266.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.000	0.0%
Pacific Cod	mt	2,317.500	0.000	840.000	1,477.500	42.483	0.000	0.000	0.000	42.483	2.9%	1,435.017	97.1%
BS FG Sablefish	mt	36.600	0.000	0.000	36.600	0.000	0.000	0.000	0.000	0.000	0.0%	36.600	100%
AI FG Sablefish	mt	55.020	0.000	0.000	55.020	0.000	0.000	0.000	0.000	0.000	0.0%	55.020	100.0%
BS Sablefish	mt	19.320	0.000	0.000	19.320	0.000	0.000	0.000	0.000	0.000	0.0%	19.320	100%
AI Sablefish	mt	12.740	0.000	0.000	12.740	0.000	0.000	0.000	0.000	0.000	0.0%	12.740	100%
WAI Atka Mackerel 543	mt	450.000	0.000	0.000	450.000	0.000	0.000	0.000	0.000	0.000	0.0%	450.000	100%
CAI Atka Mackerel 542	mt	798.900	0.000	0.000	798.900	0.000	0.000	0.000	0.000	0.000	0.0%	798.900	100.0%
EAI/BS Atka Mackerel 541	mt	168.900	0.000	0.000	168.900	0.033	0.000	0.000	0.000	0.033	0.0%	168.867	100.0%
Yellowfin Sole	mt	1,904.280	0.000	0.000	1,904.280	0.964	0.000	0.000	0.000	0.964	0.1%	1,903.316	99.9%
Rock Sole	mt	747.120	0.000	0.000	747.120	47.235	0.000	0.000	0.000	47.235	6.3%	699.885	93.7%
BS Greenland Turbot	mt	32.480	0.000	0.000	32.480	0.028	0.000	0.000	0.000	0.028	0.1%	32.452	99.9%
AI Greenland Turbot	mt	10.200	0.000	0.000	10.200	0.000	0.000	0.000	0.000	0.000	0.0%	10.200	100.0%
Arrowtooth Flounder	mt	198.000	0.000	0.000	198.000	3.172	0.000	0.000	0.000	3.172	1.6%	194.828	98.4%
Flathead Sole	mt	292.600	0.000	0.000	292.600	48.041	0.000	0.000	0.000	48.041	16.4%	244.559	83.6%
Other Flatfish	mt	68.380	0.000	0.000	68.380	0.343	0.000	0.000	0.000	0.343	0.5%	68.037	99.5%
Alaska Plaice	mt	84.000	0.000	0.000	84.000	0.014	0.000	0.000	0.000	0.014	0.0%	83.986	100.0%
BS Pacific Ocean Perch	mt	17.850	0.000	0.000	17.850	0.000	0.000	0.000	0.000	0.000	0.0%	17.850	100.0%
WAI Pacific Ocean Perch 543	mt	114.300	0.000	0.000	114.300	0.000	0.000	0.000	0.000	0.000	0.0%	114.300	100%
CAI Pacific Ocean Perch 542	mt	68.400	0.000	0.000	68.400	0.000	0.000	0.000	0.000	0.000	0.0%	68.400	100.0%
EAI Pacific Ocean Perch 541	mt	69.300	0.000	0.000	69.300	0.000	0.000	0.000	0.000	0.000	0.0%	69.300	100.0%
BSAI Northern Rockfish	mt	0.000	0.000	0.000	0.000	0.006	0.000	0.000	0.000	0.006	N/A	N/A	N/A
BSAI Shortraker Rockfish	mt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	N/A	N/A	N/A
BSAI Rougheye Rockfish	mt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	N/A	N/A	N/A
BS Other Rockfish	mt	7.350	0.000	0.000	7.350	0.019	0.000	0.000	0.000	0.019	0.3%	7.331	99.7%
AI Other Rockfish	mt	9.240	0.000	0.000	9.240	0.000	0.117	0.000	0.000	0.117	1.3%	9.123	98.7%
Other Species	mt	0.000	0.000	0.000	0.000	3.917	0.000	0.000	0.000	3.917	N/A	N/A	N/A
<b>PSQ Reserve Category</b>													
Zone 1 Red King Crab	ea	3,546	0	0	3,546	0	0	0	0	0	0.00%	3,546	100%
Zone 1 Bairdi Tanner Crab	ea	19,110	0	0	19,110	0	0	0	0	0	0.00%	19,110	100%
Zone 2 Bairdi Tanner Crab	ea	53,460	0	0	53,460	7	0	0	0	7	0.01%	53,453	100.0%
Opilio Tanner Crab	ea	81,563	0	0	81,563	0	0	0	0	0	0.00%	81,563	100.0%
Pacific Halibut (mortality)	mt	75.240	0.000	0.000	75.240	2.743	0.000	0.000	0.000	2.743	3.65%	72.497	96.4%
Chinook Salmon	ea	305	0	0	305	91	0	0	0	91	29.84%	214	70.2%
Non-Chinook Salmon	ea	441	0	0	441	0	0	0	0	0	0.00%	441	100.0%

**C. Compliance**

APICDA and its harvesting partners were in full compliance.

**D. Other Fishing Issues/Activities**

There were no other fishing issues or activities.

