

I. QUARTERLY HIGHLIGHTS

- **The Board of Directors met in Dillingham on May 28, 1999 and held committee meetings on May 27th.**
- **Conducted a half-day Marketing Workshop for the Board of Director's and lead staff.**
- **The communities of Levelock, Portage Creek and Ekwok were approved as full members of the BBEDC.**
- **105 4E halibut permit applications were received and 77 were approved and issued to residents.**
- **Scholarship Trustees adopted a Grievance Policy.**
- **Held Officer elections, Executive Committee elections and made Committee appointments to fill vacant positions.**
- **Awarded 2 Regional Test Fishery bids to resident fishers.**
- **Reviewed the By-laws of the Corporation.**
- **Held ASIMCo's Annual Meeting and re-appointed existing officers.**
- **Adopted a 4E Halibut fishery Appeals Process.**
- **Approved By-laws for the Bristol Bay Science and Research Institute and initial start up funding for the organization.**
- **Hired a Development Intern to research and write grants.**
- **Placed a Marketing Intern with ASMI and Icycle Seafood's, a BBEDC CDQ partner.**
- **Held community orientations regarding BBEDC and the CDQ program in Ekwok, Levelock and brought representatives to the BBEDC office from Portage Creek.**
- **Invested in a value added processing company.**

II. COMMUNITY DEVELOPMENT

A. Progress Toward Goals, Objectives, Milestones

1. Maintain an Effective and Efficient Board of Directors.

1.1 Establish and maintain bylaws and board procedures.

1.1.1 Review Bylaws and Procedures:

The Articles of Incorporation and By-laws were reviewed at the May Board meeting with no recommended changes. The Board will again review and amend the By-laws at the September meeting to make changes from 14 members to 17 members throughout the document. All policies and procedures of the Corporation were also reviewed.

1.1.2 Annually review committee structure:

At the Annual/Board meeting in November, committee appointments and officer elections are made for the coming year. However, at the May meeting, appointments to committees were made due to the resignation of members or changes in representation made by communities.

1.1.3 Review and revise board calendar annually:

The board calendar for 1999 was approved at the November 1998 board meeting.

1.1.4 Provide financial report analysis training:

A financial report workshop was held for the Finance and Audit committee members prior to the May 1999 Board of Directors meeting. All Board members were invited to participate.

1.1.5 Conduct Board training as needed:

A half-day Marketing Workshop was held prior to the May meeting with all lead staff and board members present. The meeting was organized and facilitated by Robert (Bob) Waldrop of Red Point Associates. Bob is a long time fisheries consultant. This was a very productive and enlightening meeting for all participants. This workshop was held to explore one question: Does it make sense for BBEDC to become more involved in the sales and marketing of products harvested by BBEDC and its partners?

Responding to this question requires understanding what is involved in marketing and selling seafood. The Board will mull over the information presented and will revisit the idea at their November meeting when information about specific marketing activities will be presented.

Three Board members attended the NPFMC meeting held in Anchorage during the month of April. In an effort to provide a better understanding of the political and regulatory process, BBEDC encourages Board members to observe and participate in these processes.

1.2 Develop and update Long Term Strategic Plans.

1.2.1 Review long range plan and modify as needed:

A strategic planning session was held in January to revisit and identify long term goals.

1.3 Develop and update annual operation plans.

1.3.1 Review progress and update annual operations plan mid year if needed:

The annual work plan for 1999 was adopted at the board meeting in November 1998. Activities are tracking as planned.

1.3.2 Monitor progress on Ops. Plan monthly:

The operations of the corporation continue to be monitored by both management and the Board of Directors on a monthly basis. All management staff provides the Board with a monthly activity report.

1.3.4 Develop and approve annual operating plan:

This is done at the Annual Meeting in November the year preceding the implementation of the Operating Plan. The 1999 Board Meeting Calendar and Task Plan were approved at the November 1998, Annual Meeting.

2. Develop efficient and cost effective staff and administrative Procedures.

2.1 Identify skills needed and plan staff.

2.1.1 Review staff tasks, skills, job descriptions and structure annually:

Job descriptions were reviewed and modified as necessary at the May board meeting. The Employment and Training Director, Employment & Training Coordinator and CDQ Quota Manager job descriptions were changed to reflect actual tasks and responsibilities. All other position descriptions remain the same.

The position of Employment & Training Coordinator was vacated this quarter and advertisement has begun for a replacement.

Two staff members attended Personnel Law training and one of them also received training in computer Networking during the second quarter.

BBEDC's Deputy Director is also a participant in the Bristol Bay Native Corporation's Training without Walls program and attended a two-day session this quarter. This program prepares regional shareholders, through a variety of professional seminars and training programs, to become future leaders in the region. BBEDC fully supports the Deputy Director's participation in the management track training program.

BBEDC's Administrative Asst. also participated in a Filing and Records Management class and a Minute Taking class at the end of the first quarter through the first part of the second quarter.

2.2 Recruit staff and evaluate progress.

2.2.1 Do annual ED performance review:

This will be accomplished during the September meeting.

- 2.2.2 Perform staff evaluations annually:
Staff evaluations are on going and annual evaluations are being conducted as anniversary dates occur.

2.3 Develop and update personnel manual.

- 2.3.1 Annually review and update personnel policies and procedures:
An annual review took place during the May meeting with an addition to the policy regarding Key Employee Travel. This policy was developed so all three top key employees do not travel on the same plane or mode of transportation to ensure the continued financial viability and success of the corporation.

2.4 Develop financial plan, budget and controls.

- 2.4.3 Allocate all royalty funds 50, 45%, and 5% to ASIF, CDP, and Scholarship.
Funds continue to be allocated in the manner required by the CDQ Plan. Scholarship funding has now repaid the ASIF fund for forward funding from 1996. This obligation has been satisfied this quarter. The Reserve Account forward funding from ASIF was also paid back during the second quarter.
- 2.4.6 Update Fund Management Plan as needed and submit for approval:
A review of the BBEDC Corporate Investment Policy was conducted by the Finance and Audit Committee prior to the May Board meeting. A revision was made to the BBEDC Corporate Investment Policy to allow maximum return on funds in the Reserve Account, outside of addressing cash flow needs. The amendment to the BBEDC investment strategy will reflect current strategy used in the ASIF.
- 2.4.8 Review fund manager performance annually:
The investment portfolio is monitored continuously and an annual report was made available to the Finance and Audit Committee and Board of Directors in May.
- 2.4.11 Develop Consolidated and Detailed Budgets annually:
The 1999 budget was approved at the Annual Meeting in November 1998, and submitted to the state in December. BBEDC has invested in non-profit accounting software and the contract accounting firm is implementing it at this time.
- 2.4.13 Prepare Quarterly Financial and management reports:
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 at their scheduled meetings review quarterly financials. A monthly management report is prepared by the Executive Director and distributed to the Board of Directors.

2.5 Utilize financial and performance audits to improve management.

- 2.5.1 Financial and Agreed Upon Procedures Audit: The 1998 Audited Financial Statements and Agreed Upon Procedures were reviewed and approved by the Board of Directors at their May meeting.
- 2.5.2 Review audit results and revise operations plan as appropriate: The Board of Directors reviewed the 1998 audit and accompanying reports at the May 1999 meeting. No revisions to the operations plan are necessary.
- 2.5.3 Review and approve auditors: In May the Board of Directors re-appointed auditing firm of KPMG Peat Marwick for an additional year.

