

**Bristol Bay Economic Development  
Corporation  
PO Box 1464  
Dillingham, AK 99576  
1-800-478-4370 or (907) 842-4370  
Fax (907) 842-4336**

**January 28, 2000**

## **I. 4<sup>th</sup> QUARTER AND ANNUAL HIGHLIGHTS 1999**

- **The Full Board of Directors held their Annual Meeting in Dillingham on November 5, 1999. The three other quarterly meetings were held throughout the year at the appropriate time, in the Business offices of the corporation.**
- **All committees, except Employment & Training, met at least once during the last quarter. All committees have met at least once throughout the year.**
- **Placed a Development Intern at BBEDC;  
Placed a Marketing Intern with ASMI;  
Placed an Asst. Harbor Master Intern with the City of Dillingham;  
Placed an Admin. Asst. Intern with the University of Alaska;  
Placed several Interns with the ADF&G;  
Placed Community Interns in each of the CDQ communities/offices.**
- **Established the Bristol Bay Science and Research Institute.**
- **Recruited and interviewed top candidates for the position of Executive Director of the Bristol Bay Science and Research Institute during the fourth quarter.**
- **Held an Orientation workshop for new board members and staff.**
- **Held Annual Meeting with Arctic Storm in December 1999.**
- **Purchased addition IFQ “A” shares.**
- **Submitted the 2000 CDP revision for Pollock.**
- **Maintained the Pollock Quota Allocation of 21%.**
- **The communities of Levelock, Portage Creek and Ekwok were accepted into BBEDC.**
- **Conducted a two part Marketing Workshop for the Board of Directors and Lead Staff during the year.**
- **Held a two-day BBEDC Strategic Planning Session for Board Members and all staff was held in the first quarter of 1999.**
- **Invested in a value-added salmon and herring processing company, Capilano Pacific LLC.**

- **Purchased an interest in the F/V Northern Mariner (formerly Northern Cascade).**
- **Held community orientations regarding BBEDC and the CDQ program in Ekwook, Levelock and brought representatives to the BBEDC office from Portage Creek.**
- **Awarded \$90,000 in higher education academic scholarships to residents.**
- **Staff member Bernice Heyano was selected as a member of the Pacific Northwest IRS Citizens Advocacy Panel.**
- **The Technical Assistance Team and Staff made presentations regarding both the Regional Infrastructure and Business Development Programs in most CDQ communities.**
- **Organized and held Longline workshops in Dillingham and Egegik. Flew in representatives from other CDQ communities.**
- **15 residents fished 4E halibut during 1999.**
- **Completed the 2 Regional Test Fishery projects performed by local fishermen.**
- **Amended the By-laws of the Corporation to reflect the inclusion of the three new communities.**
- **Hired an Employment and Training Director.**
- **Filled the vacated Employment and Training Coordinator position.**

## **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 By-laws were amended at the September Board meeting with several “housekeeping” changes made. The By-laws now reflect the addition of the three new communities into the corporation

###### **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 to fill vacancies created by change of board members.

###### **1.1.3 Review and revise board calendar annually:**

The board calendar for 2000 was presented and approved at the November 1999 Annual 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 two-day strategic planning meeting was held in January with all staff and board members present.

A Marketing Workshop was held prior to the May meeting with all lead staff and board members present. This workshop was held to explore the question: Does it make sense for BBEDC to become more involved in the sales and marketing of products harvested by BBEDC and its partners? The second follow-up session dealing with potentially specific projects was to be held in November. Due to weather constraints the meeting was rescheduled for February 1, 2000.

A half-day “Regionalization of Infrastructure Development” Workshop was held prior to the September meeting with lead staff and board members present. John McPherson, lead planner for HDR Alaska who was also the lead in the development of the Regional Infrastructure Assessment Plan, facilitated the workshop. The second phase of the Plan was to discuss infrastructure development from a regional perspective. The Evaluation criteria used were the Mission Statement, Bylaws, 1998-2000 Multi-Species CDP Goals and Objectives, and the Regional Infrastructure Development Program Goals and

Objectives. The outcome of the workshop was the development of a list of top priority projects out of a list of more than 200 projects.

During the Third Quarter, BBEDC held an “Orientation to BBEDC” Workshop for new Directors and Staff.

Three Board members attended the NPFMC meeting held in Anchorage during the month of April. Two board members attended NPFMC at the September meeting

Two Board members attended the State Pollock Allocation public hearing and the one-on-one meeting held in Anchorage at the end of September.

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. The Mission Statement was revised, a vision statement was created, Guiding Principles were identified and new long-term goals were developed.

## **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 2000 was adopted at the board meeting in November 1999. Activities are tracking as planned. Plans to conduct a 2001-2003 strategic planning session for the Board and staff began during the third quarter.

### **1.3.2 Monitor progress on Ops. Plan monthly:**

The operations of the corporation continue to be monitored by management on a daily and 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 2000 Board Meeting Calendar and Task Plan were approved at the November 1999, 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:**

The new position of Employment and Training Director was filled during the First quarter.

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 vacated position of Employment & Training Coordinator was filled during the Third quarter. The selected applicant was an intern for BBEDC earlier in the year.

In November, the Board approved the position of Grant Technician. This position began as an internship and developed into a regular full time position, beginning in 2000.

Five staff members attended development training this year that will be beneficial to their current position with the corporation. Training such as Personnel Law, computer networking, Management Training, filing and records, minute taking, computer application, public administration and computer upgrades and web design were made available to staff.

## **2.2 Recruit staff and evaluate progress.**

### **2.2.1 Do annual ED performance review:**

A positive performance evaluation was completed in September and the employment contract was extended for an additional two years.

### **2.2.2 Perform staff evaluations annually:**

Staff evaluations are on going and annual evaluations are being conducted as anniversary dates occur. All staff members have received their annual evaluations for 1999.

