

**2004 Multi-Species CDQ
Third Quarter Report
(Public Version)**

for the

**Aleutian Pribilof Island
Community Development
Association**

November 5, 2004

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I. Quarterly Highlights

APICDA's employment goal for 2004 is to provide at least 80 jobs for APICDA residents. By the conclusion of the third quarter, a total of 168 job positions (91 discrete individuals) had been filled by APICDA residents, generating wages of \$1,107,732.

During the third quarter, eight individuals attended various supplemental education or specialized training programs. A total of \$9,317 was expended on supplemental scholarships on behalf of APICDA residents in the third quarter.

Forty-eight individuals used APICDA higher education scholarships during the third quarter of the year. Each scholarship is up to \$5,000 for the school year. A total of \$110,419 in higher education scholarships was disbursed in the third quarter.

Participation in the fall semester higher education scholarship program has reached an all time high. APICDA is now engaged in focusing attention on employment placement of these scholarship recipients. APICDA is spearheading a collaborative effort with local and regional APICDA entities and businesses to encourage employment opportunities and placement for APICDA scholarship participants. Two vehicles currently in place to achieve this goal are the summer internship program (launched in 2001), and the newly developed internship program. The main focus is to place qualified APICDA residents in local government and businesses positions that are otherwise filled by outside personnel.

The fourth year of APICDA's summer internship program concluded in the third quarter. Eight individuals participated with various companies with interests in the APICDA region. In general, APICDA contributes fifty percent of the wages. Through the third quarter, APICDA contributed \$37,438.

Halibut CDQ fisheries in both area 4B and 4C continued into the third quarter. The St. George fishery ended in early August with the local fleet harvesting over sixty percent of the halibut CDQ quota. At the conclusion of the third quarter, the Atka fleet harvested approximately 425,000 pounds of Area 4B halibut.

The Atka Pride Seafoods expansion project was completed in the third quarter. The project was on schedule and under budget. Expansion allowed for the increased production in value added products (halibut fletches) as well as increased overall quality of the products and working conditions at the plant.

APICDA harvested approximately ninety-nine percent of its pollock CDQ allocation through the third quarter. Our harvesting partners Starbound and Trident combined to conduct a clean efficient fishery.

In its second year of operation, the Akutan fishing venture provided positive results. Approximately one hundred percent of the IFQ purchased through APICDA's loan program was harvested by the end of the third quarter. APICDA continues to support the program and will again provide funding avenues for additional purchases of IFQ halibut to the local Akutan fishermen.

Please visit APICDA web site at: www.apicda.com

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 2004 is to provide at least 80 jobs for APICDA residents. During the third quarter, a total of 80 job positions (77 discrete individuals) had been filled by APICDA and CDQ residents, generating wages of \$524,288. For the year, 168 job positions (91 discrete individuals) have been filled by APICDA residents and CDQ residents, generating wages of \$1,107,732.

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 third quarter, eight APICDA residents attended various vocational education or specialized training programs. Total funds requested, approved and expended were \$9,317 for the quarter or \$42,885 for the year-to-date.

3.) Education: Forty-eight individuals used APICDA higher education scholarships during the third quarter. Each scholarship is up to \$5,000 for the school year. A total of \$215,111 in higher education scholarships was spent through the third quarter.

Participation in the higher education scholarship program has reached an all time high. APICDA is now engaged in focusing attention on employment placement of these scholarship recipients. APICDA is spearheading a collaborative effort with local and regional APICDA entities and businesses to encourage employment opportunities and placement for APICDA scholarship participants. Two vehicles currently in place to achieve this goal is the summer internship program (launched in 2001), and the newly developed internship program. The main focus is to place qualified APICDA residents in positions local government and businesses that are otherwise filled by outside personnel.

4.) APICDA Joint Ventures, Inc. (AJV) Activities: AJV activities during the third 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., 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 third quarter consisted of harvesting both IFQ and CDQ halibut and sablefish. This includes the five AP boats, *Konrad I*, *Bonanza*, and *Taty Z*.

6.) Atka Pride Seafoods (APS) Activities: The Atka Pride Seafoods expansion project was completed in the third quarter. The project was on schedule and under budget. Expansion allowed for the increased production of value added products (halibut fletches) as well as increased overall quality of the products and working conditions at the plant.

Atka Pride Seafoods commenced operations in May. Through June 30, the local fleet had harvested a total of 426,000 pounds of area 4B CDQ halibut, 12,000 pounds of IFQ halibut, and a small portion of CDQ/IFQ sablefish (8,500 pounds). In addition to the traditional H&G products, APS has produced approximately 34,000 pounds of value added fletches.

7.) Puffin Seafoods, L.L.C: St. George fishermen, fishing for Puffin Seafoods, started fishing in June. The fish are being tendered to St. Paul, where Trident Seafoods is custom processing for Puffin. Through September 30, the local fleet had harvested a total of 81,000 pounds of halibut. Approximately twelve local residents participated in the fishery.

Production from the skiff fleet has continued to decline in recent years. Adverse weather patterns and the lack of fish in easily accessed areas are the main reasons for the decreased harvest. In 2004, AVI deployed two of the 35 foot AP vessels to the St. George operation. Both vessels were operated by local fishermen. In addition to tendering the halibut to the Trident plant in St. Paul, the AP vessels were used in the direct fishery once it became apparent that the small skiff fleet would not be unable to harvest the total quota. The AP vessels worked well as harvesting platforms in the 4C fishery. They were able to perform in the adverse seas that the small skiffs were unable to. In addition, the AP vessels were more economical to operate and provided a more stable (safe) harvesting platform.

By the close of the fishery, approximately eight of the small fleet fishermen worked on the AP vessels at some capacity. The AP vessels provided the local fleet an invaluable experience in the transition from the skiff to the larger vessel operations. APICDA will continue to assist the fishermen of St. George in this transition to larger, more economical, and -- most importantly -- safer fishing platforms.

8.) Nelson Lagoon Storage Company, L.L.C.: Nelson Lagoon Storage Company is experiencing a busier summer than in years past. In the off season, the Aleutians East Borough purchased a travel-lift, and the NLSC a forklift, so the company could better serve clients. As a result, the facility is more attractive to salmon fishermen operating in the area.

APICDA management traveled to Nelson Lagoon in the third quarter to view "first hand" the progress of the Nelson Lagoon Storage Company operation. APICDA COO Joe Kyle and General Manager John Moller met with the local entities to discuss ways to improve the services and increase business activities of the storage company. Information gathered from this visit will be fleshed out and addressed at the annual APICDA meeting in December.