2.6 Track Arctic Storm performance closely and monitor fishery.

2.6.2 Review ASI Royalty Agreement Performance:

BBEDC's Executive Director speaks with the Arctic Storm's Controller on a regular basis to discuss the status of royalty payments. To date, Arctic Storm is in compliance with the royalty agreement. BBEDC's Quota Manager is in regular contact with Arctic Storm during CDQ fishing seasons. A season royalty revenue receipts were finalized in early July.

2.6.5 Review ASI Training and Employment Agreement performance:

The review of the performance of Arctic Storm in relation to the employment agreement is an on-going process. Employment and training of BBEDC's residents is one of our most important goals. During the month of June, BBEDC staff and Arctic Storm staff held a teleconference to discuss the Office Internship program and shared ideas on how to make the program more successful for the interns. BBEDC staff is in weekly, if not daily, contact with Arctic Storm's recruiter regarding position openings and vessel internships.

2.6.8 Hold annual meeting with ASI and approve annual fishing plan:

The Arctic Fjord Annual meeting was held in Seattle on January 19, 1999. BBEDC staff and Board Member Emil Christensen were in attendance.

The annual review meeting was held in Anchorage in December 1998, with Arctic Storm personnel, BBEDC management and the Executive Committee members present.

BBEDC staff met with Arctic Storm in January to review and finalize the fish plan. Issues concerning Stellar Sea Lion protection caused the delay. The BBEDC Quota Manager constantly monitors activities related to the fish plan such as target catch, bycatch, and prohibited species catch.

2.7 Track Bristol Leader Fisheries performance closely and monitor fishery.

2.7.2 Hold Annual Meeting with BLF and review initial Fish Plan:

BBEDC met with BLF in January 1999 to review the initial fish plan.

2.7.5 Review BLF Royalty Agreement Performance:

During the second quarter, CDQ fishing commenced. BLF was in compliance with the provisions of the Royalty Agreement during the quarter.

2.7.8 Review BLF and ALF Training and Employment Agreement Performance:
Bristol Leader LLC has been very accommodating in their implementation of an employment program, working with BBEDC more than a year before the MSCDQ was implemented.. Please see Section II, C, 1 for information regarding employment/interns that were on ALF/BLF boats for the second quarter.

2.7.11 Approve annual fishing plan:
The fish plan was finalized in the first quarter and meets with BBEDC's objectives.

2.8 Track North Pacific Fishing performance closely and monitor fishery.

2.8.2 Review NPMI Royalty Agreement Performance:
The fish plan was finalized during the first quarter. NPMI is in compliance with the provisions of the Royalty Agreement.

2.8.5 Review NPMI Training and Employment Agreement performance:
It has been extremely difficult to recruit interested residents in working on the H & G vessels. The pay is less than that of factory trawler workers, and the working and living conditions are more cramped. Advertisements have been ongoing, however no interest has been shown by residents. One intern has been working in the NPMI Seattle Office since January and will complete the internship in mid June. Advertising to fill a second internship for the remainder of the year is underway.

2.8.8 Hold annual meeting with NPMI and approve annual fishing plan:
BBEDC met with NPMI in January to review the initial fish plan. After several revisions, the 1999 Fish Plan was approved.

2.8.11 Review and approve final fishing plan:
The final fishing plan was approved in the first quarter of 1999.

2.9 Track Kaldestad Fisheries Ltd., performance closely and monitor fishery.

2.9.2 Approve Annual Fishing Plan:
BBEDC met with KFL in January 1999 to review the initial fish plan. After a few revisions to adjust the CDQ numbers and fishing vessels, the 1999 Fish Plan was approved.

2.9.4 Hold annual meeting with KFL:
The Annual Meeting was held in January 1999.

2.9.6 Review KFL Royalty Agreement performance:
KFL is in compliance with the terms of the Royalty Agreement. CDQ Opilio Crab fishing took place in the second quarter.

2.9.8 Review KFL Training and Employment Agreement Performance:
The Executive Director and the Employment and Training Director met with KFL during a February trip to Seattle and reviewed the Training and Employment Agreement. Staff is in regular contact with KFL and forwards applications on a regular basis. See Section II, C, 1 for employment information.

2.10 Track Icicle Seafood's production performance closely and monitor fishery.

2.10.2 Review ISI Royalty Agreement performance:
CDQ Processing took place in the second quarter. Icicle is in compliance with the terms of the Royalty Agreement.

2.10.5 Review ISI Training and Employment Agreement Performance:
The Executive Director and the Employment and Training Director met with ISI during a February trip to Seattle and reviewed the Training and Employment Agreement. Staff is in regular contact with ISI to place residents in intern or other support positions. Icicle was very gracious in assisting BBEDC with the support services for CFEC in the Naknek area. They provided supervision and an intern position in their Naknek office to service that area. Please see Section II, C, 1 for more information.

2.10.8 Hold annual meeting with IFI and approve annual fishing plan:
BBEDC does not receive a "fish plan" from Icicle. However, Icicle does submit a Processing and Marketing Report. BBEDC has received and accepted the 1999 Processing and Marketing Report from Icicle.

3. Develop methods for getting information to villages, public & regulators.

3.1 Develop and publish quarterly newsletter.

3.1.2 Produce and Distribute Quarterly Newsletter:
Staff produced and distributed a quarterly edition of the *BBEDC CDQ News* in April 1999 and sent it to 2,880 individuals, communities, groups and regulatory agencies.

3.1.4 Evaluate effectiveness of the quarterly newsletter regularly: The Board periodically discusses the effectiveness of the newsletter reports at board meetings. Having increased circulation of the newsletter to every CDQ household, continual inquiries are being made regarding information in the newsletter. BBEDC, along with other regional entities continue to look for ways to improve outreach and communication with the villages.

The Board has added "CDQ Community Concerns/Questions" to their regular meeting agenda in an effort to bring these issues to the attention of the entire Board.

3.2 Develop and maintain effective press relations.

3.2.1 Maintain active contact with press: BBEDC uses the newspaper, cable television and public radio to advertise their programs, job opportunities, internships, and scholarship opportunities throughout the Bristol Bay area. Articles appear in the Bristol BayTimes regularly as new events happen. BBEDC also uses the news

services offered by the Public KDLG regional radio to advertise various programs, job opportunities and other events of interest.

3.3 Provide regular Board and staff contact with villages.

3.3.2 Executive Director and Staff visits to Villages: The Executive Director and President made visits to Ekwok and Levelock during the second quarter to conduct community orientations regarding BBEDC and the CDQ program. In addition, staff traveled to Fairbanks and Anchorage universities to meet with resident students promoting BBEDC employment, training and higher education programs. Applications for all summer intern positions were also distributed.

The Executive Director, Employment & Training Director and BBEDC's Development Intern traveled to Anchorage in May to meet with all four regional school districts and the Alaska Funding Exchange representative. This meeting was held to discuss and refine the Educational Initiative project and to identify funding sources to enhance the program.