## **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, Operations, and Scholarship.**

Funds continue to be allocated in the manner required by the CDQ Plan. Scholarship funding has now repaid the ASIF for forward funding from 1996. This obligation was satisfied during the second 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. In addition, quarterly fund performance reports are distributed to the Board of Directors.
- 2.4.11 Develop Consolidated and Detailed Budgets annually:  
The 2000 budget was presented for approved at the Annual Meeting in November 1999, and submitted to the state in December. BBEDC has invested in non-profit accounting software and the contract accounting firm has implemented it.
- 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 review quarterly financials at their scheduled meetings. 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 were necessary.
- 2.5.3 Review and approve auditors: In May, the Board of Directors re-appointed the auditing firm of KPMG for an additional year.
- 2.6 Track Arctic Storm performance closely and monitor fishery.**
- 2.6.2 Review ASI Royalty Agreement Performance:  
A face to face meeting was held with Arctic Storm in January to review the royalty projections for 1999. BBEDC's Executive Director speaks with the Arctic Storm's Controller on a regular basis to discuss the status of royalty payments. 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 mid-year review meeting was held in late July via telephone with management staff of Arctic Storm and BBEDC.

An annual summary of 1999 CDQ royalty and quota harvesting results occurred during December 1999 between Arctic Storm and the BBEDC Executive committee and lead staff.

- 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. BBEDC staff is in weekly, if not daily, contact with Arctic Storm's recruiter regarding position openings and vessel internships.

An annual summary of 1999 CDQ employment and training results occurred during December 1999 between Arctic Storm and the BBEDC Executive committee and lead staff. Arctic Storm is in compliance with requirements set out in the Employment and Training Agreement.

- 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.

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.

The annual review meeting was held in Anchorage on December 9, 1999, with Arctic Storm personnel, BBEDC management and the Executive Committee members present. A report on the 1999 royalty and employment goals was presented. All goals, objectives and milestones have been met for 1999.

**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:  
BLF was in compliance with the provisions of the Royalty Agreement during the year 1999.

- 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 during the Fourth quarter.

2.7.11 Approve annual fishing plan:

The fish plan was finalized in the first quarter and met 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 was in compliance with the provisions of the Royalty Agreement throughout the year.

2.8.5 Review NPMI Training and Employment Agreement performance:

It has been extremely difficult to recruit interested residents to work on the H & G vessels. The pay is less than that of factory trawler work, and the working and living conditions are more cramped. Advertisements have been ongoing with several residents showing interest. Three residents have filled available processor positions onboard NPMI vessels this year. Two interns worked in the NPMI Seattle Office year. Please see Section II, C, 1 for more information.

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 during 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.

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:

Icicle is in compliance with the terms of the Royalty Agreement for the year 1999.

### 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.

Staff met with ISI during the fourth quarter in an effort to improve the training and employment goals for the coming year.

Please see Section II, C, 1 for more information.

### 2.10.8 Hold annual meeting with ISI and approve annual fishing plan:

BBEDC does not receive a "fish plan" from Icicle. However, Icicle does submit a Processing and Marketing Report. BBEDC 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:

*BBEDC Tide, for information that flows*" newsletter each quarter during 1999 and sent it to 2,880 individuals, communities, groups and regulatory agencies.

In addition to the quarterly newsletter, BBEDC distributed a "jobs and training" flyer to all CDQ residents during the month of July in an effort to attract exiting salmon fishermen to available jobs.

A postcard advertising employment and training opportunities through BBEDC was mailed to all box-holders in the region during the Fourth quarter.

For the first time, BBEDC staff developed and distributed in excess of 3,000 copies of a "Public" Annual Report on BBEDC and its projects for the year 1998. The report was well received and BBEDC is making plans to publish a like report annually.

#### 3.1.4 Evaluate effectiveness of the quarterly newsletter regularly: The Board periodically discusses the effectiveness of the newsletter 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.

BBEDC and Pollock partner, Arctic Storm, have jointly sponsored several public radio news and weather programs in an effort to encourage employment interest and show support for sustainable fisheries management.

### **3.3 Provide regular Board and staff contact with villages.**

Executive Director and Staff visits to Villages: BBEDC Staff members visited 12 CDQ communities during the Fourth quarter. Those communities being: Aleknagik, Naknek, South Naknek, King Salmon-Savonoski, Egegik, Pilot Point, Manokotak, Twin Hills, Ekwok, Levelock, Dillingham and Togiak.

Throughout 1999, BBEDC Staff members visited 14 of the 17 CDQ communities. The remaining three communities of Ekuq, Ugashik and Portage Creek were not personally visited due to the following reasons:

Ekuq residents are fully served by Dillingham during the winter months;

Ugashik residents are fully served by BBEDC’s Sub-Regional Technician who live in the community and regular contact of residents is made via phone. Ugashik does not have the population base to bring programs there, since less than 10 adults live in the community year round.

Likewise, Portage Creek does not have the population base to bring programs there, so staff chartered several residents to Dillingham for a presentation and an orientation to BBEDC and its programs.

In addition to CDQ community visits this year, staff either visited or facilitated agency visits to the Non-CDQ communities of Iliamna, Newhalen, Kokhanok, Nondalton and New Stuyahok.

### **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 as required.
- 3.4.5 Prepare and file four quarterly reports to the state each year: The first, second, third and fourth Quarterly Reports (and Annual Report) for 1999 (and the Annual Report) have been 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 during the Second quarter to re-elect officers and receive a status report on the company.
- 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 participated in a financial and investment strategy presentation and investment policy review this year.
- 4.1.6 ASIF earnings fund ASIF Project Management:  
ASIF earnings support activities in the ASIF Project.
- 4.1.9 Net ASIF earning transfer to Operations:  
ASIF non-royalty earnings, net of expenses from 1998, were transferred to Operations in 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:  
During the first quarter, one IFQ purchase and the purchase of the Northern Mariner (formerly Northern Cascade) was completed. The partial investment in the F/V Neahkahnne also occurred during the first and second quarters. One IFQ purchase and the investment in Capilano Pacific LLC was completed during the second quarter. No other investments were made during the third and fourth quarters.