9.) OceanLogic, L.L.C.: OceanLogic continued to distribute its electronic logbook (ELB) software through the fleet. The company also completed a software package – based upon the ELB – for use in marine remediation.

10.) Bering Pacific Seafoods, L.L.C.: The McDowell Group and Bob Waldrop will complete their business plan for the proposed shoreside processing facility in False Pass in the fourth quarter. The APICDA Board of Directors is expected to approve construction of the new facility in False Pass at their December meeting. Construction would occur in 2005, and the plant would be operational in 2006.

11.) Ugludax Lodge: The Ugludax Lodge in Nikolski, operated by MUM Alaska, had a good summer. We expect the company to operate in the black this year, which is one year ahead of our forecast. More clients were able to reach Nikolski this year. In addition, we required clients to purchase travel insurance (MUM Alaska paid one-half of the cost). The purchase of travel insurance ensured that we would be paid whether or not our clients made it to Nikolski.

12.) Akutan Fishing Venture: In 2003, APICDA established a loan program to assist local Akutan residents to purchase halibut quota shares. Over \$235,000 was loaned to help local Akutan residents purchase about 30,000 pounds of IFQ halibut. Due to logistics and timing issues, only a small portion of the IFQ was harvested last year.

In its second year of operation, the Akutan fishing venture is providing positive results for the individual fishermen as well as the community. Nearly one hundred percent of the IFQ purchased through APICDA's loan program had been harvested through the third quarter. In addition to the program purchased IFQ, a majority of the local fishermen are utilizing the AP 4 as their fishing platform for harvesting their personally owned halibut IFQ's.

The APICDA board supports this fishery and has committed \$200,000 for 2004 for additional IFQ purchases. A steering committee has been established to identify additional Akutan residents that are interested in purchasing IFQ halibut.

B. Outreach

APICDA management and staff traveled to many of our communities during the third quarter to meet with residents and discuss a wide variety of CDQ and development related issues. Management and staff spent approximately 211 "person days" in the APICDA region in the third quarter. Project development, project maintenance, and community outreach are some of the activities/purposes for their trips to the APICDA communities.

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 hosted its sixth annual Community Outreach Conference on April 21 and 22. Representatives from the local government, the village corporation, and the local traditional council or IRA from each of APICDA's eligible communities attended the conference. Also attending were APICDA board and staff, representatives of the State of Alaska, NMFS CDQ staff, some of APICDA's harvesting partners, and various private sector entities from the APICDA region. The purpose of the conference was to discuss the future of APICDA, its subsidiaries, its impacts upon the communities, and the goals and desires of the villages. Attendees also had the opportunity to contribute "first hand" to further development of the 2003-05 Community Development Plan (CDP). Approximately fifty people attended the two day conference.

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

In preparation of the 2006-08 CDP, APICDA management was in contact with the APICDA community governing bodies to ensure that proposed projects for each community were presented to the APICDA board. The APICDA board in turn, reviewed the proposed projects and incorporated those that fit the criteria of the program into the 2006-08 CDP.

C. Employment

CDQ Local Resident Employment for Third quarter, 2004 and Year-to-Date

	Positions	Quarter Wages	Year-To-Date Positions	Year-To-Date Wages	Year-To-Date Discrete People
Management/Admin	7	\$111,481	21	\$342,040	8
Board Members	9	24,800	27	70,351	9
Community Liaisons	7	10,000	21	29,500	7
CDQ A/B Season	0		10	54,654	5
CDQ C/D Season					
Other Fishing	51	356,942	100	599,416	53
Internships	6	15,195	13	37,438	8
Other Employment	16	40,670	31	74,182	21
Totals	80	\$524,288	175	\$1,107,732	95
		Yearly		Yearly	
Quarter Discrete	77	Discrete Positions	168	Discrete People	96

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 third quarter. **Appendix 16** provides a complete list of Alaska Residents employed by APICDA and subsidiaries in the third quarter.

Summary

Management/Administrative: During the third quarter, there were seven APICDA residents who received compensation for management/administrative duties. These functions ranged from staff employment to subsidiary managers and staff. The total expended during the quarter was \$111,481.

Board Members: During the third quarter, nine board members from various boards received compensation for their duties and responsibilities. Total compensation for the quarter totaled \$24,800 (this figure IS NOT included in the above financial statistics).

Community Liaison Officers: During the third quarter, there were seven APICDA residents who received compensation for CLO duties. The total expended during the quarter was \$10,000. (this figure IS NOT included in the above financial statistics).

Direct Employment from CDQ Pollock Fishing: No APICDA CDQ residents were employed in the CDQ Pollock fishery in the third quarter.

Other Fishing: Fifty-one CDQ residents (forty-seven from APICDA communities) were employed in the "other fishing" category: Three APICDA residents participated in the Pacific cod fishery on the *F/LL Bering Prowler*; two APICDA residents participated as deck hands on the *F/V Barbara J*; twenty-four APICDA residents generated wages from the Atka Pride Seafoods operation; fifteen APICDA residents generated wages from the Puffin Seafoods operation, four CDQ residents (three from APICDA communities) participated in the 4B halibut fishery aboard the *Taty Z*, two APICDA residents participated in the 4B halibut fishery aboard the *Bonanza*, and one APICDA resident earned wages on the *AP 4* which is involved with the Akutan Fishery Venture. Total wages for all other fishing activities combined for the third quarter was \$356,942.

Other Employment: Sixteen APICDA residents were employed in a variety of non-direct fishery activities, including the Bering Pacific Seafoods, L.L.C. operations, Nelson Lagoon Storage Company LLC, stevedoring, diving operation, and maintenance/construction projects directly related to APICDA CDP projects. Total wages generated for the third quarter were \$40,670.

Student Internships: Six individuals are participated at various companies with interests in the APICDA region. In general, APICDA contributes fifty percent of the wages. Through the third quarter, APICDA contributed \$37,438. Following is list of interns:

Name	Community	Internship
Samantha Tellman	Unalaska	APIA Wellness Center, Unalaska
Layton Lockett	Nelson Lagoon	Nelson Lagoon Corp., Nelson Lagoon
Mary Swetzof	Atka	APICDA HR assistant, Anchorage
Jana Nickels	False Pass	Alaska DOL, Anchorage
Sabrina Wilt	Unalaska	Qawalangin, Unalaska
Courtney Laskowski	Unalaska	APIA Wellness Center, Unalaska

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 Atka Pride Seafoods facility in Atka purchases fish from resident fishermen. Similarly, APS (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.