Staff members traveled to South Naknek, Naknek, King Salmon, Togiak and Manokotak during the second quarter disseminating information and posting notices regarding employment and training opportunities.

BBEDC sends all boxholders in the CDQ region the quarterly newsletter as well as employment and training flyers on a regular monthly basis.

3.4 Prepare and file necessary reports on time.

3.4.2 Prepare and file annual report: The Annual Report for 1998 was submitted at the end of May.

3.4.5 Prepare and file four quarterly reports to the state each year:
The First and Second Quarterly Reports for 1999 were filed in a timely manner.

4. Provide self-sustaining Basis for Community Development.

4.1 Manage ASIF to provide ongoing revenues to BBEDC.

4.1.2 Maintain ASIMCo in dormant state:

The Board of Directors has closed out the activities of ASIMCo. The corporation remains in good standing with the State but has no activities. The Executive Committee, a standing committee of the Board of Directors, has assumed the main role of ASIMCo.

An Annual Meeting was held this quarter to re-elect officers and receive a status report on the company. ASIMCo remains in good standing with the State and parent company, BBEDC.

4.1.4 Provide annual training for Royalty, Negotiating, & Invest. Committee:
This committee has been merged into the Executive Committee to reduce redundancy of action. The Executive Committee meets frequently to review

potential investments and most of them recently participated in a financial and investment strategy presentation and investment policy review.

- 4.1.6 ASIF earnings fund ASIF Project Management:
ASIF earning support activities in the ASIF Project.
- 4.1.9 Net ASIF earning transfer to Operations:
ASIF non-royalty earnings, net of expenses, were transferred to operation in early February 1999.
- 4.1.12 Annually search for investment options meeting ASIF criteria:
BBEDC continues to search for investments in the seafood industry that meet the criteria for investments as outlined in our CDP. BBEDC continues to respond to offers for purchase of IFQ's as they arise.
- 4.1.15 Annually invest in priority investment options meeting ASIF criteria:
One IFQ purchase was completed during the second quarter. Investment in Capilano Pacific LLC was also approved and completed.

4.2 Establish Regional Business Development Fund.

- 4.2.1 Maintain balance of RBDF at \$0.5 million:
Funds have been reserved (set aside) in the ASIF budget to fund this project.

5. Employment for Region's Residents.

5.1 Place entry/advanced level BBEDC residents on ASI vessels.

- 5.1.2 Place total of 150 entry-level/advanced hires with ASI:
Please see Section II, C, 1.

5.2 Place entry level BBEDC resident hires on Partner vessels.

- 5.2.2 Place a total of 25 entry-level hires with NPFI if available:
As of yet, no positions have come available. Please see Section II, C, 1.
- 5.2.5 Place a total of 12 entry-level hires with BLF if available:
Please see Section II, C, 1.
- 5.2.8 Place a total of 4 entry-level hires with KFL if available:
Please see Section II, C, 1.

5.3 Place experienced BBEDC resident hires on Partner vessels.

- 5.3.1 Track advancement of BBEDC residents on NPFI vessels:
Although no positions have been filled, staff continues to provide employment applications to interested residents. During this quarter, staff also assisted NPFI in distributing advertisements for available positions. Please see Section II, C, 1.
- 5.3.2 Track advancement of BBEDC residents on BLF vessels:
Please see Section II, C, 1.

5.3.3 Track advancement of BBEDC residents on KLF vessels:
Please see Section II, C, 1.

5.3.4 Track advancement of BBEDC residents with ISI:
Please see Section II, C, 1.

5.4 Establish vigorous permit retention program.

5.4.1 Maintain working relationship with IRS and other agencies:

BBPB staff continues to work closely with IRS and other lending and collection agencies to work out debt problems experienced by Bristol Bay residents. BBEDC staff regularly facilitates meetings and appointments for the IRS and other agencies when they are travelling in the region.

Staff member Bernice Heyano was nominated and selected to sit on the National IRS Citizens Advocacy Panel. This particular panel represents the Pacific Northwest Region and Bernice Heyano is the only representative from Alaska. During this quarter, Bernice traveled to Portland, Oregon and Vancouver, Washington to receive training on the responsibilities of the CAP and to investigate complaints and consider suggestions from taxpayers.

The permit broker provided oversight for the summer intern program to provide services to assist CFEC with the transfer and renewal of permits. Two intern positions were established for this purpose, one in Dillingham and one at Icicle Seafood's office in Naknek.

5.4.3 Provide in region permit brokerage:

The Permit Brokerage was established in 1994 and continues to operate under BBEDC.

5.4.6 Retain 20 permits through tax counseling and brokerage services:

During the second quarter a total of 23 commercial fishing permits were saved from sale or seizure through intervention services provided by Permit Brokerage staff. A majority of these were saved through Emergency Transfers of their limited entry permits due to hardship reasons. The Brokerage staff then uses the "lease" money to pay permit holder debts. The leasing permit holder is then encouraged to find another avenue of employment, such as becoming a crewmember on someone else's boat or soliciting for a new permit holder to be on his/her boat. This then provides two sources of income to address their debt problems while providing for living expenses for the current year.

5.4.9 Contact 150 permit holders in arrears with IRS annually:

During the second quarter, 85 contacts were made with permit holders who are in arrears with the IRS. Staff continued to assist the IRS in tax preparation work well into the second quarter.

5.5 Manage 4E Halibut Fishery to provide max. benefit to residents.

5.5.1 Manage fishery to maximize participation by residents:

BBEDC received 105 applications for the 4E halibut fishery. Of these, 77 were complete and issued permits. Staff extended the application period and assisted several residents from the new member communities in obtaining their permits.

Fishing effort was minimal and slow to start due to the extremely late spring. Ice was present throughout the region well into June. Staff facilitated the acquisition of bait, at no cost to the resident fishermen. Staff also arranged for two freezer vans to be placed in different ports within the region for bait storage. BBEDC continues to seek out methods to improve markets and catcher prices for halibut in the inshore fishery.

5.5.2 Seek changes to regulations/allow 4D halibut to be fished in 4E:

BBEDC was successful in their attempt to move some of the 4D halibut CDQ quota in shore if the 4E quota fishing effort maximize the available 4E quota. However, a delay in NMFS publishing the regulation change prevented BBEDC from having the ability to move 4D quota inshore. Plans are being made to provide the additional quota to residents during the 2000 season.

6. Provide Appropriate Training and Educational Opportunities:

6.1 Maintain scholarship trust fund.

6.1.1 Maintain trust fund value by inflation proofing corpus of fund:

BBEDC continues to follow the established policy to provide for inflation proofing, providing scholarships equaling 3% of the capital base of the fund. In 1999, BBEDC will distribute \$90,000 in scholarships. Selection of recipients will be made in the third quarter.

6.1.2 Contract management of scholarship awards and monitor performance:

BBNA continues to recruit for applications in their "super scholarship package". Through the contracted service agreement, BBNA staff is in regular contact with students and councils them to increase their success and productivity. Beginning with this year, BBEDC will be responsible for some clerical support during the application review period as agreed in the contract.

The HSST trustees adopted a grievance policy for the program at their May meeting.

6.1.4 Award 3% of previous year's Trust balance in scholarships:

In August 1999, the scholarship selection committee will meet to award \$90,000 worth of scholarships. Scholarship applications are currently being solicited.