##### **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.

**5.1 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:  
Two positions were filled during the third quarter and another position was filled during the fourth quarter. Staff continues to provide employment applications to interested residents and regularly assisted NPFI in distributing advertisements for available positions. 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:  
During the fourth quarter, one resident became a regular baiter/processor onboard a NPFI vessel. 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 1999 the permit broker provided oversight for the summer intern program with CFEC in 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 fourth quarter a total of 21 commercial fishing permits were “saved” from sale or seizure through intervention services provided by Permit Brokerage staff. These permits were saved through loan intervention services. These permit holders had used their permits as collateral for boat loans and were unable to meet the payment schedule. The Brokerage staff then assisted the permit holders in filing loan extensions, loan re-financing packages or negotiates with lenders for lower payments.

1999 Annual: A total of 59 Bristol Bay commercial fishing permits were saved from sale or seizure during the year 1999.

In addition to IRS contacts, the Permit Brokerage was in contact with 317 fishermen to coordinate Emergency Transfers of Permits, 192 fishermen regarding Loan problems, 216 fishermen seeking to buy or wanting to sell a permit, and 156 other contacts related to permits or commercial fisheries.

1999 Annual: A total of “other” services and contacts provided by or through the Permit Brokerage during the year 1999 was 1,796.

- 5.4.9 Contact 150 permit holders in arrears with IRS annually:  
During the fourth quarter, 253 contacts were made with permit holders who are in arrears with the IRS. Staff continued to assist the IRS in scheduling travel to CDQ and non-CDQ Bristol Bay communities. Staff also makes the initial contact with taxpayers, schedules appointments and advertises the IRS services in the region.

1999 Annual: A total of 588 contacts were made by or through the Permit Brokerage during 1999, regarding IRS issues.

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

- 5.5.1 Manage fishery to maximize participation by residents:  
Out of the 77 permits issued, 15 residents actually landed fish during 1999. Several factors played into the low participation for this fishery. First, a severe and extremely late ice pack movement prevented residents from fishing, or even having the ability to launch their boats in May and June. Then, bail, ice and market availability was slow or late in coming. These problems were again attributed to the late spring break up or from economic factors relating to the past disastrous salmon seasons.

In addition, BBEDC made available 4E quota to the Norton Sound Economic Development Corporation where 7 additional resident fishermen harvested halibut this year.

- 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.

## **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 inflation proof, and provide scholarships equaling 3% of the capital base of the fund. During 1999, BBEDC distributed \$90,000 in higher education scholarships to 44 resident students.

Under the current investment strategy, BBEDC was able to exceed the goal of inflation proofing, growing and distribute awards from the HSS Trust during 1999.

#### 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. In fact, several area higher education students have been hired in various universities to counsel and support other new students entering these institutions. This year, BBEDC assumed responsibility 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 and this policy will implement during the 2000-2001 application cycle.

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

In August 1999, the scholarship selection committee met and awarded \$90,000 in academic scholarships to 44 qualified resident students.

### **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.

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

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:  
44 CDQ residents received training in their villages in Medic First Aid/ CPR and Marine Safety and Survival during the third quarter. Two classes were conducted in the communities of Levelock and Manokotak. All participants received certification in these areas.

### **6.4 Provide Internships with regional businesses and agencies**

6.4.2 Place at least 2 summer interns with ADF&G:  
Two resident interns worked in the Commercial Fisheries offices of ADF&G in Dillingham and King Salmon this year. In addition, the ADF&G Sport Fish Division had one resident intern returning to work with them on the Lake Aleknagik Pike Study Program. The proposed Naknek River Creel Survey intern program did not materialize this year. BBEDC hopes to continue to expand its agreement with ADF&G in future years. Through this internship, BBEDC provides residents with exposure to the many and varied career opportunities in the fisheries arena.

6.4.5 Place at least 1 intern in BBEDC's office  
One high school intern was employed in the BBEDC offices during the fourth quarter. One past high school intern was hired as a Specialized Intern this year. For more information see Section 6.4.8.

6.4.8 Place at least 2 interns with businesses/agencies  
One resident finalized their training internship, provided through the UAF Bristol Bay Campus, in July. This program was intense and has specific goals and milestones. The intern is now ready for entry level administrative assistant type of employment.

The Specialized Intern who finalizing the report from the '98 Regional Household Survey has received a biologist position with ADF&G and is now stationed in Dutch Harbor. This former intern successfully received his Masters Degree in Biology and has already received his Masters in Statistics.

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 Icicle Seafood's Naknek

office. A former Seattle Office Intern filled the CFEC internship in the Naknek office of Icycle Seafood's. The CFEC intern in the Permit Brokerage office continued working through the third quarter. Both these positions expired toward the end of July.

## **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 they show the aptitude and desire to advance. In the third quarter, a resident of Nondalton was hired to fill a part-time ABE/GED instructor position, which is supported financially by BBEDC.

Seven Norton Sound residents participated in harvesting BBEDC's 4E halibut quota during the Third quarter.

During the fourth quarter, 8 Pedro Bay residents benefited from a BBEDC sponsored course titled "Grant Writing for Community Development". In addition, 5 Kokhanok residents obtained "Life Skills" training through support from BBEDC.

## **6.6 Develop employment skills program for youth**

- 6.6.5 Recruit curriculum coordinator and implement program: The 6-12 grade curriculum that was developed has been implementation in the fall '99 school year by all four regional school districts. Two of the school districts have also implemented the K-5 curriculum during the Third quarter. The project is progressing on schedule and all school districts are fully participating.

The Employment & Training Director traveled to Anchorage during the Third quarter to attend training sessions for "Community in the Classroom" and "Career Choices", which are components of the Educational Initiative project.

All four school districts met with BBEDC staff and a grant writer in October to develop a Technology Plan for the region's schools and to refine the "School-to-Work" portion of the Educational Initiative.