D. Training & Education

Training and Education for Third quarter, 2004 and Year-to-Date

	Quarter		Year-To-Date	
	People	Expenditures	People	Expenditures
Scholarships				
Post Secondary	48	\$110,419	48	\$215,111
Vocational	8	9,317	45	42,885
Voc-Tech Classes				
Basic		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	5	6,388	14	22,131
Other	0	0	0	0
Other Expenditures				
To Educational Institutions				
Education Endowment Funds				
Community Conference	40	67,000	40	67,000
Fish Association Grants	N/A	100,000	N/A	100,000
School Grants	N/A	42,000	N/A	42,000
Miscellaneous Grants	N/A	0		5,714
Total	101	\$335,124	147	\$494,841

Summary

1.) Vocational Education: During the third quarter eight individuals attended various vocational education or specialized training programs. A total of \$9,317 in vocational education scholarships on behalf of APICDA residents was spent this quarter.

2.) Higher Education: Forty-eight individuals used APICDA higher education scholarships during the third quarter of the year. Each scholarship is up to \$5,000 for the school year. A total of \$110,419 in higher education scholarships on behalf of APICDA residents was disbursed through the third quarter.

3.) 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 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 \$100,000 was been awarded through the third 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. A total of \$5,714 has been distributed year-to-date.

The School Grant is available to schools in each of the eligible communities. A total of \$6,000 per year is available. At the November 2002 APICDA Board of Directors meeting, the board adopted a motion to convert the school grant program to a school year basis vice a calendar year basis with an effective date of September, 2004. Seven grants for a total of \$42,000 have been awarded for the 2003-04 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	Field trip to fishery facilities in Seward, Alaska
Atka	\$6,000	NOAA Globe weather station software
False Pass	\$6,000	Field trip to fishery facilities in Unalaska
Nelson Lagoon	\$6,000	Sea survival skill training course
Nikolski	\$6,000	Field trip to Coast Guard base in Kodiak
St. George School	\$6,000	Greenhouse and fishery science kit
Unalaska	\$6,000	Fish hatchery facility and equipment upgrades

APICDA also provides education and training opportunities to employees of APICDA and its subsidiaries. In the third quarter, five staff members attended various training and educational programs. Total expenditures were \$6,388.

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: There were no APICDA/AJV board member changes during the quarter.

2.) Decisions/Actions: The Board of Directors for APICDA met in September. The APICDA Budget and Audit Committee, APICDA Executive Committee, APICDA Joint Ventures board, APICDA Vessels Inc. board, and the OceanLogic board met at various times in the third quarter. 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 October 2004, although committees and other subsidiary boards will meet throughout the quarter.

4.) Minutes: Approved minutes from board and committee meetings in the third 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.

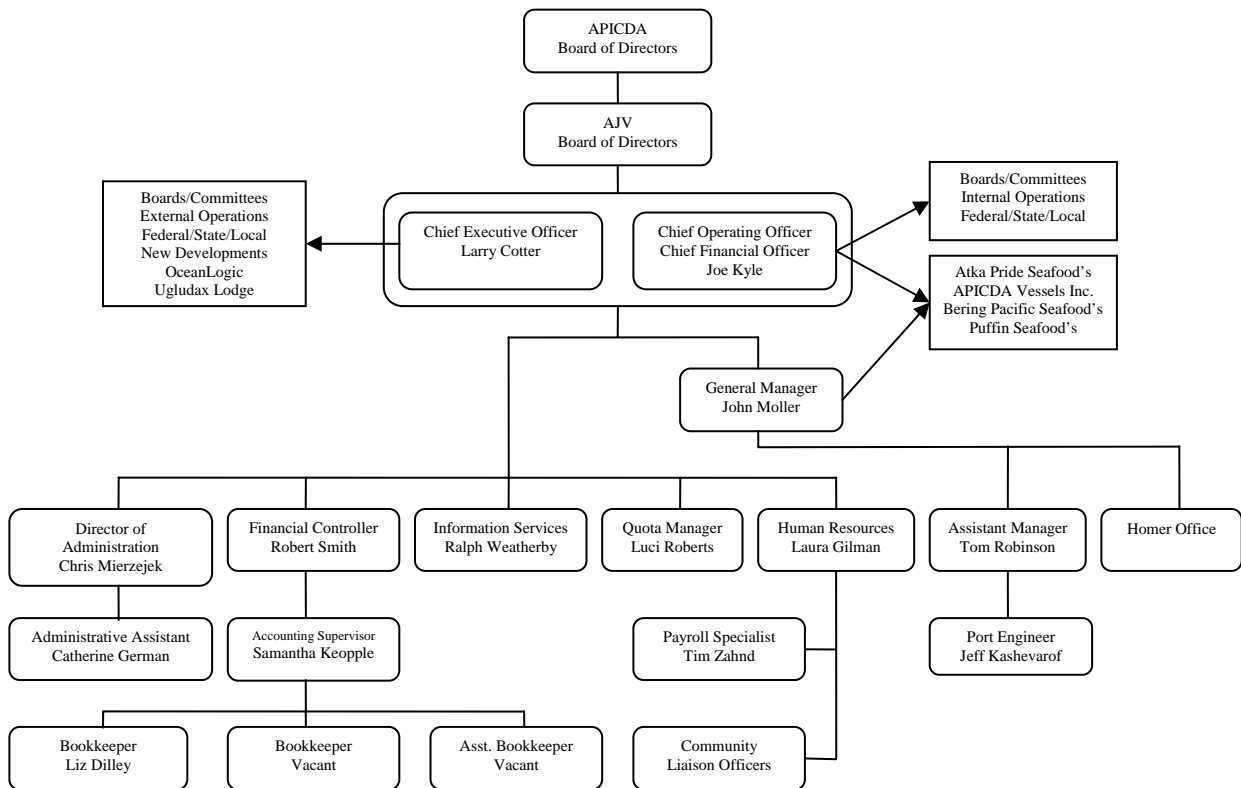
C. CDP Amendment Status

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

2004 Technical / Substantial Amendments				
Numbers	Technical or Substantial	Description	Date Submitted	Date Approved
SA#04-01	Technical	2004 Budget Revision	03/03/04	03/30/04
TA#04-02	Technical	Transfer Opilio crab from CVRF	03/03/04	n/a by ADF&G
TA#04-03	Technical	Transfer Pacific cod to NSEDC	03/18/04	03/18/04
TA#04-04	Technical	Higher Education Policy and Procedures	03/31/04	04/05/04
SA#04-05	Substantial	APICDA LRA Revision	04/02/04	04/07/04
TA#04-06	Technical	Transfer Pacific cod to NSEDC	04/08/04	04/08/04
SA#04-07	Technical	Transfer Pacific cod to BBEDC	04/09/04	04/12/04
TA#04-08	Technical	2004 Budget Amendment	05/27/04	07/28/04
TA#04-09	Technical	Transfer Pacific cod from BBEDC	06/14/04	06/15/04
SA#04-10	Substantial	Transfer Pacific cod from NSEDC	06/14/04	06/15/04