6.2 Place experienced residents as Interns with Partners.

6.2.2 Place at least 10 interns on ASI vessels: See Section II, C., 1.

6.2.5 Place at least 3 interns in office or other settings with ASI:

See Section II, C. 1.

6.2.8 Place at least 3 interns in ISI offices or other settings:

See Section II, C, 1.

6.2.11 Place at least 2 interns in ISI support operations:

See Section II, C, 1.

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

See Section II, C, 1.

6.3 Provide ABE/GED and vocational training programs.

6.3.2 Provide ABE training for up to 150 people annually: See Section II, C., 2.

6.3.5 Provide GED training for up to 16 annually: See Section II, C., 2.

4.3.8 Provide basic vocational training for up to 40 annually: See Section II, C, 2.

BBEDC continued to provide Internship opportunities for two part-time positions in each CDQ community during the second quarter. Although this program was intended to simulate the economy and to providing a learning experience, many participants will now be considered as qualified applicants when similar positions in their communities become available.

This program expired this quarter and the Board requested staff to analyze and report on the benefits to the communities and the interns for consideration at their September meeting.

6.3.11 Provide advanced voc/tec training for up to 5 annually:

See Section II, C, 2.

6.3.13 Provide basic voc/tech training in outlying communities:

43 residents received training in their villages in Medic First Aid and CPR during this quarter. Four classes were conducted in the communities of Aleknagik, Togiak, Egegik and Port Heiden. All participants received certification.

6.4 Provide Internships with regional businesses and agencies

6.4.2 Place at least 2 summer interns with ADF&G

Memorandum of Agreements have been renewed with ADF&G to employ resident interns in the Comm. Fish. offices in Dillingham and King Salmon. In addition, the ADF&G Sport Fish Division has agreed to have a resident intern work with them on the Lake Aleknagik Pike Study Program and another working on the Naknek River Creel Survey.

Although all positions will not be in the commercial fisheries offices, BBEDC hopes to expose interested residents to the many and varied career opportunities in the fisheries arena.

6.4.5 Place at least 1 intern in BBEDC's office

Two high school interns were employed in the BBEDC offices during the second quarter. Interns develop good work ethics and skills while on the job at BBEDC. One of the high school students was hired as a Specialized Intern. See section 6.4.8 for more information.

6.4.8 Place at least 2 interns with businesses/agencies

One resident is continuing in a training internship provided through the UAF Bristol Bay Campus. This program is intense and has specific goals and milestones. Upon completion, the intern will be ready for entry level administrative assistant type of employment. Staff will meet with this intern during the third quarter to identify and assist her in applying for jobs that meet her career goals and newly acquired skills.

Another resident continued working this quarter as a contractual Specialized Intern finalizing the report from the '98 Regional Household Survey. This Intern is a Graduate student from the region who also benefits from BBEDC's scholarship program. The Intern is pursuing a Masters Degree in Biology and has already received his Masters in Statistics. This project was completed during the second quarter.

One copy of the final report is attached for review.

A former High School Intern was selected to fill the Specialized CFEC intern position in the Permit Brokerage office this quarter. This spring/summer BBEDC agreed to assist and facilitate emergency transfer of permits and other licensing tasks, which were normally done by CFEF at ADF&G offices in the region, at the BBEDC and at Iccicle Seafood's Naknek office. A former Seattle Office Intern filled the Naknek position.

6.5 Work to provide training opportunities to non-CDQ BB communities.

6.5.1 Provide opportunities for non-CDQ village residents as funding available:

Non CDQ residents receive training onboard our partner vessels whenever a Person shows the aptitude and desire to advance. Residents from Iliamna, Levelock and Chignik Bay benefited from BBEDC's support of GED training Programs in their communities this quarter. As a result, three non CDQ Residents in these communities received their GED diplomas.

6.6 Develop employment skills program for youth

6.6.5 Recruit curriculum coordinator and implement program:

A draft form of curriculum has been developed and the final touches are being made prior to implementation in the fall '99 school year. The project is progressing on schedule and all school districts are fully participating.

The Executive Director, Employment & Training Director and BBEDC's Development Intern traveled to Anchorage to attend a meeting with all four school district representatives and the grant searching agency, Alaska Funding Exchange to develop an Action Plan for the Educational Initiative project.

June, July and August tasks and timelines were identified. Focus on telecommunications, career development projects, possible Department of Labor funding and job study concept paper development will be the focus this quarter.

7. Implement Regional Fisheries Development Project.

7.1 Develop a regional fisheries workplan.

7.1.2 Select several initiatives annually for regional development:

The Board of Directors approved the 1999 Regional Fisheries Development Plan at the November 1998 board meeting.

7.1.5 Implement the annual fisheries development priorities:

The projects for 1999 were approved in November of 1998.

Test Fisheries: The two test fisheries bids were awarded to two resident fishermen. One test fishery will be devoted to longline gear and the other to pot gear. These test fisheries will take place at the conclusion of the salmon season.

The 4E Halibut Committee: The committee (Regional Fisheries Committee) recommended to the Board adoption of a 4E Halibut Appeals process. This was approved at the May board meeting in an effort to establish a system where residents may petition for reconsideration on a permit denial, or have a hearing regarding a violation of the fishery management rules.

7.2 Investigate options for value-added and under-utilized species.

7.2.1 Annually review under-utilized species and value-added opportunities: BBEDC continues to look for marketing opportunities for seafood species identified in the Hagemeister Test Fishery in the fall of 1998. Regional Fisheries consultants and Staff traveled to Japan this quarter to meet with Investment partner associates and to make contacts with potential markets for some of the species identified in the regional test fisheries. BBEDC continues to work with fishermen in the investigation of various value-added concepts and market research. As a part of this effort, the staff facilitated a marketing workshop at the May Board of Director's meeting to provide an overview of the "marketing world" and possible avenues that BBEDC could take to be active in the downstream marketing of their CDQ products. The Board requested that staff develop three to four scenarios for consideration at their November Annual meeting.

The investment in Capilano Pacific LLC is a first step in one of the long-term goal of BBEDC to participate in Bristol Bay value added products and marketing.

7.2.2 Develop market driven scenarios for fisheries development plan:

The Board and Staff are continually investigating market driven scenarios for regional fisheries development. As part of the marketing educational workshop that took place for the Board in May, BBEDC continues to explore possible marketing ideas for regional and CDQ production. See 7.2.1.

7.2.5 Conduct test fisheries in Togiak/Hagemeister area:

The decision was made by the Board of Directors in the November, 98 meeting to for-go the second Hagemeister survey and do two other surveys, one in mid and one in southern Bristol Bay. See 7.1.5.

Two local fishermen have been selected through an RFP process to conduct the two test fishery surveys for 1999.

A final report and video on the 1998 Hagemeister area test fishery was delivered to the CDQ Manager in Juneau this quarter.

7.2.6 Survey surf clam zone:

BBEDC continues to work on accomplishing this project. See Confidential Section - Potential Investments.

7.2.9 Investigate other opportunities to identify new species:

Once the two other surveys are conducted this summer, more information will be available in new species development.