In lieu of hiring a Coordinator for the Educational Initiative Program, the Board elected to have existing BBEDC staff oversee the program for the coming year and to re-evaluate the need for a Coordinator during the 2001 Budget cycle.

## **7. Implement Regional Fisheries Development Project.**

### **7.1 Develop a regional fisheries work-plan.**

- 7.1.2 Select several initiatives annually for regional development: The Board of Directors approved the 2000 Regional Fisheries Development Plan at their November 1999 board meeting.

- 7.1.5 Implement the annual fisheries development priorities:

Test Fisheries: The two test fisheries were concluded during the Third quarter. The test fishery concentrated on determining the amount of cod present in shore during this season of the year using a variety of gear types. Among ongoing projects, an additional Test Fishery was approved to be conducted in the spring of 2000 to assess the cod stocks in the near shore areas.

4E Halibut: The committee has placed a great deal of attention on prosecution of the fishery. A new management plan has been developed to maximize the full utilization of the quota with emphasis on benefits to the local fishermen. The projects for 2000 were approved at the November 1999 meeting.

## **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 Test Fisheries. Samples of species caught during the 1999 surveys were sent to Japan for market research and to make contacts with potential markets. BBEDC continues to work with fishermen in the investigation of various value-added concepts and market research. The second phase of the Marketing Workshop was to be held during the second quarter but was postponed to take place during the first quarter of 2000. Board and management Staff will continuously evaluate the Marketing concept.

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. Capilano Pacific LLC has been successful in being the first organization to receive an "International Organic" certification of seafood, which is salmon from Bristol Bay.

The availability of disaster grant funding from EDA made it possible for BBEDC to develop an Ice Machine Project. This project will provide ice equipment to interested CDQ communities. Eight communities are currently participating. BBEDC is in the final stage of receiving EDA funding approval for a \$600,000 grant that will be supplemented by a \$300,000-2% loan from the State of Alaska Division of Investments.

**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 at the November, 98 meeting to for-go the second Hagemeister survey, preferring two surveys, one in mid and one in southern Bristol Bay. See 7.1.5.

Two local fishermen were selected through an RFP process to conduct the two test fishery surveys for 1999. Both surveys were completed during the Third quarter.

A final report on the 1999 Middle and Southern Bristol Bay area test fishery should be completed by the First quarter of 2000.

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 data obtained from the two other surveys conducted this past summer is analyzed, 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 all three of the regional fisheries surveys.

**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 Samuelson 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. This year, four board members attended the State Public hearing for the 2000 Pollock allocation and private one-on-one meeting in Anchorage, as well as the NPFMC meetings.

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 17 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 was expanded to focus on a “regionalization” approach to development of infrastructure. The Board of Directors attended a workshop in September to consider the proper prioritization of the various suggested projects. Please see attached Appendix I, which is the final report on Year 2000 Regional Priorities.

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 was 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 (ABDC) has been working with several residents in creating or further developing their businesses. In addition, the communities of Manokotak, Togiak and Ugashik are currently working with ABDC to organize and fine-tune their infrastructure development plans.

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 17 CDQ communities. All job openings, internship positions,

upcoming events and news items relating to BBEDC are posted monthly on the bulletin boards placed in each community.

BBEDC has established a web page on the Internet. The address is [www.bbcdc.com](http://www.bbcdc.com). Please check the web site for BBEDC's quarterly report and current information regarding programs and employment opportunities.

In mid-July, BBEDC produced a colorful and informative "Jobs and Training" flyer and mailed it to all 2,600 box-holders in the region.

As a result, several processing and internship positions were filled.

In addition, during November, a BBEDC Employment and Training opportunities advertisement was inserted into the regional newspaper, Bristol Bay Times, and over 1,100 papers were distributed in Bristol Bay. During December, BBEDC staff mailed a color postcard soliciting interest in employment and training programs to all 2,600 box-holders in the region.

See attached Appendix II for additional information.

C. Employment for the 4th Q  
of 1999

October 1 – Employment Form  
December 31 1999

	Quarter		Year to Date		Year to Date People
	Positions/Trips	Wages	Positions/Trips	Wages	
<u>BBEDC Management/Admin</u>	11	\$103,596.00	11	\$393,978.56	11
<u>CDQ Pollock Related (AS/AF)</u>					
A SEASON			70	\$305,962.87	30
B SEASON	31	\$82,406.38	58	\$132,627.73	40
Yellow Fin	0	0	7	\$8,001.94	7
Hake Trips			18	\$52,444.52	18
Shipyard	5	\$1,810.36	14	\$5,394.72	19
<u>Long Line Fishing</u>					
Alaskan Leader	1	\$3,068.69	1	\$3,068.69	1
Bristol Leader	1	\$13,923.92	4	\$34,994.20	2
<u>Crab Fishing</u>					
Bristol Mariner	2	\$23,311.59	2	\$23,311.59	2
Nordic Mariner	1	\$240.00	4	\$7,795.29	3
Other Vessels	2	\$24,282.65	4	\$72,570.73	3
<u>Bottom Fishing</u>					
North Pacific Fishing	3	\$8,570.53	5	\$8,570.53	4
<u>Other Fishing Employment</u>					
4E Halibut Fishing			15	\$97,500.60	15
Icicle Seafood's			2	\$2,216.22	2
<u>Other Employment</u>					
Arctic Storm Recruiter	1	\$10,500.00	1	\$43,633.33	1
<u>Internships</u>					
Arctic Storm Vessel	1	\$9,399.28	6	\$44,685.08	3
Arctic Storm Office	1	\$750.00	2	\$17600.06	1
Icicle Seafood's Office	1	\$4,127.81	3	\$18,719.54	3
North Pacific Fishing	1	\$4,096.16	2	\$14,693.73	2
Icicle Vessel/Plant/Shipyard	1	\$4,325.47	8	\$23,002.94	5
ADF&G			3	\$13,986.77	3
In-house Office	1	\$690.00	4	\$1,602.00	4
Alaskan Leader Vessel			1	\$5,850.00	1
Bristol Leader Vessel	2	\$21,150.00	7	\$60,150.00	5
Specialized Interns			3	\$9,851.75	3
CDQ Community Interns	10	\$12,270.00	32	\$68,702.00	32
Other Interns	1	\$6,547.50	2	\$23,797.01	2
<b>TOTAL</b>	<b>77</b>	<b>\$335,066.34</b>	<b>289</b>	<b>\$1,494,712.40</b>	<b>222</b>