TA#04-11	Technical	2004 Budget Amendment	07/22/04	08/13/04
TA#04-12	Technical	Debt retirement/Investment Revisions	08/25/04	09/13/04
TA#04-13	Substantial	Transfer Alaska Plaice from NSEDC	09/07/04	09/08/04
TA#04-14	Substantial	Transfer Other Flatfish to NSEDC	09/07/04	09/08/04
TA#04-15	Technical	Transfer Alaska Plaice from CVRF	09/09/04	09/13/04
SA#04-16	Substantial	Transfer Atka mackerel / misc. bycatch to NSEDC	09/27/04	09/29/04

D. Corporate Organizational Structure



IV. Harvesting Report

A. Target Fishery Harvest Activity

1.) Pollock CDQ Harvest: The pollock “B” season CDQ fishery was completed in the third quarter. The *C/P Starbound*, *C/P Island Enterprise*, and *C/P Kodiak Enterprise*, harvested APICDA’s “B” 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	8,355.200	8,340.149				8,340.149	39.966%
B Season (60%)	mt	12,532.800			12,528.131		12,528.131	60.034%
BS Pollock Total	mt	20,888.000	8,340.149	0.000	12,528.131	0.000	20,868.280	100.000%
Bycatch								
Pacific Cod	mt	2,374.450	33.761		20.243		54.004	0.259%
BS FG Sablefish	mt	43.500					0.000	0.000%
AI FG Sablefish	mt	65.100					0.000	0.000%
BS Sablefish	mt	22.890					0.000	0.000%
AI Sablefish	mt	10.080					0.000	0.000%
WAI Atka Mackerel 543	mt	1.000					0.000	0.000%
CAI Atka Mackerel 542	mt	460.900					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	217.900	0.013		0.108		0.121	0.001%
Yellowfin Sole	mt	1,807.680	11.842		0.004		11.846	0.057%
Rock Sole	mt	733.000	40.161		0.283		40.444	0.194%
BS Greenland Turbot	mt	32.480	0.004		0.900		0.904	0.004%
AI Greenland Turbot	mt	10.200					0.000	0.000%
Arrowtooth Flounder	mt	188.000	0.772		4.473		5.245	0.025%
Flathead Sole	mt	283.000	28.505		9.524		38.029	0.182%
Other Flatfish	mt	46.500	0.377		1.434		1.811	0.009%
Alaska Plaice	mt	135.000	0.034		0.005		0.039	0.000%
BS Pacific Ocean Perch	mt	18.020			0.375		0.375	0.002%
WAI Pacific Ocean Perch 543	mt	1.700					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	21.200					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	3.700					0.000	0.000%
BSAI Northern Rockfish	mt	0.000	0.001		0.007		0.008	0.000%
BSAI Shortraker Rockfish	mt	0.000					0.000	0.000%
BSAI Rougheye Rockfish	mt	0.000					0.000	0.000%
BS Other Rockfish	mt	7.350			0.040		0.040	0.000%
AI Other Rockfish	mt	6.080					0.000	0.000%
Other Species	mt	0.000	13.979		6.645		20.624	0.099%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	3,546	0		0		0	0.000%
Zone 1 Bairdi Tanner Crab	ea	19,110	3		0		3	0.013%
Zone 2 Bairdi Tanner Crab	ea	53,460	23		12		35	0.169%
Opilio Tanner Crab	ea	81,563	36		13		49	0.234%
Pacific Halibut (mortality)	mt	75.460	0.713		0.368		1.081	0.005%
Chinook Salmon	ea	305	180		406		586	2.807%
Non-Chinook Salmon	ea	441	0		41		41	0.196%

2.) Pacific Cod CDQ Harvest: The Prowler vessels in combination harvested approximately 1053 metric tons of Pacific cod in the third 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	1,424.670					0.000	0.000%
B Season (40%)	mt	949.780			1,053.639		1,053.639	100.000%
Pacific Cod Total	mt	2,374.450		0.000	1,053.639	0.000	1,053.639	100.000%
Bycatch								
Non Pollock Quota	mt	N/A			24.786		24.786	2.352%
BS FG Sablefish	mt	43.500			0.012		0.012	0.001%
AI FG Sablefish	mt	65.100					0.000	0.000%
BS Sablefish	mt	22.890					0.000	0.000%
AI Sablefish	mt	10.080					0.000	0.000%
WAI Atka Mackerel 543	mt	1.000					0.000	0.000%
CAI Atka Mackerel 542	mt	460.900					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	217.900					0.000	0.000%
Yellowfin Sole	mt	1,807.680			0.044		0.044	0.004%
Rock Sole	mt	733.000			0.521		0.521	0.049%
BS Greenland Turbot	mt	32.480			0.520		0.520	0.049%
AI Greenland Turbot	mt	10.200					0.000	0.000%
Arrowtooth Flounder	mt	188.000			21.033		21.033	1.996%
Flathead Sole	mt	283.000			8.703		8.703	0.826%
Other Flatfish	mt	46.500					0.000	0.000%
Alaska Plaice	mt	135.000					0.000	0.000%
BS Pacific Ocean Perch	mt	18.020			0.008		0.008	0.001%
WAI Pacific Ocean Perch 543	mt	1.700					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	21.200					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	3.700					0.000	0.000%
BSAI Northern Rockfish	mt	0.000			0.041		0.041	0.004%
BSAI Shortraker Rockfish	mt	0.000			0.006		0.006	0.001%
BSAI Roughey Rockfish	mt	0.000			0.019		0.019	0.002%
BS Other Rockfish	mt	7.350			0.038		0.038	0.004%
AI Other Rockfish	mt	6.080					0.000	0.000%
Other Species	mt	0.000			139.413		139.413	13.232%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	3,546					0.000	0.000%
Zone 1 Bairdi Tanner Crab	ea	19,110					0.000	0.000%
Zone 2 Bairdi Tanner Crab	ea	53,460					0.000	0.000%
Opilio Tanner Crab	ea	81,563					0.000	0.000%
Pacific Halibut (mortality)	mt	75.460			5.500		5.500	0.522%
Chinook Salmon	ea	305					0.000	0.000%
Non-Chinook Salmon	ea	441					0.000	0.000%

