

## **I. QUARTERLY HIGHLIGHTS**

### **2<sup>nd</sup> Quarter 2000**

- Finalized 2001-2002 CDP Planning
- Completed 2001-2002 Royalty and Employment Agreement negotiations
- Conducted CDQ village presentations in the remaining 3 CDQ communities: Aleknagik, Ekwok and Manokotak
- Hired a new Employment and Training Director
- Filled the new position of Education Initiative Coordinator
- Provided administration and support for the 4E Halibut fishery
- Held Quarterly Board and Committee Meetings
- Traveled to non-CDQ communities on recruitment trip
- Awarded Regional Infrastructure Development Project
- Moved the H.S. Scholarship Trust into 501 (c) 3 status

## **II. COMMUNITY DEVELOPMENT**

### **A. Progress Towards Goals, Objectives, Milestones ADMINISTRATION**

#### **1 Maintain effective and efficient Board of Directors.**

##### **1.1 Review board activities annually**

- 1.1.1 Review policies, procedures, articles and bylaws:  
Scheduled review of the policies, procedures, articles and bylaws took place during the Second quarter. No significant changes were made.
- 1.1.2 Review committee and officer positions:  
The 2000 Committee appointments and officer elections took place at the November 1999 Annual meeting.
- 1.1.3 Review and revise board calendar:  
The 2000 board calendar was reviewed and adopted at the November 2000 Annual meeting.
- 1.1.4 Conduct board training:  
On March 2, 2000, prior to the Board meeting, management staff conducted a half-day training workshop for the Board of Directors and other staff members regarding potential projects to be considered for inclusion in the 2001-2003 CDP. At the 2nd Quarter Board meeting held on May 26, the Board received a Investment Policy review and an investment presentation from the Alaska Permanent Capital Management Company.

##### **1.2 Develop and maintain strategic and annual plans**

- 1.2.1 Review long range strategic plan and modify as needed:  
The Executive Committee met twice during the First quarter in “workshop” settings. The first meeting was held to develop a list of potential new projects for Board consideration to include in the 2001 – 2003 CDP; the second meeting was held to review proposed changes to existing royalty and employment agreements.
- 1.2.2 Approve annual operating plan and budget:  
The 2000 annual operating plan and budget were approved at the November 1999 Annual meeting. The 2001 plan and budget will be considered during the Fourth quarter of this year.
- 1.2.3 Monitor progress of annual operating plan:  
This task is ongoing and is monitored by management staff on a daily and monthly basis. All management staff provides the Board of Director’s with a monthly activity report. All activities are tracking as planned.

#### **2 Maintain effective and efficient staff and administration**

##### **2.1 Review and maintain policies and procedures**

- 2.1.1 Review job descriptions:  
All job descriptions, staff structure, and personnel and board policies and procedures were reviewed at the May 2000 Board meeting.
- 2.1.2 Review staff structure:  
See 2.1.1 above. The new position of Education Coordinator was approved this quarter.
- 2.1.3 Review and update personnel and board policies and procedures:  
See 2.1.1 above. No changes were made.

##### **2.2 Recruit and retain skilled staff**

- 2.2.1 Perform staff evaluations:  
Staff evaluations take place regularly as annual anniversary dates occur.
- 2.2.2 Perform salary review:  
Salary schedules are a part of the operating budget that is reviewed and adopted annually in November of each year.

### **3 *Maintain budgeting, financial planning and reporting and financial controls***

#### **3.1 *Allocate royalty income***

- 3.1.1 Allocate all royalties, 50% to ASIF, 45% to Operations, 5% to Scholarship Trust:  
All Royalty funds continue to be allocated in the manner outlined in the CDP.

#### **3.2 *Maintain Reserves Account***

- 3.2.1 Maintain balance from ASIF forward funding in Reserves:  
This goal was satisfied early in 1999.

#### **3.3 *Transfer fund earnings annually***

- 3.3.1 Transfer net ASIF earnings to Operations:  
This will occur at the end of FY 2000 when a review of the 12/30 financials takes place, most likely during the First Quarter of 2001. ASIF non-royalty earnings, net of expenses from 2000, will be transferred to Operations at that time.
- 3.3.2 Transfer net Operations earnings to Reserves:  
This will occur at the end of FY 2000 when a review of the 12/30 financials takes place, most likely during the First Quarter of 2001.

#### **3.4 *Prepare annual budgets***

- 3.4.1 Develop consolidated and detailed budgets annually:  
The 2000 budget was approved at the November 1999 Annual meeting, and was submitted to the State in December 1999. 2001 budget preparation will begin in the Third quarter.

#### **3.5 *Prepare monthly and quarterly financial statements***

- 3.5.1 Prepare and review monthly and quarterly financial statements:  
Quarterly financial statements (as well as monthly statements) are prepared in a timely manner and reviewed by management. The Finance and Audit committee and Full Board review quarterly statements at their scheduled meetings.

#### **3.6 *Review fund managers' performance annually***

- 3.6.1 Review fund managers' performance:  
The investment portfolio is monitored continuously and an annual report was made available to the Finance and Audit committee and Board of Directors meetings in May.

#### **3.7 *Prepare annual audit and approve***

- 3.7.1 Prepare and approve annual audit/agreed upon procedures:  
Staff presented the 1999 Audited Financial Statements and Agreed Upon Procedures to the Board of Directors at their May 2000 meeting, and they were subsequently approved.
- 3.7.2 Review and approve auditors:  
At their May 2000 meeting, the Board reviewed and approved the auditing firm for FY 2000.

### **4 *Meet all regulatory requirements***

#### **4.1 *Prepare quarterly reports***

- 4.1.1 Prepare and file quarterly reports:  
The First and Second Quarter 2000 Reports were filed with the State in a timely manner.

#### **4.2 *Prepare annual report and audit***

- 4.2.1 Prepare and file annual report and audit:

The 1999 "Annual" Report was included in the consolidated Fourth Quarter 1999 report to the State in January of 2000. The 1999 Audit was submitted to the State after Board review and approval at the May Board meeting.

#### **4.3 Maintain Community Development Plan**

- 4.3.1 Prepare and submit updates and changes to CDP as needed:  
BBEDC management submits technical and substantial amendments periodically whenever necessary. See Confidential Section IV, B. Amendment Status, for more information. Eight technical and one substantial amendments were submitted and approved during the Second Quarter.

### **COMMUNITY DEVELOPMENT**

#### **5 Manage CDQ's to maximize benefit to BBEDC and limit bycatch**

##### **5.1 Provide oversight and management of all CDQ fishing**

- 5.1.1 Maintain active CDQ fishery management:  
BBEDC's Fisheries Quota Manager is in regular contact with all CDQ harvesting and processing partners to assure full prosecution and compliance with CDQ quotas. The Quota Manager also monitors each CDQ fishery while in progress.

##### **5.2 Support and maintain real-time management system**

- 5.2.1 Maintain real-time management system:  
In 1998, BBEDC joined with several other CDQ groups and contracted with Sea State to monitor CDQ catch, bycatch and PSQ on a real time basis. This relationship is continuing into FY 2000.

##### **5.3 Review and approve annual CDQ fishing plans**

- 5.3.1 Review and approve Arctic Storm CDQ Fishing Plan:  
The 2000 CDQ Fishing Plan with Arctic Storm has been received and approved.
- 5.3.2 Review and approve Bristol Leader CDQ Fishing Plan:  
The 2000 CDQ Fishing Plan with Bristol Leader has been received and approved.
- 5.3.3 Review and approve North Pacific CDQ Fishing Plan:  
The 2000 CDQ Fishing Plan with North Pacific has been received and approved.
- 5.3.4 Review and approve Kaldestad CDQ Fishing Plan:  
The 2000 CDQ Fishing Plan with Kaldestad has been received and approved.
- 5.3.5 Review and approve Icicle CDQ Marketing Plan:  
The 2000 CDQ Marketing Plan with Icicle has been received and approved.

##### **5.4 Hold annual review meeting with CDQ partners**

- 5.4.1 Arctic Storm Annual Mtg/Review Royalty and Employment Agreements:  
The Arctic Storm Annual Meeting occurs in December of each year. The 2000 Annual Meeting is scheduled to take place in the Fourth Quarter. During the Second Quarter, staff completed negotiations of Royalty and Employment agreements with Arctic Storm in preparation of the 2001-2002 CDP.
- 5.4.2 Bristol Leader Annual Mtg/Review Royalty and Employment Agreements:  
The Annual Meeting with Bristol Leader group took place during the First Quarter and staff completed negotiations of Royalty and Employment agreements with them during the Second Quarter in preparation of the 2001-2002 CDP.
- 5.4.3 North Pacific Annual Mtg/Review Royalty and Employment Agreements:  
The Annual Meeting with North Pacific took place during the First Quarter and staff completed negotiations of Royalty and Employment agreements with them during the Second Quarter in preparation of the 2001-2002 CDP.
- 5.4.4 Kaldestad Annual Mtg/Review Royalty and Employment Agreements:

The Annual Meeting with Kaldestad took place during the First Quarter and staff completed negotiating the Royalty and Employment agreements with them during the Second Quarter in preparation of the 2001-2002 CDP.