## C. 2 Employment Summary

<b>B Season</b>	31 residents went out for B season
<i>Annual Career Track</i>	Approximately 48% of the 1999 AS hires have progressed into Level II or Level III positions
<b>Alaskan Leader</b>	One resident “fisherman” was employed onboard the Alaskan Leader
<b>Bristol Leader</b>	One resident “fisherman” was employed onboard the Bristol Leader
<i>Annual Career Track</i>	One resident has maintained a regular status as a fisherman/baiter on our longliner vessel; one other resident has gained regular status as a baiter/processor
<b>Crab Fishing</b>	Two residents worked on the Bristol Mariner, one on the Aleutian Mariner, one on the Nordic Mariner and one on the Northern Mariner; all deckhand positions
<i>Annual Career Track</i>	Three residents have become regular returning deckhands on the crab fishing vessels
<b>Bottom Fishing</b>	Three residents filled bottom fishing baiter/processor positions.
<i>Annual Career Track</i>	One resident has become a regular baiter/processor on a bottom fishing vessel
<b>4E Halibut fishing</b>	
<b>Other Employment</b>	Arctic Storm continued to employ a Bristol Bay recruiter.
<i>Annual Career Track</i>	A former BBEDC intern in the Arctic Storm Seattle office, moved into a full time position as a recruiter in Bristol Bay.

### Internships

<b>Arctic Storm vessel</b>	One resident continued worked as a deck intern.
<i>Annual Career Track</i>	One resident took a Marine Basic/Advanced Firefighting training course to obtain a higher crew share as a deckhand on AS.
<b>Arctic Storm office</b>	One resident completed the Seattle office internship.
<i>Annual Career Track</i>	The AS intern is working in a full time position in King Salmon, AK
<b>Icicle Seafood’s</b>	One person filled the Seattle Office Internship position
<i>Annual Career Track</i>	One Icicle intern went on to fill a CFEC Specialized internship and work for Icicle Seafoods full time. She then went on to Sheldon Jackson college to acquire a Seafood Technology Certificate; One other Icicle intern is currently working in Peninsula Airways offices in Dillingham, AK.

**N. Pacific Fishing** One resident filled the Seattle Office intern position at the office of North Pacific Fishing, Inc.

*Annual Career Track* One resident is currently enrolled in a University attaining her higher education goals.

**Icicle Plant/Vessel** One resident filled a Engine Maintenance Apprenticeship position in Seward, Alaska.

*Annual Career Track* One intern completed his Diesel Mechanics Certificate and maintains a full/part-time status with Icicle Seafood's in Seward, AK as a Engine Maintenance mechanic; one intern is currently working on his Alaska teacher certification; one received a Marine Technology Certificate and currently is working full-time in Dillingham, AK.

### **ADF&G**

*Annual Career Track* Three past interns are currently attending college full-time

### **Alaskan Leader**

**Bristol Leader** One resident filled an Oiler/Wiper and one resident filled a Galley Intern position aboard the Bristol Leader

*Annual Career Track* One resident worked shipyard during construction of the Bristol Leader, steamed up with the vessel on its maiden voyage to Seattle. Since then, this resident has progressed into a full crewshare position on the vessel.

### **Specialized Interns**

*Annual Career Track* One intern completed a marketing internship with Icicle Seafood's and a specialized internship with ASMI, and has returned to the University to complete her Bachelors Degree in Seafood Marketing. One intern completed an internship with the University of Alaska Fairbanks, Bristol Bay Campus and is currently working for the Bristol Bay Housing Authority. One intern completed a special project with BBEDC, received his Masters in Statistics degree from the University of Alaska Fairbanks and is currently working for the ADF&G in Dutch Harbor, AK.

**Other Interns** One resident continued as the Development Intern in BBEDC's office and will be hired as a full-time BBEDC employee beginning in January of 2000.

*Annual Career Track* One resident completed the Assistant Harbormaster Intern position and was hired as a full-time Employment & Training Coordinator at BBEDC.

**D. TRAINING**

**1. Data Form**

**TRAINING DATA**

**October 1 – December 31, 1999**

**4th Quarter  
1999**

	<u>Quarter</u>		<u>Year to Date</u>	
	People	Expenditure	People	Expenditure
<b><u>Scholarships</u></b>				
Post-secondary			44	\$90,000.00
Advanced Vocational	8	\$4,865.20	18	\$30,497.74
Administration				\$12,000.00
<b><u>Voc-Tech Classes</u></b>				
Basic	101	\$21,252.67	255	\$43,368.17
Other			0	\$14,589.00
<b><u>Other Training</u></b>				
Fisheries Related	8	\$3,215.09	128	\$15,536.64
CDQ Staff/Board			26	\$14,867.58
ABE/GED	52	\$13,022.07	187	\$25,000.00
GED Diplomas Earned	[2]		[21]	
<b><u>Other Expenditures</u></b>				
Drug Testing	14	\$937.47	14	\$937.47
<b><u>Internships</u></b>				
Arctic Storm Vessel	1	\$9,399.28	6	\$47,390.26
Arctic Storm Office	1	\$5,050.36	2	\$29,572.76
Icicle Seafood's Office	1	\$12,762.95	4	\$33,425.00
Icicle Vessel/Plant/Shipyard	1	\$4,325.47	2	\$5,713.44
North Pacific Fishing Office	1	\$4,573.26	2	\$31,439.72
ADF&G			3	\$14,146.77
In-house Office			4	\$912.00
Alaskan Leader Vessel	0	0	1	\$6,455.27
Bristol Leader Vessel	2	\$21,150.00	6	\$61,684.71
Specialized Interns			3	\$11,949.61
CDQ Community Interns	10	\$12,270.00	25	\$68,702.00
Other Interns			2	\$17,651.01
<b>TOTAL</b>	<b>200</b>	<b>\$112,823.83</b>	<b>732</b>	<b>\$575,839.15</b>