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3.) Atka Mackerel CDQ Harvest: The F/T *Seafisher* harvested less than fifty percent of APICDA's 2004 CDQ Atka mackerel allocation. The *Seafisher* would have realized a harvest closer to one hundred percent; however, an overage of five metric tons of APICDA's AI Greenland turbot in area 541 shut down the operation. APICDA took steps to correct the overage (acquired additional turbot), and transferred the remainder to the CDQ Atka mackerel to NSEDC. This overage, due to bias sampling techniques, was an anomaly to an otherwise bycatch conscientious operation. APICDA has addressed their concerns on this issue with both NMFS and the state.

CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
WAI Atka Mackerel 543	mt	1.000			0.000		0.000	0.000%
CAI Atka Mackerel 542	mt	460.900			458.929		458.929	68.677%
EAI/BS Atka Mackerel 541	mt	217.900			209.314		209.314	31.323%
Atka Mackerel Total	mt	679.800	0.000	0.000	668.243	0.000	668.243	100.000%
Bycatch								
Non Pollock Quota	mt	N/A			4.057		4.057	0.607%
Pacific Cod	mt	2,374.450			41.322		41.322	6.184%
BS FG Sablefish	mt	43.500					0.000	0.000%
AI FG Sablefish	mt	65.100					0.000	0.000%
BS Sablefish	mt	22.890					0.000	0.000%
AI Sablefish	mt	10.080					0.000	0.000%
Yellowfin Sole	mt	1,807.680					0.000	0.000%
Rock Sole	mt	733.000			1.968		1.968	0.295%
BS Greenland Turbot	mt	32.480					0.000	0.000%
AI Greenland Turbot	mt	10.200			15.440		15.440	2.311%
Arrowtooth Flounder	mt	188.000			7.360		7.360	1.101%
Flathead Sole	mt	283.000					0.000	0.000%
Other Flatfish	mt	46.500					0.000	0.000%
Alaska Plaice	mt	135.000					0.000	0.000%
BS Pacific Ocean Perch	mt	18.020					0.000	0.000%
WAI Pacific Ocean Perch 543	mt	1.700			0.000		0.000	0.000%
CAI Pacific Ocean Perch 542	mt	21.200			20.094		20.094	3.007%
EAI Pacific Ocean Perch 541	mt	3.700			2.122		2.122	0.318%
BSAI Northern Rockfish	mt	0.000			105.094		105.094	15.727%
BSAI Shortraker Rockfish	mt	0.000					0.000	0.000%
BSAI Rougheye Rockfish	mt	0.000					0.000	0.000%
BS Other Rockfish	mt	7.350					0.000	0.000%
AI Other Rockfish	mt	6.080			4.392		4.392	0.657%
Other Species	mt	0.000			3.858		3.858	0.577%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	3,546					0.000	0.000%
Zone 1 Bairdi Tanner Crab	ea	19,110					0.000	0.000%
Zone 2 Bairdi Tanner Crab	ea	53,460					0.000	0.000%
Opilio Tanner Crab	ea	81,563					0.000	0.000%
Pacific Halibut (mortality)	mt	75.460			1.263		1.263	0.189%
Chinook Salmon	ea	305					0.000	0.000%
Non-Chinook Salmon	ea	441					0.000	0.000%

4.) Yellowfin Sole CDQ Harvest: The F/T Seafisher harvested 329 metric tons of APICDA's yellowfin sole in the third quarter. An unusual amount of Alaska plaice bycatch has hampered the operation. APICDA is attempting to secure additional Alaska plaice from the other CDQ groups before continuing this fishery.

CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
Yellowfin Sole	mt	1,807.680			329.158		329.158	100.000%
Bycatch								
Non Pollock Quota	mt	N/A			103.732		103.732	31.514%
Pacific Cod	mt	2,374.450			46.714		46.714	14.192%
BS FG Sablefish	mt	43.500					0.000	0.000%
AI FG Sablefish	mt	65.100					0.000	0.000%
BS Sablefish	mt	22.890					0.000	0.000%
AI Sablefish	mt	10.080					0.000	0.000%
WAI Atka Mackerel 543	mt	1.000					0.000	0.000%
CAI Atka Mackerel 542	mt	460.900					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	217.900					0.000	0.000%
Rock Sole	mt	733.000			57.814		57.814	17.564%
BS Greenland Turbot	mt	32.480					0.000	0.000%
AI Greenland Turbot	mt	10.200					0.000	0.000%
Arrowtooth Flounder	mt	188.000			12.169		12.169	3.697%
Flathead Sole	mt	283.000			23.735		23.735	7.211%
Other Flatfish	mt	46.500					0.000	0.000%
Alaska Plaice	mt	135.000			88.142		88.142	26.778%
BS Pacific Ocean Perch	mt	18.020					0.000	0.000%
WAI Pacific Ocean Perch 543	mt	1.700					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	21.200					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	3.700					0.000	0.000%
BSAI Northern Rockfish	mt	0.000					0.000	0.000%
BSAI Shortraker Rockfish	mt	0.000					0.000	0.000%
BSAI Roughey Rockfish	mt	0.000					0.000	0.000%
BS Other Rockfish	mt	7.350					0.000	0.000%
AI Other Rockfish	mt	6.080					0.000	0.000%
Other Species	mt	0.000			21.685		21.685	6.588%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	3,546			0		0	0.000%
Zone 1 Bairdi Tanner Crab	ea	19,110			0		84	25.413%
Zone 2 Bairdi Tanner Crab	ea	53,460			84		1,583	480.924%
Opilio Tanner Crab	ea	81,563			1,583		9	2.661%
Pacific Halibut (mortality)	mt	75.460			8.759		0.000	0.000%
Chinook Salmon	ea	305			0		0	0.000%
Non-Chinook Salmon	ea	441			0		0	0.000%

CDQ Crab Harvest

5.) Opilio CDQ Harvests: A total of 142,566 pounds of opilio CDQ was harvested during the first quarter. Vessels participating in the 2004 opilio harvest were the *Farwest Leader*, and *Billikin*. No activity in the third quarter.