- 5.4.5 **Icicle Annual Mtg/Review Royalty and Employment Agreements:**  
The Annual Meeting with Icicle took place during the First Quarter and staff finalized negotiating the Royalty and Employment agreements with them during the Second Quarter in preparation of the 2001-2002 CDP.

## **5.5 Manage 4E halibut fishery to maximize benefits to residents**

- 5.5.1 **Manage fishery to maximize benefits to residents:**  
One hundred and four residents applied for permits by the application deadline during the Second Quarter. Of these, 77 were complete and qualified resident applicants and were issued CDQ 4E permits.  
In an effort to allow residents to fully participate in the halibut fishery, staff and consultants conducted longline workshops this quarter in two of the CDQ communities: Togiak and Clarks Point. Additionally, Staff traveled twice this quarter to Togiak to train part time staff and resident fishermen on how to use the transaction terminal for landing reports.  
Forty-two resident CDQ 4E permit holders actually landed fish during the Second Quarter, harvesting approximately 62,099 #. Additional fishing time will be permitted after the close of the salmon season at the end of July. Some interest has been demonstrated by halibut fishermen to fish at that time.  
Through its partnership/investment in Capilano Pacific LLC, BBEDC was able to facilitate the making of commercial markets, bail and ice available to halibut fishermen in all major fishing districts in the region. Commercial markets were available in Dillingham through Capilano at the Peter Pan Seafood's dock, in Togiak through a contracted tender for Capilano, in Naknek at Inlet Salmon, in Egegik at Woodbine Fish Co., and in Ugashik at Ugashik Wild Salmon Co.
- 5.5.2 **Seek changes to regulations to allow 4D quota to be fished in 4E:**  
In 1999 BBEDC was successful in their request to move some CDQ halibut 4D quota inshore for area 4E fishermen to harvest. However, a delay in NMFS publishing of the regulation change prevented BBEDC from having this flexibility until recently. At least 40,000 pounds of 4D quota has been dedicated to enhance the existing 4E quota for qualified residents to harvest. Due to the poor catch in the first part of the fishing season, the majority of the 4D halibut allocation has been assigned to the Bristol Leader.

## **5.6 Work continuously with other CDQ groups on harvesting issues**

- 5.6.1 **Work with other CDQ groups on CDQ harvesting issues:**  
BBEDC's Fisheries Quota Manager is in regular contact with other CDQ group QM's to discuss, evaluate and streamline harvesting issues the groups face. Please see 5.2.1 for more information.

## **B. OUTREACH**

### **6 Maintain and improve outreach and communications**

#### **6.1 Provide quarterly newsletter to all residents/entities**

- 6.1.1 **Distribute quarterly newsletter:**  
BBEDC staff produced and distributed a quarterly edition of the "BBEDC Tide, for information that flows" Newsletter in April 2000 and sent it to 2,650 individuals, communities, groups and regulatory agencies. BBEDC Board and staff regularly evaluate the newsletter for effectiveness, information and evaluate suggestions from the public.

#### **6.2 Maintain informational bulletin board in each community**

- 6.2.1 **Update information monthly:**  
BBEDC Sub-Regional Technicians in the three sub regions and staff keep the "Opportunities" bulletin boards up to date in each community. BBEDC also utilizes tribal council and city offices to post notices on a regular basis.

### **6.3 Prepare and distribute Annual Activities Report**

- 6.3.1 Prepare and distribute Annual Activities Report:  
Staff members and a graphic design contractor met several times during the first quarter to layout the 1999 Annual Report to the public. Distribution to all CDQ resident box-holders and associates occurred during the Second Quarter. Staff has received numerous positive comments from residents on the 1999 report, since the theme was focused on in-region programs and residents accepting the challenge to take advantage of the opportunities.

### **6.4 Maintain an Internet web page for BBEDC**

- 6.4.1 Offer a website with current BBEDC information:  
BBEDC staff periodically updates their web page, [www.bbcdc.com](http://www.bbcdc.com), in an effort to provide information to the public and other interested entities. BBEDC Quarterly reports are also made available on the web page.

### **6.5 Travel to CDQ communities to promote BBEDC activities and projects**

- 6.5.1 Attend community meeting with IRS, BBNA, Job Fairs, etc.:  
During the Second Quarter BBEDC participated in community or agency meetings with the following entities: IRS, Citizens Advocacy Panel meetings, met with regional school districts, Bristol Bay Campus, Bristol Bay Area Health Corporation, Bristol Bay Native Association-Workforce Development, At Sea Processors Assoc. member Alaska Ocean recruitment trip in non-CDQ communities, UAA-Anchorage, UAF-Fairbanks, . Locations traveled to include: Clarks Point, Aleknagik, Ekwok, Togiak, Naknek, King Salmon, Fairbanks, Anchorage, New Stuyahok, Koliganek, Iliamna, Nondalton, Kokhanok, Newhalen, Bethel, Juneau  
BBEDC Deputy Director traveled by aircraft to the North Shore of Aleknagik to conduct the public meeting on the 2001-2002 CDP. The Executive Director traveled to Ekwok and Manokotak to hold public meetings explaining the current and proposed activities and projects of BBEDC that are included in the new CDP.  
In addition, BBEDC staff conducted two longline workshops in the communities of Clarks Point and Togiak. Staff returned to Togiak twice to train staff and fishermen on how to use the electronic transaction terminal.

### **6.6 Advertise projects, training, employment, scholarship opportunities in communities**

- 6.6.1 Send out flyers, radio, cable announcements periodically:  
The following items were advertised in the region through flyers, radio announcements, faxes to community offices, Board member weekly mail-outs and cable advertisements:
- BBEDC Public Presentation Flyer for Aleknagik North Shore and attached sign in sheet.
  - Ekwok Public Presentation sign in sheet.
  - Asst. Harbor Master Intern Flyer for Dillingham.
  - Fishermen's Finest Admin. Asst./Vessel Support Intern Flyer.
  - Arctic Storm Seattle Office Internship Flyer.
  - BBEDC/CFAB Anchorage Loan Servicing Assoc. Internship Flyer.
  - BBEDC/CFAB Anchorage Documentation Asst. Internship Flyer.
  - Icicle Seafood's Processor Position Openings Flyer.
  - 2 Icicle Seafood's Maintenance Internship Positions Opening Flyer.
  - Icicle Seafood's Seattle Office Internship Position Opening Flyer.
  - BBEDC/Bristol Bay Borough Port Attendant Intern Position Opening Flyer.
  - 2 ADF&G Summer Internships for Commercial Fisheries Position Openings Flyer.
  - ADF&G/BBEDC Creel Survey Internship Position Opening Flyer.
- Please see attached Appendix for actual ads used.

### **6.7 Promote the interests of the CDQ program**

- 6.7.1 Represent CDQ interests at NPFMC and IPHC meeting and other forums:

BBEDC has representation at all meetings that affect the organization, region, residents or fisheries. Board member Robin Samuelsen sits on the NPFMC, Board member Hazel Nelson serves on the NPFMC-Advisory Panel and BBEDC representatives attend IPHC, Alaska Board of Fisheries and other related forum meetings that impact the region.

- 6.7.2 Promote CDQ's and their continuance:  
One of BBEDC's long term goals is to preserve and extend the CDQ program well into the future. Staff is constantly monitoring issues concerning the promotion of new CDQ's and extension of the current program. At the Boards May 1999 meeting a decision was made to adopt a pro-active role in the protection and continuation of the CDQ program.

## **7 Provide Work Readiness training through Education Initiative**

### **7.1 Develop and implement Work Readiness curriculum for regional school districts**

- 7.1.1 Implement Work Readiness program in classroom:  
The 6-12 grade curriculum that was implemented in the fall of 1999 by all four regional school districts. Two of the school districts also implemented the K-5 curriculum during the Third Quarter of 1999. The project is progressing on schedule and all school districts are participating. BBEDC hired an Education Coordinator to work full time with the regional school districts to pursue implementation of the project at all levels and to assist individual schools with their programs. The Consortium met with the Coordinator either in person or telephonically during the Second Quarter to establish contact and to build on their programs.