## D. 2. Training Summary

### Scholarships

<b>Academic</b>	In the 3 <sup>rd</sup> Q. 44 higher education students received scholarships for the 1999-2000 school year
<b>Vocational</b>	Students who were enrolled in vocational training were as follows: one is attending Dona Anna technical college in Las Cruces, NM, working towards a Associates Degree in Welding Technology; one is attending Bates Technical College pursuing a Associates Degree in Welding Technology; two students are attending Charter College in Anchorage, AK both are enrolled in the Business Office Specialist program; one student completed AVTEC's Welding Technology Certificate program; two residents completed the Diesel Engineering certificate program at AVTEC; one resident is attending Charter College for Business Management
<i>Annual Career Track</i>	One resident finished the Diesel Engineering certificate program and now works for Icicle Seafood's in Seward, AK; one resident completed the Welding Technology Certificate program is now working full time for Alaska Petroleum Contractors in Anchorage, AK.

### **Administration**

### Vocational-Technical Classes

<b>Basic</b>	101 students participated in several courses this quarter ranging from Grant Writing for Community Development, Microsoft Word, Introduction to ClarisWorks to Village Based Entrepreneurship.
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### Other Training

<b>Fisheries Related</b>	8 students participated in a GPS course offered by BBEDC and AVTEC. The class was held in Port Heiden.
<b>CDQ Staff Board</b>	
<b>ABE-GED</b>	52 residents from around the region participated in Life Skills, general assessment and ABE/GED preparedness. 2 residents received their GED's in the 4 <sup>th</sup> quarter.
<i>Annual Career Track</i>	BBEDC and the ABE/GED program have been successful in reaching out to 187 Bristol Bay residents to receive life skills, assessments and ABE or GED instruction. 21 Bristol Bay residents have obtained their GED's through this program.

### Internships

<b>Arctic Storm vessel</b>	One resident continued worked as a deck intern.
<i>Annual Career Track</i>	One resident took a Marine Basic/Advanced Fire-fighting training course to obtain a higher crew share as a deckhand on AS.
<b>Arctic Storm office</b>	One resident completed the Seattle office internship.
<i>Annual Career Track</i>	The AS intern is working in a full time position in King Salmon, AK
<b>Icicle Seafood's</b>	One person filled the Seattle Office Internship position
<i>Annual Career Track</i>	One Icicle intern went on to fill a CFEC Specialized internship and work for Icicle Seafood's full time. She then went on to Sheldon Jackson college to acquire a Seafood Technology Certificate; One other Icicle intern is currently working in Peninsula Airways offices in Dillingham, AK.
<b>N. Pacific Fishing</b>	One resident filled the Seattle Office intern position at the office of North Pacific Fishing, Inc.
<i>Annual Career Track</i>	One intern is currently attending college.
<b>Icicle Plant/Vessel</b>	One resident filled a Engine Maintenance Apprenticeship position in Seward, Alaska.
<i>Annual Career Track</i>	One intern completed his Diesel Mechanics Certificate and maintains a full/part-time status with Icicle Seafood's in Seward, AK as a Engine Maintenance mechanic; one intern is currently working on his Alaska teacher certification; one received a Marine Technology Certificate and currently is working full-time in Dillingham, AK.
<b>ADF&amp;G</b>	
<i>Annual Career Track</i>	Three past interns are currently attending college full-time.
<b>Alaskan Leader</b>	
<b>Bristol Leader</b>	One resident filled an Oiler/Wiper and one resident filled a Galley Intern position aboard the Bristol Leader.
<i>Annual Career Track</i>	One resident worked shipyard during construction of the Bristol Leader, steamed up with the vessel on its maiden voyage to Seattle. Since then, this resident has progressed into a full crew-share position on the vessel.
<b>Specialized Interns</b>	
<i>Annual Career Track</i>	One intern completed a marketing internship with Icicle Seafoods and a specialized internship with ASMI. One intern completed an internship with the University of Alaska Fairbanks, Bristol Bay Campus and is currently working for the Bristol Bay Housing Authority. One intern completed a special project with BBEDC, received his Masters in Statistics degree from the University of Alaska

Fairbanks and is currently working for the ADF&G in Dutch Harbor, AK.

**Other Interns**

One resident continued as the Development Intern in BBEDC's office and was hired as a full-time BBEDC employee.

*Annual Career Track*

One resident completed the Assistant Harbormaster Intern position and was hired as a full-time Employment & Training Coordinator.

**E. OTHER ISSUES**

None

**III. ADMINISTRATION**

**A. Board Activities:**

**1. Changes in the Board:** During 1999, Pilot Point appointed two representative, first Shawn Moore then Andrew Abyo replacing long term board member Jim Shanigan.. Early in the year, the Port Heiden representative, Emil Christensen, resigned from his position the BBEDC Board of Directors. Port Heiden appointed Lynn Carlson to replace him. The community of Ekwok appointed Jimmy Hurley as their representative; Levelock appointed Sergie Chukwak; and Portage Creek appointed MaryAnn Kapotak Johnson as their representative.

**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. The Board also approved the formation of the Bristol Bay Science and Research Institute and the Scholarship Trustees approved the distribution of \$90,000 for the academic year 1999.

At the May Board meeting the Bylaws were amended to reflect the addition of the three new communities.

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.

In September, several housekeeping items were addressed and the Bylaws were amended. The Director of Governmental Affairs contract was extended for an additional year. The Executive Director's contract was also renewed for an additional two years. The Board also authorized applying for the 2% disaster loan funds from the State Division of Investments in the amount of \$300,000 to make matching funds available for the EDA grant application for Ice Machines.