6.) Bristol Bay Red King Crab CDQ Harvest: APICDA received a quota of 193,005 pounds of Bristol Bay red king crab. The open access fishery opened on October 15, 2004. APICDA's allocation is expected to be harvested shortly after the closure of the open access fishery.

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	142,566			142,566	144,007				144,007	101.01%	-1,441
Bering Sea C. <i>Bairdi</i>	lbs				0					0	0.00%	0
Bristol Bay Red King crab	lbs	193,005			193,005					0	0.00%	193,005
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: Atka Pride Seafoods commenced operations in May. Through September 30, the local fleet had harvested a total of 426,233 pounds of area 4B CDQ and IFQ halibut (12,000 pounds).

St. George fishermen, fishing for Puffin Seafoods, started fishing in late June. The local fleet experienced a very poor season. Weather and the lack of fish in the traditions areas contributed to the small harvest. Reoccurring storms throughout August justified the closure of the small fleet. Through the third quarter, the local fleet harvested 81,431 pounds of area 4C CDQ halibut.

CDQ Category	Units	Annual Allocation	Trans. In	Trans. Out	Allocation after trans.	1 st Qtr	2 rd Qtr	3 rd Qtr	4 th Qtr	YTD Harvest	Percent Harvested	Remaining Allocation
4B Halibut	lbs	562,000			836,000		87,918	338,305		426,223	75.84%	135,777
4C Halibut	lbs	129,000			152,250		21,206	60,225		81,431	63.12%	47,569
4D Halibut	lbs	0			0					0	0.00%	0
4E Halibut	lbs	0			0					0	0.00%	0

Total

507,654

183,346

7.) Sablefish Harvesting: The F/V *Konrad I* harvested a small portion of APICDA's AI Sable CDQ quota in the second quarter. Other harvesting obligations and time of year prevented the F/V *Konrad I* from continuing its efforts in this fishery in the third quarter.

Aleutian Islands Sablefish Target Fishery Harvest Activity								
3rd Quarter as of September 30, 2004								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
AI FG Sablefish	mt	65.100		3.241			3.241	100.000%
Bycatch								
Non Pollock Quota	mt	N/A					0.000	0.000%
Pacific Cod	mt	2,424.450					0.000	0.000%
BS FG Sablefish	mt	43.500					0.000	0.000%
BS Sablefish	mt	22.890					0.000	0.000%
AI Sablefish	mt	15.080					0.000	0.000%
WAI Atka Mackerel 543	mt	465.000					0.000	0.000%
CAI Atka Mackerel 542	mt	699.900					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	252.800					0.000	0.000%
Yellowfin Sole	mt	1,807.680					0.000	0.000%
Rock Sole	mt	738.000					0.000	0.000%
BS Greenland Turbot	mt	32.480					0.000	0.000%
AI Greenland Turbot	mt	10.200					0.000	0.000%
Arrowtooth Flounder	mt	198.000					0.000	0.000%
Flathead Sole	mt	285.000					0.000	0.000%
Other Flatfish	mt	53.500					0.000	0.000%
Alaska Plaice	mt	105.000					0.000	0.000%
BS Pacific Ocean Perch	mt	18.020					0.000	0.000%
WAI Pacific Ocean Perch	mt	116.700					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	65.700					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	68.700					0.000	0.000%
BSAI Northern Rockfish	mt	0.000					0.000	0.000%
BSAI Shortraker Rockfish	mt	0.000					0.000	0.000%
BSAI Rougheye Rockfish	mt	0.000					0.000	0.000%
BS Other Rockfish	mt	7.350					0.000	0.000%
AI Other Rockfish	mt	10.080		0.117			0.117	3.610%
Other Species	mt	0.000					0.000	0.000%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	3,546					0	0.000%
Zone 1 Bairdi Tanner Crab	ea	19,110					0	0.000%
Zone 2 Bairdi Tanner Crab	ea	53,460					0	0.000%
Opilio Tanner Crab	ea	81,563					0	0.000%
Pacific Halibut (mortality)	mt	75.460					0.000	0.000%
Chinook Salmon	ea	305					0	0.000%
Non-Chinook Salmon	ea	441					0	0.000%

PSC Harvests

8.) Pollock Harvested by Non-Pollock Vessels: In the third quarter, the F/T *Seafisher* harvested 107 metric tons of pollock while executing APICDA's yellowfin sole and Atka mackerel CDQ fisheries. In the third quarter, the F/LL Bering Prowler/Ocean Prowler/Prowler combined harvested approximately 24 metric tons of pollock while harvesting CDQ Pacific cod.

Pollock harvested by non-pollock vessels:				
	Harvest(mt)	Retained (mt)	Discarded (mt)	% Retained
Fixed Gear	24.786	18.957	5.829	76%
Trawl Catcher Processor	107.789	92.191	15.598	86%
Total	132.575	111.148	21.427	84%

9.) PSC Not Accrued Against PSQ Allocations: A small number of opilio and tanner crabs and chinook salmon were taken in the Pacific cod CDQ fixed gear fishery in the third quarter. A small number of tanner and opilio crab were taken during the execution of the pollock CDQ fishery.

PSC that does not accrue against the PSQ allocation:					
	Chinook	Non-Chinook	King Crab	Tanner	Opilio
Fixed Gear	3	0	0	31	280
Trawl Catcher Processor	0	0	0	37	39
Trawl Catcher Vessel	0	0	0	0	0
Total	3	0	0	68	319

Transfers

10.) CDQ Allocation Transfers: APICDA was quite active in transfers of CDQ allocations to and from the other CDQ groups in the third quarter. The following table reflects these transactions.