### **7.2 Continue to refine and individualize curriculum**

- 7.2.1 Make program suitable for individual community needs:  
All four school districts meet with BBEDC staff again during the Second Quarter and have met with a grant writer in late 1999 to develop Technology Plans for the schools and are working on refining the "school-to-work" portion of the program.  
At their June meeting, the Consortium provided the Coordinator with progress updates, plans for the fall 2000 school year, discussed training resources for Teachers, establishment of a "Bristol Bay House" and identifying funding sources.

### **7.3 Monitor and support delivery of Work Readiness Program**

- 7.3.1 Provide support for program delivery:  
Advertisement and application solicitation for a program coordinator ended during the Second Quarter. After application review, a Teacher from one of the School Districts was selected to fill the position. Orientation to BBEDC and the Education Initiative Program consumed the Coordinator's time during this quarter. Contacts were made with all districts offices and other associates necessary to fully implement the program.

### **7.4 Plan for development of stable local workforce**

- 7.4.1 Conduct regional survey of available and future jobs:  
Staff continues to work on developing the "jobs" survey. One grant application to conduct the study was not funded. However, staff continues to pursue two other sources of funding to accomplish this goal.
- 7.4.2 Develop plan for training residents and providing needed skills:  
This goal will be addressed once the "jobs" survey is completed and analyzed.
- 7.4.3 Develop educational funding plan to encourage participants to return to region:  
Staff has started to research and develop options for consideration in enticing residents to return to the region once training and education programs are completed. More work and research needs to be done on this issue before presenting the plan to the Board for approval.

## **8 Maintain in-region ownership of Bristol Bay salmon limited entry permits**

### **8.1 Provide for continued operation of the Bristol Bay Permit Brokerage**

- 8.1.1 Fund the Bristol Bay Permit Brokerage:  
BBEDC continues to fund the BBPB in its administrative budget as a project.

## **8.2 Retain permits in regional resident ownership**

- 8.2.1 Retain 20 permits through tax counseling and brokerage services:  
22 permits were classified as "saved" during the Second Quarter. These permit holders were from 9 CDQ and 1 non-CDQ communities in the region. Following up with IRS and lending institution debts issues and preparing for the upcoming salmon season consumed the quarter.

## **8.3 Work with residents to resolve tax and debt problems affecting permit ownership**

- 8.3.1 Contact 150 permit holders in arrears with IRS:  
During the Second Quarter of 2000, 136 permit holders were contacted in person or by telephone regarding IRS issues. Staff did not travel to CDQ communities during this quarter. This quarter was extremely busy assisting permit holders, crewmembers and vessel owners who were in need of constant and immediate services for the imminent salmon season.

- 8.3.2 Maintain working relationship with IRS and other debt agencies:  
Staff continues to maintain a good working relationship with the IRS and other lending institutions advocating on behalf of resident permit holders. The following contacts were made during the Second Quarter:
- 9 regarding Child Support problems;
  - 480 CFEC emergency transfer inquiries or actions;
  - 166 contacts regarding Entry Commission paperwork or questions;
  - 60 regarding loan issues;
  - 57 inquiries were made regarding sales or purchases of limited entry permits or vessels;
  - 57 contacts were regarding other related issues.
- Staff traveled to Bethel and Juneau during the Second Quarter to participate in the Citizens Advocacy Panel meetings held during April and May.

## **8.4 Provide counseling and support to non-CDQ communities through grant funds**

- 8.4.1 Provide assistance to non-CDQ community residents:  
BBEDC continues to provide Brokerage contact services to non-CDQ communities through the Bristol Bay Native Associations Credit and Finance grant funds. The following non-CDQ communities were serviced during the Second Quarter: Chignik, Chignik Lagoon, Kokhanok, Koliganek, New Stuyahok, Newhalen, Nondalton, and Pedro Bay.

# **9 Enhance and expand regional fisheries opportunities in Bristol Bay**

## **9.1 Develop an annual regional fisheries work plan**

- 9.1.1 Select several initiatives annually for regional development:  
This was done in the fall of 1999 and will be addressed by the committee in the fall of 2000 for the 2001 fiscal year.
- 9.1.2 Implement annual fisheries development priorities:  
Work is being accomplished on a number of priorities described below.

## **9.2 Investigate and identify under-utilized species**

- 9.2.1 Perform test fisheries in various areas of Bristol Bay:  
BBEDC completed the RFP process during the Second Quarter. The selected party was unable to complete the contract due to an injury. The survey was abandoned for this year due to inadequate time left to fish before the salmon season.
- 9.2.2 Perform survey of surf clam zone:  
This project is on hold until the impact of the published Mirad regulations are more fully understood and the impacts on this project can be evaluated.
- 9.2.3 Continue product and market research on identified and possible commercial species:

BBEDC continues to look at markets for such species as starry flounder (bycatch is salmon fishery), snails and other products. Currently a small project is under way to research the possible production and marketing of salmon fish oil products.

### **9.3 Develop value-added products and new markets for existing fisheries in Bristol Bay**

- 9.3.1 Investigate market opportunities:  
This in an ongoing process and now with our interest in Capilano Pacific, specific market identification can be put to the test.
- 9.3.2 Promote emphasis on quality of Bristol Bay salmon:  
A small project to promote regional name identification is under way in partnership with Capilano Pacific. Research is also taking place in regard to protecting the “Bristol Bay” region name for products generated from the area.
- 9.3.3 Explore value-added and shoulder season opportunities in-region:  
Last year, BBEDC started the process of development of a design for a self-contained processing facility for preparing H&G and fillet salmon. The time line for the completion of the project was delayed due to non-performance of the contractor.

### **9.4 Promote Arctic Surf Clam Alaska Inc.**

- 9.4.1 Continue efforts to win regulatory approval for projects:  
See 9.2.2
- 9.4.2 Maintain ongoing discussions between BBEDC and Clearwater Seafood’s:  
See 9.2.2
- 9.4.3 Conduct research & test fishing when appropriate:  
See 9.2.2

## **10 *Provide professional planning assistance for regional business and infrastructure projects***

### **10.1 Provide professional team to offer technical assistance**

- 10.1.1 Advertise availability of business and infrastructure technical assistance:  
As an added incentive and opportunity to promote the Business and Infrastructure Development Programs, the technical assistance team has offered workshops in four CDQ communities concerning financial aspects of business development. BBEDC staff and consultants continually to promote and advertise the program whenever possible.
- 10.1.2 Provide technical assistance for development of business and infrastructure proposals:  
One Infrastructure Proposal for the feasibility study and design of the dock in Dillingham has been approved for funding after having met the criteria for the Regional Infrastructure Project. Several projects are being developed with the assistance of the technical assistance team.

### **10.2 Provide for professional review of funding requests**

- 10.2.1 Review funding requests and make recommendation to the BOD:  
The first project was reviewed and recommended for approval to the Board of Directors at the May meeting. The Board approved the funding request.

## **11 *"Jump start" in-region businesses***

### **11.1 Provide a regional business fund for investment in approved business proposals**

- 11.1.1 Maintain a \$500,000 fund balance from ASIF income each year for possible investment:  
This item has been budgeted for 2000.

### **11.2 Provide financial support for approved proposals**

- 11.2.1 Review, approve and invest in recommended proposals when feasible:  
Not applicable at this time.

**11.3 Monitor businesses receiving BBEDC financial support**

- 11.3.1 Monitor activities of business where BBEDC has financial participation:  
Not applicable at this time. One business project that received technical assistance in the development of a business plan is now participating in our 4E halibut buying project.

**12 *Jump start in-region infrastructure development***

**12.1 Provide a regional infrastructure fund to help finance approved infrastructure proposals**

- 12.1.1 Maintain a \$500,000 fund balance in reserves each year for possible investment:  
This is budgeted for 2000.

**12.2 Provide matching funds for approved proposals**

- 12.2.1 Review, approve and provide matching funds for recommended proposals when feasible:  
The first project was approved at the May 2000 Board of Directors Meeting.

**12.3 Monitor proposals receiving BBEDC financial support**

- 12.3.1 Monitor approved proposals for completion and operations:  
Not applicable at this time.

**13 *Manage the Alaska Seafood Investment Fund to provide revenues to BBEDC in perpetuity***

**13.1 Manage ASIF to provide maximum return within established investment policy**

- 13.1.1 Monitor fund to insure adequate performance:  
This monitoring is done continuously. The Finance and Audit Committee, with the participation of Mark Barnum of Prime Asset Consulting review yearly performance.
- 13.1.2 Reserve funds to meet one year debt service payments:  
This is a budgeted item in the ASIF account.
- 13.1.3 Reserve funds to meet cash call requirements of investments:  
This is a budgeted item in the ASIF account.