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

In November, Officer and Executive Committee elections were held. Committee appointments also took place. The FY 2000 Budget and Work Plan were presented and approved.

**B. Amendment Status:**

Seven amendments were filed during the Fourth quarter:

- TA 99-15      Receive 18 MT of Cod from APICDA;
- TA 99-16      Transfer Sablefish and Turbot from YDFDA to BBEDC;
- TA 99-17      Receive 3 MT of POP from APICDA;
- TA 99-18      Transfer Sablefish, Turbot, P. Cod to YDFDA;
- SA 99-19      Alternative Catch Accounting;
- TA 99-20      Housekeeping;
- TA 99-21      Non-core for profit project: Addition to Business Plan for Neahkahnie LLC.

**C. Other Issues**

None Pending.

**A. Target Fishery Harvest Activity during the Fourth Quarter 1999**  
**Pollock Harvesting Activity:**



SPECIES	CDQ Allocation			Target Fishery Information
	Metric Tons Allocated	Metric Tons Harvested	Percentage of Allocation	% of Target Fishery
Pollock	20,832.000	7,136.050	34.26%	99.53%
<b>BYCATCH</b>				
P. Cod	2,655.000	21.860	0.82%	0.30%
Other Flatfish	2,310.000	0.630	0.03%	0.01%
Arrowtooth	1,798.570	1.460	0.08%	0.02%
Flathead Sole	1,159.400	4.850	0.42%	0.07%
Rock Sole	1,800.000	1.390	0.08%	0.02%
BS Turbot	113.000	0.250	0.22%	0.00%
BS POP	17.850	0.056	0.31%	0.00%
O. Red Rockfish	3.400	0.004	0.12%	0.00%
BS O. Rockfish	5.400	0.132	2.44%	0.00%
Squid	N/A	0.006	N/A	0.00%
Other	460.768	3.150	0.68%	0.04%
<b>TOTAL HARVEST</b>		<b>7,169.84</b>		<b>100.00%</b>
% of Pollock Retained			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>				
Red King Crab	0	0	N/A	-
Other King Crab	0	0	N/A	-
Bairdi Tanner	0	0	N/A	-
Other Tanner	0	0	N/A	-
Halibut (KG)**	77.220	0.407	N/A	0.006%
Chinook Salmon	756	599	N/A	0.084
Other Salmon	504	118	N/A	0.016

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

During the fourth quarter of 1999, the Arctic Storm fished from 10/27 until 11/1 and harvested 1,167.34 MT of Pollock. The Arctic Fjord began CDQ fishing on 10/15 until 11/21 and harvested 5,969.66 MT of Pollock.

**2) Summary of bycatch:**

Fishing during the C season was much more difficult than the B season. The Arctic Fjord caught 580 Chinook salmon during the quarter and the remainder was bycatch on the Arctic Storm. The catch of salmon does not accrue against our PSQ allocation because of the time of year they were caught. There were various amounts of other bycatch encountered but it was a relatively clean fishery with less than ½ of 1% of the catch being non-pollock.

**Pacific Cod Harvesting Activity:**



SPECIES	CDQ Allocation			Target Fishery Information
	Metric Tons Allocated	Metric Tons Harvested	Percentage of Allocation	% of Target Fishery
P. Cod	2,655.000	1,118.990	42.15%	87.77%
<b>BYCATCH</b>				
Non Quota Pollock	N/A	17.400	N/A	1.36%
BS Turbot	113.000	0.920	0.81%	0.07%
Other Flats	2,310.000	0.070	0.00%	0.01%
Flathead sole	1,159.400	1.100	0.09%	0.09%
Yellowfin Sole	3,899.500	0.550	0.01%	0.04%
Other Species	460.770	126.840	27.53%	9.95%
Arrowtooth	1,798.570	8.990	0.50%	0.71%
<b>TOTAL HARVEST</b>		<b>1,274.860</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 Mortality (MT)	77.220	20.05	25.96%	1.57%
Red King Crab	3150.000	0.00	N/A	N/A
Bairdi Tanner Zone 1	14063.000	0.00	N/A	N/A
Bairdi Tanner Zone 2	35213.000	0.00	N/A	N/A
COBLZ Tanner	77625.000	0.00	N/A	N/A
Chinook Salmon	756	2.93	N/A	N/A
Other Salmon	662	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:**

The Bristol Leader harvested all of our Pacific Cod during the fourth quarter. Fishing began on 10/19 and continued until 12/9 when the vessel moved into the open access fishery

**2) Summary of bycatch:**

The predominant bycatch species in this fishery was Other Species. For the PSC species halibut bycatch was fairly low.



**Bristol Bay Red King Crab Harvesting Activities:**

SPECIES	CDQ Allocation			Target Fishery Information
	Pounds Allocated	Pounds Harvested	Percentage of Allocation	% of Target Fishery
BB Red King (lbs.)	116,128	115,644	99.58%	100.00%

1. BBEDC had two vessels harvesting BB Red King Crab: Bristol Mariner and the Nordic Mariner. The fishery occurred after the open access fishery ended.
2. There was no bycatch reported for this fishery.

## **B. Processing Report**

### **Pollock Processing Activities**

During the fourth quarter, the Arctic Fjord put up 799.6 MT of surimi, 607.79 MT of block and 182.83 MT of mince. The Arctic Storm produced 272.50 MT of surimi, no block and 36.81 MT of fishmeal.

### **Pacific Cod Processing Activities**

The Bristol Leader produced Primary products such as J-Cut Pacific Cod, Shortraker/Rougheye Rockfish, and Idiots. In addition the processed headed, gutted, and tailed Turbot, headed and gutted Pollock, and Skate wings

In an effort to more fully utilize what the Bristol Leader catches, they now produce Skate wings in 18kg frozen blocks and are pursuing the possibility of also producing Sculpin (round in 18kg blocks). Secondary products produced include: Stomachs, Melt, and Roe

### **Bristol Bay Red King Crab Processing Activities**

Icicle Seafood's processed all of BBEDC's CDQ crab into various product forms.