CDQ Group: APICDA CDQ Reserve Category	Units	Initial Allocation	Transferred In			Transferred Out			Total After Transfers
			NSEDC	BBEDC	CVRF	NSEDC	BBEDC		
BS Pollock	mt	20,888.000							20,888.000
Pacific Cod	mt	2,424.450	404.000	242.000		454.000	242.000		2,374.450
BS FG Sablefish	mt	43.500							43.500
AI FG Sablefish	mt	65.100							65.100
BS Sablefish	mt	22.890							22.890
AI Sablefish	mt	15.080				5.000			10.080
WAI Atka Mackerel 543	mt	465.000				464.000			1.000
CAI Atka Mackerel 542	mt	699.900	21.000			260.000			460.900
EAI/BS Atka Mackerel 541	mt	252.900				35.000			217.900
Yellowfin Sole	mt	1,807.680							1,807.680
Rock Sole	mt	738.000				5.000			733.000
BS Greenland Turbot	mt	32.480							32.480
AI Greenland Turbot	mt	10.200							10.200
Arrowtooth Flounder	mt	198.000				10.000			188.000
Flathead Sole	mt	285.000				2.000			283.000
Other Flatfish	mt	58.500				12.000			46.500
Alaska Plaice	mt	105.000	20.000		10.000				135.000
BS Pacific Ocean Perch	mt	18.020							18.020
WAI Pacific Ocean Perch 543	mt	116.700				115.000			1.700
CAI Pacific Ocean Perch 542	mt	65.700	2.500			47.000			21.200
EAI Pacific Ocean Perch 541	mt	68.700				65.000			3.700
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	10.080							10.080
Other Species	mt	0.000							0.000
PSQ Reserve Category									
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	81,563							81,563
Pacific Halibut (mortality)	mt	75.460							75.460
Chinook Salmon	ea	305							305
Non-Chinook Salmon	ea	441							441

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

MS CDQ / PSQ Account Status Report 2004													
CDQ Group: APICDA	Units	Initial	Transferred	Transferred	Allocation	CDQ / PSQ Catch Reported				YTD Harvest	Percent	CDQ / PSQ	Percent
CDQ Reserve Category		Allocation	In	Out	after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Harvest	Harvested	Remaining	Remaining
BS Pollock	mt	20,888.000	0.000	0.000	20,888.000	8,340.149	0.000	12,528.131	0.000	20,868.280	99.9%	19.720	0.1%
Pacific Cod	mt	2,424.450	646.000	696.000	2,374.450	33.761	0.000	1,161.918	0.000	1,195.679	50.4%	1,178.771	49.6%
BS FG Sablefish	mt	43.500	0.000	0.000	43.500	0.000	0.000	0.012	0.000	0.012	0.0%	43.488	100%
AI FG Sablefish	mt	65.100	0.000	0.000	65.100	0.000	3.241	0.000	0.000	3.241	5.0%	61.859	95.0%
BS Sablefish	mt	22.890	0.000	0.000	22.890	0.000	0.000	0.000	0.000	0.000	0.0%	22.890	100%
AI Sablefish	mt	15.080	0.000	5.000	10.080	0.000	0.000	0.000	0.000	0.000	0.0%	10.080	100%
WAI Atka Mackerel 543	mt	465.000	0.000	464.000	1.000	0.000	0.000	0.000	0.000	0.000	0.0%	1.000	100%
CAI Atka Mackerel 542	mt	699.900	21.000	260.000	460.900	0.000	0.000	458.929	0.000	458.929	99.6%	1.971	0.4%
EAI/BS Atka Mackerel 541	mt	252.900	0.000	35.000	217.900	0.013	0.000	209.422	0.000	209.435	96.1%	8.465	3.9%
Yellowfin Sole	mt	1,807.680	0.000	0.000	1,807.680	11.842	0.000	329.206	0.000	341.048	18.9%	1,466.632	81.1%
Rock Sole	mt	738.000	0.000	5.000	733.000	40.161	0.000	60.586	0.000	100.747	13.7%	632.253	86.3%
BS Greenland Turbot	mt	32.480	0.000	0.000	32.480	0.004	0.000	1.420	0.000	1.424	4.4%	31.056	95.6%
AI Greenland Turbot	mt	10.200	0.000	0.000	10.200	0.000	0.000	15.440	0.000	15.440	151.4%	-5.240	-51.4%
Arrowtooth Flounder	mt	198.000	0.000	10.000	188.000	0.772	0.000	45.035	0.000	45.807	24.4%	142.193	75.6%
Flathead Sole	mt	285.000	0.000	2.000	283.000	28.505	0.000	41.962	0.000	70.467	24.9%	212.533	75.1%
Other Flatfish	mt	58.500	0.000	12.000	46.500	0.377	0.000	1.434	0.000	1.811	3.9%	44.689	96.1%
Alaska Plaice	mt	105.000	30.000	0.000	135.000	0.034	0.000	88.147	0.000	88.181	65.3%	46.819	34.7%
BS Pacific Ocean Perch	mt	18.020	0.000	0.000	18.020	0.000	0.000	0.383	0.000	0.383	2.1%	17.637	97.9%
WAI Pacific Ocean Perch 543	mt	116.700	0.000	115.000	1.700	0.000	0.000	0.000	0.000	0.000	0.0%	1.700	100%
CAI Pacific Ocean Perch 542	mt	65.700	2.500	47.000	21.200	0.000	0.000	20.094	0.000	20.094	94.8%	1.106	5.2%
EAI Pacific Ocean Perch 541	mt	68.700	0.000	65.000	3.700	0.000	0.000	2.122	0.000	2.122	57.4%	1.578	42.6%
BSAI Northern Rockfish	mt	0.000	0.000	0.000	0.000	0.001	0.000	105.142	0.000	105.143	N/A	N/A	N/A
BSAI Shortraker Rockfish	mt	0.000	0.000	0.000	0.000	0.000	0.000	0.006	0.000	0.006	N/A	N/A	N/A
BSAI Rougheye Rockfish	mt	0.000	0.000	0.000	0.000	0.000	0.000	0.019	0.000	0.019	N/A	N/A	N/A
BS Other Rockfish	mt	7.350	0.000	0.000	7.350	0.000	0.000	0.078	0.000	0.078	1.1%	7.272	98.9%
AI Other Rockfish	mt	10.080	0.000	4.000	6.080	0.000	0.117	4.392	0.000	4.509	74.2%	1.571	25.8%
Other Species	mt	0.000	0.000	0.000	0.000	13.979	0.000	171.601	0.000	185.580	N/A	N/A	N/A
PSQ Reserve Category													
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	3	0	0	0	3	0.01%	19,107	100%
Zone 2 Bairdi Tanner Crab	ea	53,460	0	0	53,460	23	0	96	0	119	0.22%	53,341	99.8%
Opilio Tanner Crab	ea	81,563	0	0	81,563	36	0	1,596	0	1,632	2.00%	79,931	98.0%
Pacific Halibut (mortality)	mt	75.460	0.000	0.000	75.460	0.713	0.000	15.890	0.000	16.603	22.00%	58.857	78.0%
Chinook Salmon	ea	305	0	0	305	180	0	406	0	586	192.09%	-281	-92.1%
Non-Chinook Salmon	ea	441	0	0	441	0	0	41	0	41	9.30%	400	90.7%

C. Compliance

With the exception of a five metric ton overage of Aleutian Island Greenland turbot in the 2004 CDQ Atka mackerel fishery, 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.
Form sport fish joint venture.	2003	Deleted.