**13.2 Search for and investigate opportunities that meet ASIF investment criteria**

- 13.2.1 Identify potential investment options in Schedule of Investments:  
This is an ongoing activity: See Confidential Section.
- 13.2.2 Update Schedule of Investments as needed:  
A recent update was done as part of a plan amendment.
- 13.2.3 Search and investigate seafood industry investment opportunities:  
See Confidential Section.
- 13.2.4 Perform due diligence on potential investments:  
BBEDC is currently engaged in due diligence on two potential investments.
- 13.2.5 Present investments meeting ASIF criteria to Board for action:  
This is done after due diligence is complete and it is assured the project meets the investment criteria.

**13.3 Invest in opportunities that meet ASIF investment criteria**

- 13.3.1 Obtain state and federal approval for board approved investments:  
BBEDC is diligent in doing plan amendments and notifications of pending investments.
- 13.3.2 Close on state and NMFS approved investments:  
The recent IFQ purchase demonstrates BBEDC's adherence to our policies and to state and federal regulations during the process of purchasing the IFQ's.

## INVESTMENTS

### 14 Monitor seafood industry investments for performance and profitability

#### 14.1 Monitor Arctic Fjord Inc. investment

- 14.1.1 Monitor financial performance on a quarterly/annual basis:  
BBEDC staff monitors performance on a quarterly basis.
- 14.1.2 Attend yearly Board of Director's meeting:  
The yearly meeting was held in early February. Robin Samuelsen attended the day long meeting as BBEDC's representative.
- 14.1.3 Maintain ongoing discussion between BBEDC and ASI:  
Frequent discussions are held with ASI staff and BBEDC staff. The BBEDC Quota Manager is in daily contact with the partner during CDQ fishing times.
- 14.1.4 Monitor investment performance return of 8.5% annually over time to meet the Post CDQ Transition Plan goals in Part One, Section V of CDQ:  
A dividend was declared at the Annual Meeting for FY ending 9-30-99. See Confidential section.

#### 14.2 Monitor Neahkahnie LLC investment

- 14.2.1 Monitor financial performance on a quarterly/annual basis:  
This is done through a review of the financial information.
- 14.2.2 Attend Board of Director's meeting:  
This meeting was held at the same time at 14.1.2.
- 14.2.3 Maintain ongoing discussion between BBEDC and ASI:  
See 14.1.3.
- 14.2.4 Monitor investment performance return after payment to previous owner is complete/2006:  
See Confidential section.
- 14.2.5 Acquire additional co-op shares as available and prudent:  
The Arctic Fjord, through the efforts of the off shore Co-op, did acquire additional shares in late 1999.

#### 14.3 Monitor Bristol Leader Fisheries LLC investment

- 14.3.1 Monitor financial performance on a quarterly/annual basis:  
Financial information is reviewed on a monthly and quarterly basis.
- 14.3.2 Attend Management Committee meetings:  
Two representatives from BBEDC attend and participate in all meetings.
- 14.3.3 Maintain ongoing discussions between BBEDC and ALF:  
Frequent communication has been established by the E.D. and the ALF manager. In addition, the Quota Manager communicates constantly during CDQ fishing with the Fleet Manager.
- 14.3.4 Monitor investment performance return of 8.5% annually over time to meet the Post CDQ Transition Plan goals in Part One, Section V of CDP:  
See Confidential section.

#### 14.4 Monitor Bristol Mariner, Nordic Mariner and Northern Mariner LLC investments

- 14.4.1 Monitor financial performance on a quarterly/annual basis:  
Quarterly financials are reviewed on a routine basis.
- 14.4.2 Attend Management Committee meetings:  
One representative from BBEDC attends and participates in all meetings of the Management Committee.
- 14.4.3 Maintain ongoing discussions between BBEDC and KMLLC:  
Staff is in frequent contact with Kevin Kaldestad on issues of importance.
- 14.4.4 Monitor investment performance return of 8.5% annually over time to meet the Post CDQ Transition Plan goals in Part One, Section V of CDP:

See Confidential section.

#### **14.5 Monitor halibut IFQ's**

- 14.5.1 Review and update lease agreements to maximize profits and enhance longline vessel investments:  
The fishing plan for IFQ's for 2000 has been developed and implemented. Lease agreements are in place.
- 14.5.2 Monitor market performance for lease price:  
This is done on a routine basis to insure maximum return on investment.
- 14.5.3 Monitor investment performance return of 7% annually over time to meet the Post CDQ Transition Plan goals in Part One, Section V of CDP:  
See Confidential section.

#### **14.6 Monitor sablefish IFQ's**

- 14.6.1 Review and update lease agreements to maximize profits and enhance longline vessel investments:  
The fishing plan for IFQ's for 2000 has been developed and implemented. Lease agreements are in place.
- 14.6.2 Monitor market performance for lease price:  
This is done on a routine basis to insure maximum return on investments.
- 14.6.3 Monitor investment performance return of 7% annually over time to meet the Post CDQ Transition Plan goals in Part One, Section V of CDP:  
See Confidential section.

#### **14.7 Monitor Capilano Pacific LLC**

- 14.7.1 Monitor performance on a quarterly/annual basis:  
Financials are monitored on a monthly basis.
- 14.7.2 Attend Management Committee meetings:  
Two representatives from BBEDC attend and participate in all management committee meetings.
- 14.7.3 Maintain ongoing discussions between BBEDC and Capilano:  
During the development of the "Wildfish" project, discussions were held almost daily with management and staff of Capilano. Weekly discussions are ongoing.
- 14.7.4 Monitor recruitment of Bristol Bay fishermen:  
Ten Bristol Bay resident fishermen were recruited for the 2000 salmon season. At least five residents were recruited for Herring season and as many as 30 residents for the 4E Halibut season. This exceeds the three-year goal in a one year time period.
- 14.7.5 Monitor investment performance return of 8.5% annually over time to meet the Post CDQ Transition Plan goals in Part One, Section V of CDP:  
This is not applicable at this time since the purchase of a portion of the ownership was not completed until mid year 1999.
- 14.7.6 Provide loan guarantees for Capilano inventory, receivables, & operating lines as needed and prudent:  
The final negotiations with National Bank of Alaska have been completed and agreements are being drawn up.
- 14.7.7 Closely monitor production costs, inventory, receivables, cash flow, sales & other relevant factors to minimize risk to BBEDC from guaranteeing loan:  
BBEDC has retained the services of a long time fishery expert to provide daily monitoring of the activities for the 2000 season and beyond.

## **B. EMPLOYMENT**

**2nd Quarter 2000 (please refer to section C.1 and C.2 below)**

### **15 *Provide employment for Bristol Bay residents***

#### **15.1 Provide employment opportunities with CDQ fishing partners**

- 15.1.1 Place a total of 150 entry/advanced hires with Arctic Storm vessels:
- 15.1.2 Place a total of 25 entry level hires with North Pacific Fishing if available:
- 15.1.3 Place a total of 12 entry level hires with Bristol Leader Fisheries if available:
- 15.1.4 Place a total of 4 entry level hires with Kaldestad Fisheries if available:

#### **15.2 Provide employment in advanced positions with CDQ fishing partners**

- 15.2.1 Track advancement of BBEDC residents on North pacific vessels:
- 15.2.2 Track advancement of BBEDC residents on Bristol Leader vessels:
- 15.2.3 Track advancement of BBEDC residents on Kaldestad vessels:
- 15.2.4 Track advancement of BBEDC residents in Icicle employment:

C. 1. Employment for the 2nd Quarter of 2000	April 1 – June 30, 2000 Quarter		Employment Form Year to Date		Year to Date
	Positions/Trips	Wages	Positions/Trips	Wages	People
<u>BBEDC Management/Admin</u>	15	\$156,011.17	14	\$272,501.24	15
<u>CDQ Pollock Related (AS/AF)</u>					
A/B SEASON	14	\$121,453.17	83	\$257,190.17	47
C/D SEASON					
Yellow Fin	9	\$4,753.15	9	\$4,753.15	9
Hake Trips	14	\$44,582.83	14	\$44,582.83	14
Shipyard	10	\$6,417.54	20	\$7,871.90	10
Other Employment					
Arctic Storm Recruiter	1	\$12,419.01	1	\$22,368.71	1
<u>Long Line Fishing</u>					
Alaskan Leader	2	\$16,031.20	5	\$27,644.99	3
Bristol Leader		\$804.02	2	\$16,355.98	1
<u>Crab Fishing</u>					
Bristol Mariner	1	\$11,557.88	1	\$11,557.88	1
Nordic Mariner	1	\$7,758.50	2	\$10,476.60	2
Other Vessels			1	\$6,926.51	1
<u>Bottom Fishing</u>					
North Pacific Fishing			4	\$14,399.37	4
<u>Other Fishing Employment</u>					
4E Halibut Fishing	42	\$163,800.00	42	\$163,800.00	42
Icicle Seafood's	6	\$15,358.19	9	\$17,562.44	5
<u>Internships</u>					
Arctic Storm Vessel	3	\$12,529.69	5	\$24,313.48	1
Arctic Storm Office	1	\$4,734.12	1	\$8,402.37	1
Icicle Seafood's Office	2	\$3,831.57	1	\$7,427.83	2
North Pacific Fishing			1	\$2,393.81	1
Icicle Vessel/Plant/Shipyard			1	\$6,650.71	1
ADF&G	5	\$16,372.35	5	\$16,372.35	5
In-house Office	1	\$423.00	1	\$807.00	2
Alaskan Leader Vessel	1	\$4,650.00	1	\$4,650.00	1
Bristol Leader Vessel	2	\$11,400.00	2	\$22,650.00	2
Specialized Interns	4	\$7,677.73	4	\$7,677.73	4
Other Interns	1	\$866.88	1	\$866.88	1
Capilano Interns	2	\$9,371.67	2	\$9,371.67	2
<b>TOTAL</b>	<b>137</b>	<b>\$622,403.67</b>	<b>232</b>	<b>\$989,575.60</b>	<b>178</b>