7.3 Fund development of fishery opportunities determined to be feasible.

7.3.3 Fund development of fishery opportunities determined to be feasible:

BBEDC continually seeks out fishery opportunities. This is an ongoing task.

7.4 Conduct regional resource surveys, habitat mapping, and test fisheries

7.4.3 Conduct second small boat test fishery (different area): See 7.2.5.

7.4.5 Investigate other opportunities to identify new species:

Other opportunities will present themselves once data is compiled and digested from the regional fisheries survey.

7.5 Advocate Bristol Bay Region's Interest in fisheries management.

7.5.1 Represent CDQ interests at NPFMC and IPHC meetings 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 Advisory Panel and representatives attend the IPHC, the Alaska Board of Fisheries and at other related forums impacting the region.

BBEDC Board members are encouraged to attend NPFMC meetings to gain a better understanding of the regulatory process.

7.5.2 Promote new CDQ's and extension of CDQ's in time:

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 meeting a decision was made to adopt a pro-active role in the protection and continuation of the CDQ program.

8. Provide for seafood industry related infrastructure development.

8.1 Establish Technical Assistance Project.

8.1.4 Perform an Infrastructure Needs Assessment in 14 CDQ communities:

An assessment and prioritization of Infrastructure needs of the 14 CDQ communities in the Bristol Bay Area has been complete. The Reserve Account was forward funded to “jump start” this Infrastructure Development Program and its immediate implementation.

The Infrastructure Needs Assessment is being expanded to focus on regionalization of the approach to development of infrastructure. The Board of Directors will attend a workshop in September to consider the proper prioritization of the various suggested projects.

BBEDC is also working with a grant research and development firm to establish a plan to locate and pursue grant funds for village projects. A Development Intern position has been created and filled to work in BBEDC’s office under the supervision of a selected grant firm.

The BBEDC technical assistance team from Alaska Business Development Center has been working with several residents in creating or further developing their businesses. Outreach to develop interest in both the Regional Business and Infrastructure Development programs is ongoing.

8.1.6 Review funding requests for business and infrastructure proposals:

Current proposals are in the Technical Assistance stage of development.

No actual “proposals” have come before the board, yet, to be considered.

8.2 Establish Regional Business Development Project.

8.2.1 Use Reg. Business Develop. Fund to invest in approved business proposals:

Three projects are currently being pursued under the Technical Assistance portion of the project.

One project has been completed. The applicant sought financing through private sources after the completion of the business plan.

8.3 Establish Regional Infrastructure Development Project

8.3.1 Use Reserves to invest in approved infrastructure proposals

Funds are allocated for this purpose in the Reserve Budget.

B. Outreach

BBEDC purchased and placed "BBEDC Opportunities/News" bulletin boards in each of the 14 CDQ communities in early fall, 1998. All job openings, internship positions, upcoming events and news items relating to BBEDC are posted monthly on the boards in each community. Additional bulletin boards have been ordered for the three new member communities.

Staff has developed a 1998 Annual Activities Report for the 14 CDQ community residents. The final printed report was mailed to all box holders in the CDQ region in an effort to improve communications and outreach to residents. Feedback from the distribution of the report has been very positive. Copies of this report were included with BBEDC's Annual Report submitted in May.

BBEDC also copied and bound the Executive Summary portion of the CDP and sent it to all CDQ Village Tribal Councils, City Offices and Boroughs in the region in an effort to promote understanding of BBEDC's activities.

BBEDC has established a web page on the Internet. The address is www.bbedc.com. Please check the web site for BBEDC's quarterly report and current information regarding programs and employment opportunities.

See attached appendix for additional information.

C. Employment for the 2nd Quarter of 1999

Employment Form

1. Data Form

April 1st - June 30, 1999

	<u>Quarter</u>		<u>Year to Date</u>		<u>Year to Date</u>
	Positions/Trips	Wages	Positions/Trips	Wages	People
BBEDC Management/Admin	11	\$98,584.61	11	\$196,852.77	11
CDQ Pollock Related (AS/AF)					
A SEASON			70	305,962.87	30
B SEASON					
Yellow Fin	7	\$8,001.94	7	\$8,001.94	7
Hake Trips	18	\$52,444.52	18	\$52,444.52	18
Shipyard	7	\$3,204.60	9	\$3,584.36	5
<u>Long Line Fishing</u>					
Alaskan Leader					
Bristol Leader	1	\$11,770.05	3	\$21,056.17	2
<u>Crab Fishing</u>					
Bristol Mariner					
Nordic Mariner	2	\$5,555.29	2	\$5,555.29	2
Other Vessels	2	\$13,837.51	2	\$48,288.08	2
<u>Bottom Fishing</u>					
North Pacific Fishing					
<u>Other Fishing Employment</u>					
4E Halibut Fishing					
Icicle Seafood's	2	\$2,216.22	2	\$2,216.22	2
<u>Other Employment</u>					
Bristol Bay Recruiter	1	\$12,633.34	1	\$22,633.33	1
<u>Internships</u>					
Arctic Storm Vessel	1	\$2,697.25	6	\$30,699.30	3
Arctic Storm Office	2	\$8,005.30	2	\$13,402.78	2
Icicle Seafood's Office	1	\$4,683.44	2	\$9,301.25	2
North Pacific Fishing	1	\$4,135.42	1	\$8,315.50	1
Icicle Vessel/Plant/Shipyard	2	\$7,304.35	6	\$17,289.50	4
ADF&G	3	\$6,511.88	3	\$6,511.88	3
In-house Office	2	\$420.00	2	\$912.00	2
Alaskan Leader Vessel					
Bristol Leader Vessel	2	\$12,000.00	2	\$12,000.00	2
Specialized Interns	3	\$4,055.00	3	\$6,195.00	3
CDQ Community Interns	21	\$19,640.00	25	\$56,432.00	25
Other Interns	2	\$8,407.97	2	\$8,407.97	2
TOTAL	91	\$286,108.69	179	\$836,062.73	129

C. 2 Employment Summary

Pollock A Season	Unchanged
Yellowfin	7 people went out for Yellowfin Sole fishing
Hake	18 people went out for Hake fishing
Shipyard	5 people filled 7 positions working in the Arctic Storm shipyard
Long-line Fishing	One resident worked on the Bristol Leader this quarter.
Crab Fishing	Three residents worked on two vessels during the opilio crab season. One resident began working on the Nordic Mariner as a deckhand for the Bristol Bay Salmon season.
Icicle Seafood's	2 residents, one on the Arctic Star processed herring and the other on the Coastal Star processing opilio crab.
Other Employment	Arctic Storm continued to employ a Bristol Bay recruiter.

Internships

Arctic Storm vessel	One resident worked as a deck intern.
Arctic Storm office	Two residents filled Office Intern positions in the Seattle office; one was the 'regular' ASI office intern and the other filled an advanced Accounting Office Internship position in Seattle.
Icicle Seafood's	One person filled the Seattle Office intern position for Icicle Seafood's this quarter.
N. Pacific Fishing	One resident filled the Seattle Office intern position at the offices of North Pacific Fishing, Inc.
Icicle Plant/Vessel	There were 2 residents who worked for Icicle Seafood's during the 2 nd quarter 1999 season; 1 maintenance apprentice in Petersburg; 1 Health & Safety intern in Petersburg.
ADF&G	2 residents filled Commercial Fish positions and the other filled a Pike Study position
In-house intern	2 high school students worked as interns in the BBEDC office this quarter.
Bristol Leader	Two residents filled an Oiler/Wiper and Galley Intern position aboard the Bristol Leader
Specialized Interns	One resident successfully completed a training internship provided through the UAF Bristol Bay Campus. This program was intense and the intern fulfilled specific goals and milestones.