**Table 2
Atka Milestones**

Project	Completion Date	Status
Continue water taxi and pilot boat activities.	Ongoing	Ongoing.
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 harbor in Atka.	Ongoing	Ongoing.
Provide limited vessel repair opportunity.	Ongoing	Proposed.
Evaluate providing fuel depot services.	Ongoing	Proposed.

Evaluate warehouse storage opportunity.	Ongoing	Proposed.
Bring sport fish clients to Atka.	2003	Proposed.
Negotiate a <i>quid pro quo</i> agreement in 2003 with the Atxam Corporation. If successful, distribute a grant for partial federal matching funds up to \$125,000 towards the hydro project.	2003	Completed
If 2003 <i>quid pro quo</i> agreement is in place, distribute the remaining grant funds up to \$250,000 as requested by the City of Atka in 2004-05	2004-05	Completed
Monitor progress towards construction of a hydroelectric facility.	2003-05	Ongoing
Expand and up-grade the Atka Pride Seafoods Processing Plant	2004	Completed
Extend the existing dock by 600 square feet.	2004	Completed

**Table 3
False Pass Milestones**

Project	Completion Date	Status
Employ fifteen or more local residents in connection with Dipper operations.	Ongoing.	Bering Pacific Seafoods in sleep mode.
Purchase and process 3 million pounds of Pacific cod, with focus on local fishermen.	Ongoing.	Bering Pacific Seafoods in sleep mode.
Maximize financial return.	Ongoing.	BPS in sleep mode..
Complete plan to transition to shoreplant.	2004	In progress.

Construct shore plant and expand operations.	2005	Pending.
Complete joint venture discussions for store.	2003	Completed.
Pursue development of a small boat harbor in False Pass.	2005	Ongoing.

**Table 4
Nelson Lagoon Milestones**

Project	Completion Date	Status
Complete feasibility study, business plan and design for processing plant.	2004	Pending.
Construct plant.	2005	Pending.

**Table 5
Nikolski Milestones**

Project	Completion Date	Status
Employ six or more local residents in lodge business.	Ongoing	Ongoing.
Maximize financial return from Ugludax Lodge.	Ongoing	Ongoing.
To provide up to \$150,000 for the purchase of various navigational aides and installation costs associated with the project.	2003	Ongoing.
Monitor progress of installation of	2003-04	Ongoing.

navigational aides in Nikolski in 2003-04		
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Table 6
St. George Milestones

Project	Completion Date	Status
Complete engineering and permitting; construct shore plant.	2003	Pending.
Open facility and process crab, Pacific cod and halibut.	2004	Pending.
Provide 40 or more local jobs in connection with construction of the plant, harvesting, processing, and ancillary activities.	2004/05	Pending.
Maximize financial return from processing company.	2004/05	Pending.
Harvest 4C halibut CDQ and IFQ.	2003/2005	Ongoing.
Maintain gear and vessel upgrade program	2003/2005	Ongoing.
Identify Tract I tenants and generate revenue from facilities.	2003/2005	Ongoing.
Expand number of sport fish visitors to St. George.	2003/2005	Pending.
Provide employment for six or more local residents in conjunction with sport fishing business.	2003/2005	Pending.
Maintain Puffin Seafoods as a viable business.	2003/2005	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 Program expansion opportunities.	Ongoing	Ongoing
Develop flatfish operation.	Ongoing	Ongoing
Distribute annual school grants.	Winter (annual)	Ongoing.
Establish higher education scholarship funding levels and identify recipients.	Spring (annual)	Ongoing.
Implement revised Small Vessel Acquisition Program.	2003	Proposed
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.
Establish annual board and administrative	Ongoing	Ongoing.

budgets, and monitor budgets on a continuing basis.		
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.	Winter 2003	Ongoing
Implement an investment criteria matrix developed and adopted by the APICDA and AJV Board of Directors.	Winter of 2003	Completed

<p>Establish standards/guidelines for due diligence analysis of potential investments developed and adopted by APICDA and AJV Board of Directors.</p>	<p>Winter of 2003</p>	<p>Completed</p>
<p>Evaluate newly developed corporate governance structure and provide recommendations for improvement of governance considered.</p>	<p>Spring of 2005</p>	<p>Completed</p>
<p>Define responsibilities for the completion of strategic assessment planning.</p>	<p>Summer of 2003</p>	<p>Completed</p>
<p>Board affirms APICDA purpose and defines long-term vision for the corporation.</p>	<p>Fall of 2003.</p>	<p>Completed</p>
<p>The APICDA board trained on use of strategic plan and instrument panel to monitor performance of projects.</p>	<p>Fall of 2003</p>	<p>Completed</p>
<p>Strategic investment completed using new Board of Directors investment criteria.</p>	<p>Winter of 2003</p>	<p>Completed</p>
<p>Develop corporate internal assessment and priority initiatives.</p>	<p>Spring of 2004</p>	<p>Completed</p>
<p>Identify planning of strategic and internal improvement initiatives.</p>	<p>Spring of 2004</p>	<p>Completed</p>
<p>Provide an effective method for tracking progress on initiatives developed and implemented.</p>	<p>Spring of 2004</p>	<p>Completed</p>
<p>Identify responsibilities, authorities, and accountabilities of each management member.</p>	<p>Summer 2003</p>	<p>Completed</p>
<p>Clarify and define new management job descriptions implemented and disseminated.</p>	<p>Fall of 2003</p>	<p>Completed</p>

Identify method to measure performance on accountabilities defined and implemented.	Fall of 2003	Completed
New management structure evaluated by management team and by staff.	Spring of 2004	Completed
Establish criteria for projects to be managed by new internal project management system.	Summer of 2003	Completed
Develop a template/process for completion of due diligence on new ventures planned and approved by the board of directors.	Fall of 2003	Completed
Provide alternatives for project management system researched and system selected.	Fall of 2003	Completed
Develop a template/process for due diligence on new ventures implemented.	Winter of 2003	Completed
Incorporate policy/procedure for launching projects that defines structure and authority implemented.	Winter of 2003	Completed
Project management system implemented	Spring 2004	Completed
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
Monitor Cannon Fish Company's activities to ensure compliance with all federal and state regulations.	Ongoing	Ongoing