## C. 2 Employment Summary

<b>Management/Admin.</b>	15 positions were actively filled during the 2nd Quarter, including the Executive Director for the Bristol Bay Science and Research Institute, 3 part-time sub-regional technicians, overlap of 2 E/T Director's and the new Education Coordinator.
<b>A/B Season</b>	14 residents fished the pollock A/B season filling a variety of processor positions;
<b>Yellowfin</b>	9 residents filled processor positions during the Yellow Fin fishery.
<b>Hake</b>	1 Galley and 13 processor positions were filled.
<b>Shipyard</b>	10 residents worked as shipyard employees who traveled South with the vessels performing a variety of general maintenance tasks.
<b>Arctic Storm Recruiter</b>	1 recruiter was employed during the 2nd Qtr.
<b>Alaskan Leader</b>	2 residents employed as Baiters. 1 completed two trips and the other completed one trips.
<b>Bristol Leader</b>	Just wages were paid during the 2nd Quarter. No position was filled.
<b>Crab Fishing</b>	1 resident fished on the Bristol Mariner and also on the Nordic Mariner.
<b>Bottom Fishing</b>	No activity.
<b>4E Halibut fishing</b>	42 residents filled locally for 4E Halibut this quarter. Most were Catcher/Sellers.
<b>Other Employment</b>	5 residents filled processing positions on Icicle Seafood's floating processors and 1 resident worked in the Shipyard.

## Internships

<b>Arctic Storm vessel</b>	3 residents were placed as Interns on the deck.
<b>Arctic Storm office</b>	1 resident worked as an office intern.
<b>Icicle Seafood's</b>	2 residents filled an Icicle office internship.
<b>N. Pacific Fishing</b>	No intern was placed at the Seattle office during the 2nd Quarter.
<b>Icicle Plant/Vessel</b>	No Activity.
<b>ADF&amp;G</b>	5 residents filled 5 positions at various ADG&F offices or field camps. Placements were made at 2 Commercial Fisheries Offices, 2 on a Ugashik Smolt Study and another on Muklung/Wood River Creel Survey project.
<b>In House/Office</b>	1 resident student filled the position of High School Intern this quarter.
<b>Alaska Leader Vessel</b>	1 resident worked as a Galley intern this quarter.
<b>Bristol Leader</b>	1 resident filled the Oiler/Wiper internship and another worked as a Galley Intern.
<b>Specialized Interns</b>	2 residents filled CFEC internships, one in the BBEDC office and another at Icicle Seafood's Naknek office. 1 resident filled the Asst. Harbor Master position in Dillingham and another resident filled the Port Attendant position at the Bristol Bay Borough Dock in Naknek.
<b>Other Interns</b>	1 resident filled a short Custodial Internship at the Dillingham City School to assist with the summer reading program.
<b>Capilano Interns</b>	2 residents are filling long-term Advanced Intern positions at Capilano's Bellingham office. One was placed as a Marketing Intern and another as an Administrative Intern.

## **D. TRAINING**

**1st Quarter 2000 (please see Section D.1 and D.2 below)**

### **16 *Develop the human resource potential of Bristol Bay residents through vocational training***

#### **16.1 Provide Adult Basic Education and General Education Diploma training**

16.1.1 Provide ABE training for up to 150 residents:

16.1.2 Provide GED training for up to 16 residents:

#### **16.2 Provide basic vocational technical training in-region**

16.2.1 Provide basic voc-tech training for up to 40 residents:

16.2.2 Provide GED training for up to 16 residents:

#### **16.3 Provide advanced vocational technical training in approved programs**

16.3.1 Provide advanced voc-tech training for up to 5 residents:

#### **16.4 Provide internships in-region**

16.4.1 Place at least 2 interns with ADF&G:

16.4.2 Place at least 1 intern in BBEDC's office:

16.4.3 Place at least 2 interns with businesses/agencies:

#### **16.5 Provide vocational training opportunities to non-CDQ community residents**

16.5.1 Provide vocational training opportunities as funding is available:

No activity this quarter.

#### **16.6 Provide training opportunities with CDQ fishing partners**

16.6.1 Place at least 10 interns on Arctic Storm vessels:

16.6.2 Place at least 2 interns in offices or other settings with Arctic Storm:

16.6.3 Place at least 3 interns in office or other settings with Icicle Seafood's:

16.6.4 Place at least 3 interns in support operations with Icicle Seafood's:

16.6.5 Place at least 3 interns in offices of NPFI, BLF, or KFL:

16.6.6 Provide internship opportunities in Capilano organization as available:

**D. 1. TRAINING Data Form**

**TRAINING DATA**  
**April 1 – June 30, 2000**  
**2nd Quarter 2000**

	<u>Quarter</u>		<u>Year to Date</u>	
	People	Expenditure	People	Expenditure
<b><u>Scholarships</u></b>				
Post-secondary				
Advanced Vocational Administration	9	\$13,562.50	16	\$26,290.50
<b><u>Voc-Tech Classes</u></b>				
Basic	58	\$13,621.70	196	\$34,456.11
Other	10	\$8,600.00	10	\$8,600.00
<b><u>Other Training</u></b>				
Fisheries Related	1	\$1,345.00	19	\$1,870.00
CDQ Staff/Board	1	\$769.00	2	\$2,104.50
<b><u>ABE/GED</u></b>	47	\$0	127	\$0
GED Diplomas Earned	[10]		[10]	
<b><u>Other Expenditures</u></b>				
Drug Testing	5	\$170.00	9	\$1,260.00
<b><u>Internships</u></b>				
Arctic Storm Vessel	3	\$12,529.69	1	\$44,123.36
Arctic Storm Office	1	\$9,321.32	1	\$17,017.68
Icicle Seafood's Office	2	\$6,576.57	2	\$13,918.43
Icicle Vessel/Plant/Shipyard			1	\$8,854.96
North Pacific Fishing Office	1	\$2,745.00	1	\$8,045.29
ADF&G	5	\$16,597.35	5	\$16,597.35
In-house Office	1	\$423.00	2	\$807.00
Alaskan Leader Vessel	1	\$4,650.00	1	\$25,800.00
Bristol Leader Vessel	2	\$11,400.00	2	\$22,650.00
Specialized Interns	4	\$7,677.73	4	\$7,677.73
Other Interns	1	\$866.88	1	\$866.88
Capilano Interns	2	\$15,216.21	2	\$15,216.21
<b>TOTAL</b>	<b>153</b>	<b>\$126,074.95</b>	<b>402</b>	<b>\$256,156.00</b>

## D. 2. Training Summary

### Scholarships

**Post-secondary** No Activity.

**Advanced Vocational** 1 was completing a Welding at AVTEC; 1 continued at Charter College completing a A.A.S Degree in Business Management Practice; 3 were finishing up at the Career Academy and are enrolled in the Business Management program; 1 continued at Dona Anna Community College working on his welding certification; 1 attended Sheldon Jackson College continuing on her Seafood Technology Certificate; and 1 attended Umiak Adventures School getting certification in Wood Boat Construction.

**Administration** No Activity.

### Vocational-Technical Classes

**Basic** 58 residents participated in basic vocational/technical course offerings throughout the Bristol Bay region. Courses ranged from Commercial Drivers Licensing, Emergency Trauma Technician, Outboard Maintenance and Repair, Marine Safety and Survival, CPR/First Aid, Basic Computer Applications and grant writing.

**Other** 8 resident high school students and 2 adult teacher supervisors traveled to Dutch Harbor to participate in the Fisheries Institute Programs that were held in April.