**E. APICDA's 2003-05 Measurable Milestones**

**Table 1  
Akutan Milestones**

Project	Completion Date	Status
Monitor progress toward construction of large boat harbor in 2006.	2006	\$850,000 commitment by APICDA.
<b>Quota Share Purchase Program:</b>		
Ascertain interest in the community and identify potential participants.	Ongoing	Ongoing
Provide funding for loans.	Ongoing	Ongoing
Locate quota shares, negotiate price and purchase.	Ongoing	Ongoing
Monitor use of the IFQ and repayment schedule.	Ongoing	Ongoing

**Table 2  
Atka Milestones**

Project	Completion Date	Status
Process sablefish & halibut CDQ.	Ongoing	Ongoing.
Expand processing at APS, both by species and time of year.	Ongoing	Ongoing
Pursue development of a small boat	Ongoing	Ongoing.

harbor in Atka.		
Extend the existing dock by 600 square feet.	2006	Ongoing
Complete evaluation of plant expansion considerations.	2006	Ongoing
Maximize employment opportunities to local residents.	Ongoing	Ongoing
Annual employment (full and part time) for approximately twelve residents to prepare the plant for the fish season, to operate the plant, and then close it for the winter.	Ongoing	Ongoing
A market for approximately 20 local fishermen to sell their catch of halibut. Commence processing Brown crab.	Ongoing	Ongoing
Monitor progress towards construction of a hydroelectric facility.	Ongoing	Ongoing

**Table 3  
False Pass Milestones**

Project	Completion Date	Status
Construct shore plant and expand operations.	2005/08	Ongoing
Pursue development of a small boat harbor in False Pass.	2005	Completed

**Table 4  
 Nelson Lagoon Milestones**

Project	Completion Date	Status
Complete feasibility study, business plan and design for processing plant.	2006/07	Pending
Construct plant.	2008	Pending
<b>Nelson Lagoon Storage Company:</b>		
Employ up to three local residents.	Ongoing	Ongoing
Expand client base.	Ongoing	Ongoing
Optimize financial return	Ongoing	Ongoing

**Table 5  
 Nikolski Milestones**

Project	Completion Date	Status
Employ six or more local residents in lodge business.	Ongoing	In progress.
Optimize financial return from Ugludax Lodge.	Ongoing	In progress.

**Table 6  
 St. George Milestones**

Project	Completion Date	Status
Complete engineering and permitting; construct shore plant.	2006	Pending.
Harvest 4C halibut CDQ and IFQ.	Ongoing	Ongoing.
Maintain gear and vessel upgrade program	Ongoing	Ongoing.
Identify Tract I tenants and generate revenue from facilities.	Ongoing	Ongoing.

**Table 7  
 Other APICDA Milestones**

Project	Completion Date	Status
Purchase large commercial fishing vessels.	Ongoing	Ongoing.
Continue Quota Share Loan Guarantee Program.	Ongoing	Ongoing.
Purchase Quota Shares.	Ongoing	Ongoing.
Provide annual donation to local fishermen's associations.	Spring (each year)	Ongoing.
Hold annual APICDA Village Outreach Conference.	Spring (annual)	Ongoing.
Assessment of Product Diversification	Ongoing	Ongoing

Program expansion opportunities.		
Distribute annual school grants.	Winter (annual)	Ongoing.
Establish higher education scholarship funding levels and identify recipients.	Spring (annual)	Ongoing.
Evaluate all joint venture and subsidiary investments from a goal, objective, and ROI making perspective.	Ongoing	Ongoing.
Maximize harvest of all APICDA MSCDQ allocations.	Ongoing	Ongoing.
Maximize the harvest of target species and minimize the harvest of incidental species, particularly prohibited species.	Ongoing	Ongoing.
Maximize the use of gear types that have minimized adverse impacts upon habitat.	Ongoing	Ongoing.
Monitor MSCDQ vessel harvesting activities on an individual vessel basis to manage target and non-target harvests.	Ongoing	Ongoing.
Monitor MSCDQ vessel activities to ensure compliance with all federal and state regulations.	Ongoing	Ongoing.
Comply with all state and federal reporting requirements on a timely basis.	Ongoing	Ongoing.
Achieve a royalty return from MSCDQ harvesting and processing operations that are fair to all parties involved.	Ongoing	Ongoing.
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	Ongoing.

Maximize the employment of local residents in all phases of MSCDQ harvesting, processing, and marketing.	Ongoing	Ongoing.
Contribute ten percent of annual APICDA revenue into the Longterm Reserve Account (LRA) until \$10 million.	Ongoing	Ongoing.
Invest LRA funds in accordance with APICDA's Investment Guidelines.	Ongoing	Ongoing.
Manage non-LRA funds to maximize liquidity while emphasizing security.	Ongoing	Ongoing.
Normally generate one-half to one percent above prime as a rate of return for internal loans.	Ongoing	Ongoing.
Maintain a cash flow projection six months into the future.	Ongoing	Ongoing.
Establish annual board and administrative budgets, and monitor budgets on a continuing basis.	Ongoing	Ongoing.
File quarterly and annual reports on a timely basis.	Ongoing	Ongoing.
Comply with all CDQ federal and state rules and regulations.	Ongoing	Ongoing.
Complete an annual audit.	Ongoing	Ongoing.
Have regular board and sub-committee meetings.	Ongoing	Ongoing.
Review by-laws on an annual basis.	Ongoing	Ongoing.
Ensure that fishermen associations conduct their APICDA board representative elections in accordance with appropriate by-laws.	Ongoing	Ongoing.
Ensure that staff implements board policies as enunciated.	Ongoing	Ongoing.

Maintain Quota Share Retention Program.	Ongoing	Ongoing.
Maintain College Intern Program.	Ongoing	Ongoing.
Implement a comprehensive set of board administrative policies developed and adopted by the APICDA and AJV Board of Directors.	2006	Ongoing
Monitor Cannon Fish Company investments to ensure operation maximizes financial return	Ongoing	Ongoing
Monitor employment opportunities at Cannon Fish Company for local and regional residents, as well as residents from other CDQ regions.	Ongoing	Ongoing