Another resident completed a month long, Specialized Marketing Internship with the Alaska Seafood Marketing Institute at their Bellevue office. Tasks included attending the annual Board of Directors meeting, follow-up on marketing projects and other marketing and sales tasks. This internship will carry over to Icycle Seafood's, INC. as a continuation of the marketing internship with more in depth projects and assigned tasks; resulting in excellent experience and college credit toward a Seafood Marketing Degree scheduled for graduation in May 2000.

Community Interns 25 residents from most CDQ communities worked as interns this quarter. Each community had the following number of interns:

Aleknagik	1	Clarks Point	3
Dillingham	4	Egegik	2
Ekuk	1	King Salmon	1
Manokotak	2	Naknek	4
Pilot Point	1	Port Heiden	2
Togiak	3	Twin Hills	1

Other 2 residents filled other internships; One resident filled BBEDC's Development Intern in-house position. Work entails searching for, developing and marketing grant requests for a wide variety of projects. The other internship was arranged with the City of Dillingham; the position is an Assistant Harbor Master Intern position. Duties range from daily interaction with the public to maintaining records, monitoring safety of harbor users, monitoring traffic control, assisting in the removal and cleaning of ramps/docks, monitoring use and maintenance of bath house, campground and portable latrines

D. TRAINING

1. Data Form

TRAINING
DATA
April 1 - June 30, 1999
2nd Quarter
1999

	<u>Quarter</u>		<u>Year to Date</u>	
	People	Expenditure	People	Expenditure
<u>Scholarships</u>				
Post-secondary				
Advanced Vocational Administration	6	\$6,077.31	6	\$12,179.89
<u>Voc-Tech Classes</u>				
Basic	36	\$4121.78	114	\$14,473.77
Other	0	*\$14,589.00	0	*\$14,589.00
<u>Other Training</u>				
Fisheries Related	43	\$4,735.00	76	\$8,592.55
CDQ Staff/Board	4	\$2,013.00	26	\$13,969.19
ABE/GED	44	\$5,705.43	135	\$11,977.93
GED Diplomas Earned	[16]		[19]	
<u>Other Expenditures</u>				
<u>Internships</u>				
Arctic Storm Vessel	1	\$3,490.67	6	\$32,718.39
Arctic Storm Office	2	\$10,739.89	2	\$16,137.37
Icicle Seafood's Office	2	\$7,399.38	2	\$12,017.19
North Pacific Fishing Office	1	\$7041.17	1	\$17,057.25
ADF&G	3	\$6,591.88	3	\$6,591.88
In-house Office	2	\$420.00	4	\$912.00
Alaskan Leader Vessel				
Bristol Leader Vessel	2	\$12,377.96	2	\$12,377.96
Specialized Interns	3	\$6,152.86	3	\$8,292.86
CDQ Community Interns	21	\$19,640.00	25	\$56,432.00
Other Interns	2	\$8,809.47	2	\$8,809.47
TOTAL	172	\$119,904.80	407	\$247,128.70

D. 2. Training Summary Scholarships

Vocational

Students who were enrolled in vocational training were as follows: 1 student is continuing with the AVTEC diesel technology program; 1 student continued with the Welding Technology Program at The testing Institute of Alaska; 1 advanced intern continued with Arctic Storm taking accounting at Seattle Pacific University; 1 student completed the Marine Engineering Technology Certificate at Seattle Maritime Academy; 1 attended fire-fighting training at the Washington State Patrol Fire Training Academy in North Bend, WA; 1 resident attended Netware Administration at Network Business Systems in Anchorage; 1 resident will attend a United Nation’s Working Group set of meetings for Indigenous Populations and the Sub-Commission on Prevention of Discrimination and Protection of Minorities for credit toward his Liberal Arts degree from APU

Vocational-Technical Classes

Basic 36 Students participated in several courses this quarter ranging from an Introductory Computer class, Medic First Aid and CPR training; Accounting and Quickbooks

***Note An ABE/GED bill from the 4th Quarter of 1998 was submitted for payment this quarter. Although BBEDC recorded the number of people on the 4th quarter report, the expense was not paid.**

Other Training

CDQ Staff Board 2 staff members participated in Personnel Law training; One staff member participated in computer networking course; another staff member participated in File-maker Pro course; lastly, one staff member participated in File and Records Management class.

Fisheries Related A total of 43 residents took short-term classes offered by Instructor Ron Bowers in various communities this quarter. Classes provided include Medic First Aid, CPR and marine survival.

ABE-GED 44 residents took Adult Basic Education and GED classes this quarter.

Aleknagik	2	Dillingham	18
Manokotak	3	Naknek	6
Port Heiden	5	Togiak	9
Egegik	1		

GED Diplomas 16 residents earned their GED’s this quarter, including three from non-CDQ communities.

Internships

Arctic Storm vessel	One resident worked as a deck intern.																								
Arctic Storm office	Two residents filled Office Intern positions in the Seattle office; one was the 'regular' ASI office intern and the other filled an advanced Accounting Office Internship position in Seattle.																								
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Pilot Point	1	Port Heiden	2																						
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Other

2 residents filled other internships; One resident filled BBEDC's Development Intern in-house position. Work entails searching for, developing and marketing grant requests for a wide variety of projects. The other internship was arranged with the City of Dillingham; the position is an Assistant Harbor Master Intern position. Duties range from daily interaction with the public to maintaining records, monitoring safety of harbor users, monitoring traffic control, assisting in the removal and cleaning of ramps/docks, monitoring use and maintenance of bath house, campground and portable latrines

E. OTHER ISSUES

None

III. ADMINISTRATION

A. Board Activities:

1. Changes in the Board: A new Pilot Point representative, Shawn Moore, has joined the Board of Directors of BBEDC. The representative from Port Heiden has resigned his position on the Executive Committee and other committee appointments. The Alternate member from Port Heiden has replaced their former representative on the Board. Appointments to the various committee vacancies were made at the May meeting.

2. Substantial Decisions: At the February Board Meeting, the board approved the results of the strategic planning meeting, including the development of a new mission statement, long term goals, vision statement, and guiding principles. (See attachment)

The investment in Capilano Pacific, LLC was completed in early June 1999.

The Board of Directors approved funding the Bristol Bay Science and Research Institute with an initial investment of \$100,000.

Approved the addition of three communities to the 14 current eligible communities participating in the BBEDC.

B. Amendment Status: The Neahkahnie Letter of Notification has been approved and the investment should be complete by the end of July, 1999.

The Western Sea IFQ purchase was also finalized during the quarter.

C. Other Issues

None Pending.

IV HARVESTING REPORT

IV Harvesting and Processing Report

A. Target Fishery Harvest Activity

- 1) **Summary of harvesting activities by target fishery:** See the tables on the following pages that outline BBEDC's CDQ harvesting activities for the second quarter.