### Other Training

**Fisheries Related** 1 Togiak resident was trained in Electronic Transaction Terminal operation.

**CDQ Staff Board** 1 Staff member participated in Staff Development course this quarter.

**ABE-GED** 47 CDQ and non-CDQ residents received Adult Basic Education class, life skills, Drivers Education and college preparatory training. Of these 7 were from the non-CDQ communities of New Stuyahok and Kokhanok. 10 residents acquired their GED in the 2nd Quarter and 6 residents obtained their Drivers Licenses.

### Internships

**Arctic Storm vessel** 1 resident filled 3 positions as Advanced Intern on the deck.

**Arctic Storm office** 1 resident worked as an office intern.

**Icicle Seafood's** 2 residents filled one position at Icicle's office.

**N. Pacific Fishing** No Activity.

**Icicle Plant/Vessel** No Activity.

**ADF&G** 5 residents filled 5 positions at various ADG&F offices or field camps. Placements were made at 2 Commercial Fisheries Offices, 2 on a Ugashik Smolt Study and another on Muklung/Wood River Creel Survey project.

**In House/Office** 1 resident student filled the position of High School Intern this quarter.

**Alaska Leader Vessel** 1 resident worked as a Galley intern this quarter.

**Bristol Leader** 1 resident filled the Oiler/Wiper internship and another worked as a Galley Intern.

**Specialized Interns** 2 residents filled CFEC internships, one in the BBEDC office and another at Icicle Seafood's Naknek office. 1 resident filled the Asst. Harbor Master position in Dillingham and another resident filled the Port Attendant position at the Bristol Bay Borough Dock in Naknek.

**Other Interns** 1 resident filled a short Custodial Internship at the Dillingham City School to assist with the summer reading program.

**Capilano Interns** 2 residents are filling long-term Advanced Intern positions at Capilano's Bellingham office. One was placed as a Marketing Intern and another as an Administrative Intern.

## **SUBSIDIARIES**

### **17 *Provide academic scholarship program for CDQ community residents***

#### **17.1 *Manage Harvey Samuelsen Scholarship Trust to provide growth in perpetuity***

##### **17.1.1 Inflation proof Trust:**

The earnings from the trust, after scholarship distributions, are used to inflation proof the trust. In addition, five percent of the royalty income is deposited in the trust account. This was approximately \$325,000 last fiscal year.

##### **17.1.2 Review Trust investment policy:**

The investment policy is reviewed each year at the May board meeting.

#### **17.2 *Award scholarships annually***

##### **17.2.1 Award 3% of previous year's Trust balance in scholarships:**

This year \$109,495 in scholarships will be awarded in August for the 2000-2001 school year. This amount is based on 3% of the market value of the scholarship fund at the end of 1999. Funds unused in 1999 will be added to this amount for 2000 scholarship distribution.

#### **17.3 *Provide management of scholarship program***

##### **17.3.1 Contract management of program and monitor performance:**

The scholarship program is managed in part by the Higher Education Department at the Bristol Bay Native Association. A master scholarship application is used for all scholarship programs managed by BBNA. In addition, the Higher Education Coordinator is in contact with the students on a regular basis and provides support and mentoring for them. BBEDC appoints a committee to review the applications for BBEDC scholarships and makes the scholarship awards.

### **18 *Promote in-region scientific research and education programs***

#### **18.1 *Establish and fund Bristol Bay Science and Research Institute***

##### **18.1.1 Fund program and maintain funding:**

The Bristol Bay Science and Research Institute is now up and running. Paul Rusanowski is the Executive Director and is working out of his office in Juneau.

#### **18.2 *Implement research***

##### **18.2.1 Develop a research plan for Bristol Bay:**

Work has been progressing on development of a long-range research plan for BBSRI. A cautious approach has been adopted to work with the Board of Directors to develop a plan that meets the needs of the region and concerns expressed within the region. The most pressing concern within the region is the status, well being, and management of salmon resources. This concern is the primary focus of the research plan being developed.

Consistent with a cautious approach that maximizes the contributions to research that can be made by the Institute, an outreach effort was launched to find out what priorities other research organizations placed on their own work. Other outreach efforts were made to determine where they felt BBSRI could make the most effective contributions, and how they might work with BBSRI in the future. Groups included in this outreach effort were from academia, industry, State and federal agencies, communities, advisory organizations, and Native organizations. This outreach effort has been effective in building contacts and relationships with other organizations and creating a proactive environment of cooperation. The effectiveness of this outreach effort was demonstrated in the preparation of BBSRI's first grant proposal to NSF, where 18 organizations associated with various research programs in the region supported the grant application.

BBSRI also supported an effort by the Bristol Bay Regional Advisory Council to develop a more defined and regionally oriented criteria evaluation process for federal research grants from the Office of Subsistence Management. This effort provided an opportunity for the Institute to develop professional relationships with staff in the Office of Subsistence as well as members of the Regional Advisory Council working on an issue of importance to the region.

Another aspect of the research plan is to establish working relationships with State and federal agencies on issues of concern to the region. During the second quarter BBSRI contributed financial and technical assistance to ADF&G for several projects in the Bristol Bay region. The Institute also signed an agreement with ADF&G to provide interns for support of their research programs. This agreement is in place for five years and will facilitate training and utilization of residents from within the region in their research program.

The Institute has been gathering background information on problems and issues of concern within the region from a wide range of sources from local, statewide, and national perspectives, primarily focusing on salmonids. This information is now being worked up into a draft-planning document to be considered by the Board of Directors. This is a working document that will be refined with input from the Board and other sources. It is expected that a draft research plan will be completed by the end of the year.

### **18.3 Enhance work force development (Education Initiative)**

#### **18.3.1 Investigate grant programs to provide funding:**

BBEDC continues to search and apply for grants to enhance the educational initiative program. Two educational grant applications were submitted this quarter. One was a Department of Labor grant and the other was a Denali Commission application both were resubmitted to furnish funds to perform a job study in Bristol Bay and develop a training program for available jobs.

The BBSRI has been working with the Alaska Funding Exchange (AFE) to identify suitable sources of research funds that could be pursued in the near-term. The strategy utilized for the search was to look for programs that would facilitate the Institute being able to build a track record of research performance that showed a strong commitment to team building among research programs in the region and addressing issues relevant to the Bristol Bay region.

The Institute is currently working with information developed by AFE to prioritize potential funding sources and grant programs and mesh them with priority issues identified by the Board of Directors. A draft strategy will be developed by the fourth quarter to initiate a program to secure research grants for the Institute.

During that search an opportunity was uncovered with the National Science Foundation (NSF) for a new grant program to develop Research Coordination Networks in Biological Sciences. The board of Directors approved an effort by the Institute to submit a grant proposal under this program. This NSF proposal was the first grant application submitted by BBSRI. It involved bringing together representatives from 18 other organizations involved in research in the Bristol Bay region to support our proposal effort. The proposal covers a five-year period of time and will result in the creation of a virtual community directory of researchers involved in social, traditional knowledge, biological, physical and atmospheric sciences research in the Bristol Bay region. That virtual community will be accessible to anyone with access to the Internet. Notification of award will occur before the end of the year.

#### **18.3.2 Implement enrichment projects for Education Initiative:**

BBEDC hired an Education Coordinator during the 2nd Quarter to work with the 4 regional school districts in implementing the program's goals. See Section 7.3.1 for more information.

## **19 *Provide ice machines in CDQ communities***

### **19.1 Implement Grant Requirement**

- 19.1.1 Final approval of grant/loan funding proposals:  
The EDA grant application process has proven to be extremely complex, time consuming and cumbersome. However, BBEDC has stayed the course and we have finally gotten final approval on the grant. The loan with the Division of Investments has been signed off and approved since late in 1999.
- 19.1.2 Completion of engineering/ordering machinery:  
Now, we must meet the very complicated and stringent procurement requirements. We are awaiting our "Welcome Aboard" package and then start the development of the RFP for engineering services.
- 19.1.3 Installation of equipment:  
Installation of equipment will probably not start until the spring of 2001 due to the necessity of meeting all the procurement requirements and the long delay in the approval process.
- 19.1.4 Monitor/support community maintenance and operation:  
This will take place after the ice machines are delivered. During installation, classes will be held in each community for the workers who will maintain the equipment.

## **E. OTHER ISSUES**

None

### **III. ADMINISTRATION**

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

##### **1. Changes in the Board:**

No changes in the Board occurred during the Second Quarter.

##### **2. Substantial Decisions:**

CDQ Partner Royalty and Employment Agreements approved.

Approval of the 1999 Audited Financial Statements and Agreed Upon Procedures.

Approval of a Regional Infrastructure Development Project of \$100,000.

Moved the H.S. Scholarship Trust into 501 (c) 3 status.

#### **B. Amendment Status:**

The following Amendments were filed and approved during the Second Quarter:

00-07	Tech:	Housekeeping
00-08	Tech:	Transfer 100 mt NSR to "Other Species" category
00-09	Tech:	Updating Skipper cards
00-10	Tech:	Option of 1 or 2 CDQ observers on Alaska Leader/Bristol Leader
00-11	Tech Non-Core:	\$100,000 request for Dillingham Dock Project
00-12	Sub:	Transfer >10% of Atka Mackerel/POP from BBEDC to APICDA
00-13	Tech:	Transfer balance of NSR to Other Species
00-14	Tech:	Amend GOM (Milestones) Table and resume for Cynthia Olson
00-15	Tech:	Housekeeping

#### **C. Other Issues**

None.

## IV. HARVESTING REPORT and Processing Report

### A. Target Fishery Harvest Activity

#### Pacific Cod Harvesting Activity:



SPECIES	CDQ Allocation			Target Fishery Information
	Metric Tons Allocated	Metric Tons Harvested	Percentage of Allocation	% of Target Fishery
Pacific Cod	2895.000	1298.430	44.85%	79.59%
<b>BYCATCH</b>				
AI Turbot	41.400	0.130	0.31%	0.01%
BS Sablefish (H&L)	32.340	3.330	10.30%	0.20%
BS Turbot	116.750	12.180	10.43%	0.75%
Non-Quota Pollock BS	N/A	20.280	N/A	1.24%
Non-Quota Pollock AI	N/A	0.250	N/A	0.02%
Atka Mackerel 542	314.840	0.020	0.01%	0.00%
Atka Mackerel 543	378.590	1.790	0.47%	0.11%
Yellowfin Sole	2311.000	0.110	0.00%	0.01%
Other Flats	1257.000	0.290	0.02%	0.02%
Rock Sole	2021.400	0.030	0.00%	0.00%
Flathead Sole	789.600	0.390	0.05%	0.02%
Arrowtooth	1753.763	6.430	0.37%	0.39%
Other Species	831.558	284.920	34.26%	17.47%
BS Other Rockfish	5.400	0.160	2.96%	0.01%
AI Other Rockfish	10.200	0.240	2.35%	0.01%
BS O. Red Rockfish	2.380	0.340	14.29%	0.02%
SCNO	65.620	0.250	0.38%	0.02%
SRRE	13.200	1.800	13.64%	0.11%
<b>TOTAL HARVEST</b>		<b>1631.370</b>		
SPECIES	PSQ Allocation			Target Fishery Information
	KG or # Allocated	KG or # Harvested	Percentage of Allocation	Rate (kg/MT or #/MT) % of Target Fishery
<b>PROHIBITED**</b>				
Halibut (MT)	75.460	9.490	12.58%	0.58%
Red King Crab ZI	1,528.000	12.000	N/A	0.007
**Halibut in the longline fishery is the only species deducted from PSQ allocations The other PSQ catch, such as crab and salmon do not count against our PSQ allocations				

#### 1) Summary of harvesting activities by target fishery:

Portions of the cod harvested on the Bristol Leader and Alaskan Leader were harvested in both the Aleutian Islands and Bering Sea. A total of 1,298 MT of harvested which made up roughly 80% of the total catch.

## 2) Summary of bycatch:

Bycatch in the cod fishery was within the normal range. The majority of the bycatch came in the “Other Species” category.

## Bering Sea Sablefish & Turbot Harvesting Activity:



SPECIES	CDQ Allocation			Target Fishery Information
	Metric Tons Allocated	Metric Tons Harvested	Percentage of Allocation	% of Target Fishery
BS Greenland Turbot	116.750	64.060	54.87%	78.21%
BS Sablefish	32.340	10.350	32.00%	12.64%
TOTAL		74.410	86.87%	
<b>BYCATCH</b>				
Flathead Sole	789.600	0.040	0.01%	0.05%
Arrowtooth	1753.763	2.250	0.13%	2.75%
Other Species	831.558	4.350	0.52%	5.31%
BS Other Rockfish	5.400	0.410	7.59%	0.50%
BS O. Red Rockfish	2.380	0.450	18.91%	0.55%
TOTAL HARVEST		81.910		100.00%
SPECIES	PSQ Allocation			Target Fishery Information
	KG or # Allocated	KG or # Harvested	Percentage of Allocation	Rate (kg/MT or #/MT) % of Target Fishery
<b>PROHIBITED**</b>				
Halibut (MT)	75.460	6.151	7.97%	0.97%
Red King Crab Z1	1,528.000	190.072	N/A	N/A
Bairdi Tanner Z1	15,563.000	5.917	N/A	N/A
Bairdi Tanner Z2	47,250.000	0	N/A	N/A
Opilio Tanner	75,038.000	0	N/A	N/A
Chinook Salmon	756.000	0	N/A	N/A
Non-Chinook Salmon	662.000	0	N/A	N/A
**Halibut in the longline fishery is the only species deducted from PSQ allocations The other PSQ catch, such as crab and salmon do not count against our PSQ allocations				

### 1) Summary of harvesting activities by target fishery.

Sixty-four MT of BS turbot and 10 MT of BS Sablefish were harvested this quarter.

### 2) Summary of bycatch:

Bycatch of turbot while prosecuting the sablefish allocation was fairly high. Although these two fisheries are targeted in conjunction with each other, the amount of turbot available curtailed higher levels of sablefish harvests.

**Atka Mackerel & POP Harvesting Activity:**



SPECIES	CDQ Allocation			Target Fishery Information
	Metric Tons Allocated	Metric Tons Harvested	Percentage of Allocation	% of Target Fishery
Atka Mackerel 541	209.100	174.910	83.65%	70.51%
Atka Mackerel 542	314.840	1.230	0.39%	0.50%
POP 541	39.780	0.010	0.03%	0.00%
POP 542	44.710	0.010	0.02%	0.00%
TOTAL	608.430	176.160		
<b>BYCATCH</b>				
Non Quota Pollock AI	N/A	0.090	N/A	0.04%
Pacific Cod	2895.000	57.940	2.00%	23.36%
Rock Sole	2021.400	0.250	0.01%	0.10%
Arrowtooth	1753.763	0.170	0.01%	0.07%
Other Species	831.558	12.190	1.47%	4.91%
AI Other Rockfish	10.200	0.180	1.76%	0.07%
SCNO	65.620	1.090	1.66%	0.44%
TOTAL HARVEST		248.070		100.00%
SPECIES	PSQ Allocation			Target Fishery Information
	KG or # Allocated	KG or # Harvested	Percentage of Allocation	Rate (kg/MT or #/MT) % of Target Fishery
<b>PROHIBITED**</b>				
Halibut (MT)	75.460	3.070	4.07%	1.24%
Red King Crab	1,528.000	165.620	10.84%	0.668

**1) Summary of harvesting activities by target fishery.**

North Pacific fishing harvested 175.9 MT of Atka Mackerel in Area 541 and a small amount in 542.

**2) Summary of bycatch:**

Bycatch in this fishery was fairly clean. The majority of bycatch encountered was cod.

**Bering Sea Opilio Harvesting Activities:**



SPECIES	CDQ Allocation			Target Fishery Information
	Pounds Allocated	Pounds Harvested	Percentage of Allocation	% of Target Fishery
Opilio Crab	478,564	477,917	99.86%	100.00%

**1) Summary of harvesting activities by target fishery.**

The Nordic Mariner and Northern Mariner finished up our CDQ opilio allocation early this month. They came with in 647 pounds of our 478,564 pound quota.

**2) Summary of bycatch:**

There was no bycatch data reported in the Bering Sea opilio fishery.

**Pollock Harvesting Activity**



SPECIES	CDQ Allocation			Target Fishery Information
	Metric Tons Allocated	Metric Tons Harvested	Percentage of Allocation	% of Target Fishery
Pollock	23919.000	774.070	3.24%	99.63%
<b>BYCATCH</b>				
Pacific Cod	789.600	2.710	0.34%	0.35%
Flathead Sole	2021.400	0.040	0.00%	0.01%
Other Species	2895.000	0.160	0.01%	0.02%
<b>TOTAL HARVEST</b>		<b>776.980</b>		<b>100.00%</b>

**1) Summary of harvesting activities by target fishery.**

The Arctic Fjord began harvesting CDQ on June 26 and completed 14 tows during the second quarter. The Arctic Fjord harvested 774.07 Mt of Pollock of which none were inside the SCA.

**2) Summary of bycatch:**

Fishing during the second quarter was very clean. The only bycatch of note was 2.705 Mt of P. Cod. In addition, there were no PSC species encountered.