Pacific Cod Harvesting Activity:



SPECIES	CDQ Allocation			Target Fishery Information
	Metric Tons Allocated	Metric Tons Harvested	Percentage of Allocation	% of Target Fishery
Pacific Cod	2,655.000	492.189	18.54%	77.43%
BYCATCH				
BS Sablefish (H&L)	29.480	0.002	0.01%	0.00%
BS Turbot	113.000	1.991	1.76%	0.31%
Atka Mackerel-541	216.750	0.006	0.00%	0.00%
Yellowfin Sole	3,899.500	0.338	0.01%	0.05%
Other Flats	2,310.000	0.002	0.00%	0.00%
Rock Sole	1,800.000	0.029	0.00%	0.00%
Flathead Sole	1,159.400	0.687	0.06%	0.11%
Arrowtooth	1,798.566	2.646	0.15%	0.42%
Other Species	460.768	137.729	29.89%	21.67%
BS Other Rockfish	5.400	0.047	0.87%	0.01%
BS O. Red Rockfish	3.400	0.005	0.15%	0.00%
Pollock	N/A	16.415	N/A	N/A
TOTAL HARVEST		635.671		

SPECIES	PSQ Allocation			Target Fishery Information
	MT or # Allocated	MT or # Harvested	Percentage of Allocation	Rate (kg/MT or #/MT) % of Target Fishery
PROHIBITED**				
Halibut (MT)	77.220	6.151	7.97%	0.97%
Red King Crab Z1	3,150.000	190.072	N/A	N/A
Bairdi Tanner Z1	14,063.000	5.917	N/A	N/A
Bairdi Tanner Z2	35,213.000	0.000	N/A	N/A
Opilio Tanner	77,625.000	0.000	N/A	N/A
Chinook Salmon	756.000	0.000	N/A	N/A
Non-Chinook Salmon	662.000	0.000	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

Atka Mackerel & POP 541 & 542 Harvesting Activity:



SPECIES	CDQ Allocation			Target Fishery Information
	Metric Tons Allocated	Metric Tons Harvested	Percentage of Allocation	% of Target Fishery
Atka Mackerel 541	216.750	212.102	97.86%	32.13%
Atka Mackerel 542	285.600	232.001	81.23%	35.14%
POP 541	43.690	45.795	104.82%	6.94%
POP 542	48.960	1.093	2.23%	0.17%
Total	595.000	490.991		
BYCATCH				
Turbot AI	39.960	0.029	0.07%	0.00%
P. Cod	2,655.000	90.740	3.42%	13.75%
Other Flats	2,310.000	9.070	0.39%	1.37%
Rock Sole	1,800.000	1.086	0.06%	0.16%
Flathead Sole	1,159.400	5.076	0.44%	0.77%
Arrowtooth	1,798.566	33.974	1.89%	5.15%
Squid	0.000	0.060	N/A	0.01%
Other Species	460.768	8.194	1.78%	1.24%
BS Other Rockfish	5.400	0.005	0.10%	0.00%
AI Other Rockfish	10.200	1.280	12.55%	0.19%
BS POP	17.850	0.049	0.27%	0.01%
BS O. Red Rockfish	3.400	0.047	1.38%	0.01%
SCNO	53.890	5.390	10.00%	0.82%
SRRE	14.400	0.201	1.40%	0.03%
BS Sablefish (Trawl)	5.000	0.016	0.32%	0.00%
Pollock BS	N/A	0.704	N/A	N/A
Pollock AI	N/A	13.236	N/A	N/A
TOTAL HARVEST		660.148		
SPECIES	PSQ Allocation			Target Fishery Information
	MT or # Allocated	MT or # Harvested	Percentage of Allocation	Rate (kg/MT or #/MT) % of Target Fishery
PROHIBITED				
Halibut (MT)**	77.220	3.695	4.79%	0.56%
Red King Crab ZI	3,150.000	0.000	0.00%	0.00%
Bairdi Tanner Z1	14,063.000	0.000	0.00%	0.00%
Bairdi Tanner Z2	35,213.000	0.000	0.00%	0.00%
Total Bairdi	N/A	226.931	N/A	N/A
Opilio Tanner	77,625.000	0.000	0.00%	0.00%
Chinook Salmon	756.000	4.102	0.54%	0.62%
Non-Chinook Salmon	662.000	0.000	0.00%	0.00%

Atka Mackerel & POP 543 Harvesting Activity:



SPECIES	CDQ Allocation			Target Fishery Information
	Metric Tons Allocated	Metric Tons Harvested	Percentage of Allocation	% of Target Fishery
Atka Mackerel 543*	344.250	5.660	1.64%	7.11%
POP 543*	79.220	73.954	93.35 %	92.89%
Total	423.470	77.654		
BYCATCH				
Turbot AI	39.960	0.155	0.39%	0.19%
Rock Sole	2,655.000	0.191	0.01%	0.24%
P. Cod	2,655.000	11.626	0.44%	14.60%
Other Flats	2,310.000	0.112	0.00%	0.14%
Arrowtooth	1,798.566	3.876	0.22%	4.87%
Squid	0.000	0.052	N/A	N/A
Other Species	460.768	1.058	0.23%	1.33%
AI Other Rockfish	10.200	1.268	12.43%	1.59%
SCNO	53.890	18.284	33.93%	22.97%
SRRE	14.400	0.309	2.15%	0.39%
TOTAL HARVEST		116.545		

*These CDQ amounts were allocated to and harvested by APICDA/Cascade Fisheries. None of these allocations will be deducted from BBEDC's CDQ allocations. Also, since PSQ transfers are not currently allowed by the State, BBEDC did not allocate any PSQ needed to prosecute the fishery. APICDA used their own PSQ allocations; thus BBEDC did not include them in this table.

Bering Sea Opilio Harvesting Activities:



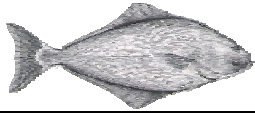
SPECIES	CDQ Allocation			Target Fishery Information
	Pounds Allocated	Pounds Harvested	Percentage of Allocation	% of Target Fishery
Opilio Crab	1,838,122	1,837,211	99.95%	100.00%

Halibut 4E Harvesting Activities:



SPECIES	CDQ Allocation			Target Fishery Information
	Pounds Allocated	Pounds Harvested	Percentage of Allocation	% of Target Fishery
4E Halibut	117,000	19,431	16.60%	100.00%

Halibut 4D Harvesting Activity:



SPECIES	CDQ Allocation			Target Fishery Information
	Pounds Allocated	Pounds Harvested	Percentage of Allocation	% of Target Fishery
4D Halibut (pounds)	140,070	69,042	49.29%	100.00%
BYCATCH (MT Tons)				
BS Sablefish (H&L)	29.480	0.615	2.09%	
BS Turbot	113.000	1.082	0.96%	
Pacific Cod	2,655.000	8.364	0.32%	
Arrowtooth	1,798.566	1.446	0.08%	
Other Species	460.768	5.698	1.24%	
BS Other Rockfish	5.400	0.171	3.17%	
BS POP	17.850	0.002	0.01%	
BS O. Red Rockfish	3.400	2.049	60.26%	
Pollock	N/A	0.073	N/A	
TOTAL HARVEST		19.500		