**Halibut 4E Harvesting Activities:**



SPECIES	CDQ Allocation			Target Fishery Information
	Pounds Allocated	Pounds Harvested	Percentage of Allocation	% of Target Fishery
4E Halibut	117,000	62,099	53.08%	100.00%

**1) Summary of harvesting activities by target fishery:**

Halibut harvests in 4E began in late May and continued until the commercial salmon season began in late June. Halibut was landed in Dillingham, Egegik, Naknek, and Togiak.

**2) Summary of bycatch:**

There was no bycatch data reported in the 4E halibut fishery.

**Flathead Sole Harvesting Activity:**



SPECIES	CDQ Allocation			Target Fishery Information	
	Metric Tons Allocated	Metric Tons Harvested	Percentage of Allocation	% of Target Fishery	
Flathead Sole	789.600	21.020	2.66%	23.27%	
<b>BYCATCH</b>					
BS Turbot	116.750	1.460	1.25%	1.62%	
Non-Quota Pollock BS	N/A	7.230	N/A	8.00%	
Pacific Cod	789.600	16.900	2.14%	18.71%	
Yellowfin Sole	2311.000	14.610	0.63%	16.17%	
Other Flats	1257.000	4.600	0.37%	5.09%	
Rock Sole	2021.400	4.890	0.24%	5.41%	
Arrowtooth	1753.763	2.130	0.12%	2.36%	
Squid	N/A	0.030	N/A	0.03%	
Other Species	2895.000	17.140	0.59%	18.97%	
BS True POP	13.200	0.340	2.58%	0.38%	
<b>TOTAL HARVEST</b>		<b>90.350</b>		<b>100.00%</b>	
SPECIES	PSQ Allocation			Target Fishery Information	
	KG or # Allocated	KG or # Harvested	Percentage of Allocation	Rate (kg/MT or #/MT) % of Target Fishery	
<b>PROHIBITED</b>					
Halibut (MT)	75.460	2.560	3.39%	2.83%	
Bairdi Tanner Z2	47,250.000	284.030	0.60%	3.144	

**1) Summary of harvesting activities by target fishery:**

A small amount of Flathead sole (21 MT) was harvested this quarter. The fishery may be attempted again in the 3<sup>rd</sup> quarter.

**2) Summary of bycatch:**

The main bycatch in the Flathead sole fishery was Pacific Cod, Yellowfin sole, and Other Species.

**B. Processing Report**

**Pacific Cod Processing Activities**

The Pacific Cod processed on the Bristol Leader and Alaskan Leader was made into both collarbone on and collarbone off product forms. A portion of the bycatch of skates was processed into skate wings.

**Bering Sea Sablefish and Turbot**

The Bering Sea Sablefish and Turbot processed on the Bristol Leader and Alaskan Leader was made into both collarbone on and collarbone off product forms. A portion of the bycatch of skates was processed into skate wings.

### **Atka Mackerel and POP Processing Activities**

The Atka Mackerel and POP harvested were processed into an H&G product form. The bycatch of rockfish and cod were processed in a similar fashion.

### **Bering Sea Opilio Processing Activities**

Icicle Seafood's processed all of the Opilio Crab harvested by BBEDC's two vessels. The opilio crab was processed into various product forms such as Brine and Blast frozen clusters and "Bits and Pieces."

### **Pollock Processing Activities**

The Arctic Fjord concentrated on fillet/mince production. The Arctic Fjord produced 19.62 Mt of surimi, 67.364 Mt of block and 100.261 Mt of mince. The overall recovery from the Arctic Fjord's production was 24.2%.

### **Halibut Processing Activities**

All of the 4E halibut was sold in the round.

### **Flathead Sole Processing Activities**

The Flathead sole and associated bycatch on the US Intrepid were processed primarily in an H&G product form.

## **C. Compliance/Enforcement Issues**

### **Pacific Cod**

There were no enforcement issues this quarter, however there was a compliance issue with regard to the observer sampling station, which has been resolved.

### **Bering Sea Sablefish and Turbot**

There was no compliance or enforcement issues reported this quarter.

### **Atka Mackerel and POP**

There was no compliance or enforcement issues reported this quarter.

### **Bering Sea Opilio**

There was no compliance or enforcement issues reported this quarter.

### **Pollock**

There was no compliance or enforcement issues reported this quarter.

### **Halibut Processing Activities**

There was no compliance or enforcement issues reported this quarter.

### **Flathead Sole**

There was no compliance or enforcement issues reported this quarter.

## **D. Other Fishing Issues/Activities**

### **Pacific Cod**

There was no “Other Fishing Issues/Activities” to report this quarter.

### **Bering Sea Sablefish and Turbot**

There was no “Other Fishing Issues/Activities” to report this quarter.

### **Atka Mackerel and POP**

There was no “Other Fishing Issues/Activities” to report this quarter.

### **Bering Sea Opilio**

There was no “Other Fishing Issues/Activities” to report this quarter.

### **Pollock**

There was no “Other Fishing Issues/Activities” to report this quarter.

### **Halibut Processing Activities**

There was no “Other Fishing Issues/Activities” to report this quarter.

### **Flathead Sole**

There was no “Other Fishing Issues/Activities” to report this quarter.

## BBEDC 2000 CDQ Harvests By Quarter & Yearly Total

Species	2000 CDQ Harvests				Catch To Date	Percent Caught	
	2000 Allocation	Quarter 1	Quarter 2	Quarter 3			Quarter 4
Atka Mackerel (Total)	902.530	0.530	177.950			178.480	19.78%
Eastern 541	209.100	0.080	174.910			174.990	83.69%
Central 542	314.840		1.250			1.250	0.40%
Western 543	378.590	0.450	1.790			2.240	0.59%
Arrowtooth (-15% NSR)	1,753.763	1.870	10.980			12.850	0.73%
Other Flatfish	1,257.000	5.540	4.890			10.430	0.83%
Flathead Sole	789.600	31.970	21.490			53.460	6.77%
Turbot (Bering Sea)	116.750	0.520	77.700			78.220	67.00%
Turbot (Aleutian Islands)	41.400		0.130			0.130	0.31%
Pacific Cod	2,895.000	671.800	1,375.980			2,047.780	70.74%
Pollock	23,919.000	9,411.990	774.070			10,186.060	42.59%
Non-Quota Pollock (BS)	N/A	11.520	27.510			39.030	N/A
Non-Quota Pollock (AI)	N/A	0.370	0.340			0.710	N/A
Pacific Ocean Perch (EBS)	33.150	0.120	0.340			0.460	1.39%
Pacific Ocean Perch (AI)	156.740	0.070	0.020			0.090	0.06%
Eastern 541	39.780	0.070	0.010			0.080	0.20%
Central 542	44.710		0.010			0.010	0.02%
Western 543	72.250					0.000	0.00%
Other POP (SRSN, EBS)	2.380	0.050	0.790			0.840	35.29%
Sharp/Northern (AI)	65.620	0.150	0.250			0.400	0.61%
Short/Rougheye (AI)	13.200	1.930	1.800			3.730	28.26%
Other Rockfish (EBS)	5.400	0.480	0.160			0.640	11.85%
Other Rockfish (AI)	10.200	1.240	0.420			1.660	16.27%
Rocksole	2,021.400	128.370	5.170			133.540	6.61%
Sablefish Trawl BS	11.000	0.040				0.040	0.36%
Sablefish Trawl AI	9.000					0.000	0.00%
Sablefish Fixed Gear BS	32.340		13.680			13.680	42.30%
Sablefish Fixed Gear AI	72.800					0.000	0.00%
Yellowfin Sole	2,311.000	31.840	14.720			46.560	2.01%
Squid (-15% NSR)	26.239	9.360	0.030			9.390	35.79%
Other Species (+NSR)	831.558	91.960	318.760			410.720	49.39%
Non Specific Reserve (NSR)	0.000	N/A				0.000	N/A
4D Halibut (in lbs)	140,070					0	0.00%
4E Halibut (in lbs)	117,000		62,099			62,099	53.08%
BS Opilio	478,564		477,917			477,917	99.86%
BB Red King Crab	N/A						
<b>Prohibited Species</b>	<b>Total</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Catch To Date</b>	<b>Percent Caught</b>
Halibut (mt of mortality)	75.460	2.140	21.271			23.411	31.02%
Bairdi Zone 1	15,563.000	2.380				2.380	0.02%
Bairdi Zone 2	47,250.000	1.720	284.03			285.750	0.60%
Opilio Tanner Crab (numbers)	75,038.000					0.000	0.00%
Red King Crab (numbers)	1,528.000					0.000	0.00%
Chinook Salmon (numbers)	756.000	135.520				135.520	17.93%
Other Salmon (numbers)	662.000	7.180				7.180	1.08%