Aleutian Islands Sablefish & Turbot



SPECIES	CDQ Allocation			Target Fishery Information
	Metric Tons Allocated	Metric Tons Harvested	Percentage of Allocation	% of Target Fishery
AI Sablefish	41.400	14.800	35.75%	39.69%
AI Turbot	39.960	11.220	28.08%	30.09%
Total	81.360	26.060		
BYCATCH				
P. Cod	2,655.000	0.450	0.02%	1.29%
Other Flats	2,310.000	0.000	0.00%	0.01%
Arrowtooth	1,798.566	4.720	0.26%	0.58%
Other Species	460.768	0.980	0.21%	0.10%
AI Other Rockfish	10.200	2.520	24.71%	0.13%
SRRE	14.400	2.600	18.06%	0.52%
AI Pollock	N/A	0.000	N/A	N/A
TOTAL HARVEST		37.290		
SPECIES	PSQ Allocation			Target Fishery Information
	MT or # Allocated	MT or # Harvested	Percentage of Allocation	Rate (kg/MT or #/MT) % of Target Fishery
PROHIBITED**				
Halibut (MT)**	77.220	1.400	1.81%	3.75%
Opilio Tanner	N/A	2.810	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

2) Summary of bycatch:

Pacific Cod

The Bristol Leader began harvesting BBEDC's CDQ P. Cod allocation on the 16th of May and fished through the 4th of June.

The first three days of fishing showed relatively high amounts of "Other Species" but very low Halibut PSQ bycatch. After the vessel was instructed to move from the area, the bycatch of Other Species was reduced significantly.

Atka Mackerel & POP

North Pacific Fishing Incorporated fished the Area 541 & 542 Atka Mackerel and POP fisheries in a dual target mode in each area. Fishing began on April 30th and ended on May 16th.

Bycatch in this fishery was relatively low. The majority of the bycatch was P. Cod (90.740 MT) and Arrowtooth Flounder (33.974 MT). As for the PSQ species, halibut and Chinook are the only PSQ that will be deducted from our PSQ allocations. The bycatch of Bairdi that was caught was encountered outside of Zone 1 and Zone 2, thus does not accrue to our PSQ.

Cascade fisheries harvested the Atka Mackerel and POP in Area 543. Cascade is APICDA's harvesting partner. The CDQ harvest amounts above will not come off of BBEDC's CDQ allocation because we transferred the quota to APICDA. Moreover, these numbers are BBEDC's portion of the pooled quota. Because PSQ transfers are not allowed after January 31st, BBEDC was not able to transfer any PSQ to APICDA for this fishery.

AI Other Rockfish bycatch was the bycatch species that caused the vessel to halt fishing. The various other bycatch encountered was relatively low. The most predominant bycatch was P. Cod (11.626 MT) and Arrowtooth (3.876 MT).

Opilio Crab

The Bristol Leader, Nordic Mariner, and Northern Mariner collectively harvested 1,837,211 pounds of our 1,838,122-pound allocation of Bering Sea Opilio. All three of these vessels are partly owned by BBEDC. Harvesting began in mid April and ended in late May.

There was no bycatch reported for the Bering Sea Opilio fishery.

Halibut

BBEDC's local small boat fisherman conducted the entire 4E halibut fishery for this quarter. Generally the harvest is caught with 32' salmon vessels

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

The 4D CDQ Halibut fishery was conducted over a period of three days on the Alaskan Leader. Reporting of this catch is somewhat complicated due to the fact that what is deducted from BBEDC's 4D halibut quota is what the Restricted Access Management (RAM) division record as landed in round pounds. However the bycatch amounts associated with that catch are based on observer estimates which are in metric tons.

Therefore, BBEDC has separated out the two estimates of catch. The 69,042 pounds above was taken from the RAM database. But the bycatch amounts are allocated to the CDQ groups in metric tons. Although these measurements differ, it is preferable to record them that way to avoid the confusion.

Bycatch of Other Red Rockfish was high in this fishery and very unexpected. In previous years halibut was regulated under the IFQ program. There is not good data available with regard to bycatch in the halibut fishery. In addition, there was no bycatch of PSQ species reported for this fishery.

Aleutian Islands Sablefish & Turbot

The Bristol Leader conducted the Sablefish and Turbot fishery in the Aleutian Islands in a dual target mode. Fishing began on the 20th of June and continued on through the end of the quarter. Most of the bycatch encountered was Arrowtooth Flounder and AI Other Rockfish.

The majority of halibut bycatch was retained as IFQ. However the SeaState software deducted this bycatch as PSQ. Since halibut retained as IFQ does not accrue against our PSQ allocation but the discards of sub-legal halibut *do* count against our PSQ allocation, the accounting to handle this halibut bycatch is not complete. What BBEDC is submitting is the total amount of halibut caught through the end of the quarter; IFQ *plus* CDQ. An updated table will be submitted when the data is complete.

B. Processing Report

Pacific Cod

The Pacific Cod processed on the Bristol 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

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, the Arrowtooth Flounder was processed into an H&G product.

Bering Sea Opilio

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

Halibut

All of the 4E and 4D halibut was sold in the bled and gutted product form.

Aleutian Islands Sablefish and Turbot

The Sablefish and Turbot processed on the Bristol Leader was made into both collarbone on and collarbone off product forms.

C. Compliance/Enforcement Issues

Pacific Cod

There was no compliance or enforcement issues reported this quarter.

Atka Mackerel and POP

There was no compliance or enforcement issues reported this quarter.

However, an overage occurred during our Area 541 Pacific Ocean Perch (POP) fishery on May 15th, 1999. This overage was voluntarily reported to the State and NMFS Enforcement by BBEDC. No enforcement action has been taken to date.

It is the policy of BBEDC to report these overages as soon as they become known and then officially record them as "Compliance/Enforcement Issues" when action is taken.

Bering Sea Opilio

There was no compliance or enforcement issues reported this quarter.

Halibut

There was no compliance or enforcement issues reported this quarter.

Aleutian Islands Sablefish and Turbot

There was no compliance or enforcement issues reported this quarter.

D. Other Fishing Issues/Activities

Pacific Cod

One issue that remains a problem for BBEDC and most of the other CDQ groups is the differences in the catch estimates made by the observer and estimates of catch made by the

vessel based on weekly production reports. The CDQ groups are collectively working on a solution to this problem.

Atka Mackerel and POP

BBEDC exceeded the 40% threshold of pollock bycatch in the mixed Atka Mackerel and POP fishery. Exceeding that percentage puts you in a pollock target for reporting purposes. This pollock was attributed to the Aleutian Islands Incidental Bycatch Allowance.

Halibut

BBEDC initially planned on allowing our local 4E halibut fisherman to harvest a portion of the 4D CDQ allocation. However, the regulatory amendment to allow harvesting of Area 4D quota in Area 4D was not completed in time. Proposed implementation of this regulatory amendment is January 1, 2000.

It is becoming apparent that the local 4E fisherman will not be able to harvest the total allocation of halibut. BBEDC is now making arrangements to offer this fish to the other CDQ groups first, if it is not taken, then BBEDC will attempt bring in a larger vessel to harvest this quota.