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

### **Pollock**

While CDQ fishing on November 15<sup>th</sup>, the Arctic Fjord mixed the Pollock from two tows. The vessel voluntarily notified NMFS Enforcement of the incident. No enforcement action has been taken to date. See attached letter to Confidential Section V., Appendix III for more information.

### **Pacific Cod Processing Activities**

There were no compliance/enforcement issues reported.

### **Bristol Bay Red King Crab Processing Activities**

There were no compliance/enforcement issues reported.

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

### **Pollock**

There are no other fishing Issues/Activities to report.

### **Pacific Cod**

There are no other fishing Issues/Activities to report.

### **Bristol Bay Red King Crab**

There are no other fishing Issues/Activities to report.

## IV 1999 ANNUAL HARVESTING REPORT

### IV Harvesting and Processing Report

<b>Total CDQ and PSQ Catch For the year ended 1999</b>				
<b>Species</b>	<b>YTD Catch</b>	<b>Allocation</b>	<b>Percent</b>	<b>Remaining</b>
Sablefish H+L AI	42.151	41.400	101.81%	-0.751
Turbot - AI	20.175	40.095	50.32%	19.920
Sablefish H+L Bering	1.541	29.480	5.23%	27.939
Turbot Bering	12.277	113.063	10.86%	100.785
Total Pollock - A1/A2	9,357.962	9,374.399	99.82%	16.437
Total Pollock - B/C	11,457.341	11,457.600	100.00%	0.258
Pollock - AI	13.296	42.000	31.66%	28.704
Pacific Cod	2,557.894	2,643.000	96.78%	85.106
Atka Mackerel - Eastern	212.113	216.750	97.86%	4.637
Atka Mackerel - Central	232.001	285.600	81.23%	53.599
Atka Mackerel - Western	0.000	344.250	0.00%	344.250
Yellowfin sole	2.284	3,899.625	0.06%	3,897.341
Other flats	10.980	2,310.000	0.48%	2,299.020
Rock sole	135.262	1,800.000	7.51%	1,664.738
Flathead sole	294.678	1,159.500	25.41%	864.822
Arrowtooth	253.633	2,116.075	11.99%	1,862.443
Squid	0.080	31.028	0.26%	30.948
Other species	465.148	542.190	85.79%	77.042
Other rockfish - BS	0.428	5.536	7.73%	5.108
Other rockfish - AI	5.363	10.276	52.19%	4.913
True POP - BS	0.112	17.850	0.63%	17.738
Other Red Rockfish - BS	2.183	3.405	64.11%	1.222
True POP - EAI	45.795	46.690	98.08%	0.895
True POP - CAI	1.093	49.088	2.23%	47.995
True POP - WAI	0.000	79.305	0.00%	79.305
Sharp/Northern - AI	5.390	53.933	9.99%	48.542
Short/Rougheye - AI	6.049	14.476	41.79%	8.427
Sablefish, Trawl - AI	0.016	5.000	0.32%	4.984
Sablefish, Trawl - BS	0.080	10.000	0.80%	9.920
<b>PSQ Species</b>	<b>YTD Catch</b>	<b>Allocation</b>	<b>Percent</b>	<b>Remaining</b>
Halibut mortality	46.074	77.139	59.73%	31.065
Chinook	49.000	756.000	6.48%	707.000
Other salmon	0.000	661.500	0.00%	661.500
Total bairdi	8,299.922	49,275.000	16.84%	40,975.078
Bairdi Zone 1	0.000	14,062.500	0.00%	14,062.500
Bairdi Zone 2	8,072.991	35,212.500	22.93%	27,139.509
Red King crab	0.000	3,150.000	0.00%	3,150.000
Opilio Tanner Crab	22,986.185	77,625.000	29.61%	54,638.815
<b>Crab CDQ Target Species</b>	<b>YTD Catch</b>	<b>Allocation</b>	<b>Percent</b>	<b>Remaining</b>
BS Opilio Crab (lbs)	1,837,211	1,838,122	99.95%	911
BB Red King Crab (lbs)	115,644	116,128	99.58%	484
<b>Halibut CDQ Target Species</b>	<b>YTD Catch</b>	<b>Allocation</b>	<b>Percent</b>	<b>Remaining</b>
IPHC Area 4D (lbs)	135,776	140,070	96.93%	4,294
IPHC Area 4E (lbs)	75,749	117,000	64.74%	41,251

<b>CDQ &amp; PSQ Catch That Do Not Accrue Against Allocations</b>	<b>YTD Catch</b>	<b>Allocation</b>	<b>Percent</b>	<b>Remaining</b>
Pollock - Non quota - BS	173.384	N/A	N/A	N/A
Herring	0.854	N/A	N/A	N/A
Chinook	615.407	N/A	N/A	N/A
Other salmon	195.645	N/A	N/A	N/A
FG - Other King Crab	144.752	N/A	N/A	N/A
FG - Other Tanner Crab	2,991.764	N/A	N/A	N/A
FG - Bairdi Tanner Crab	66.660	N/A	N/A	N/A
FG - Red King Crab	554.949	N/A	N/A	N/A

The CDQ fishing activity in 1999 was the first full year of implementation of the Multi-Species CDQ harvests. It is safe to say that it was a learning experience not only for BBEDC, but the other CDQ groups and the State and Federal agencies that oversee the CDQ program.

Overall 1999 was a successful year for BBEDC. We harvested virtually all of our Pollock, Pacific Cod, Crab, BS Sablefish and Halibut allocations. For Pacific Cod, it was a conscious choice to leave some of the quota in the water. This was done so the Bristol Leader, which we have a 50% ownership interest in, could participate in the open access fishery that occurred late in the year. It should be noted that BBEDC received a royalty payment for the unharvested portion of Cod CDQ. The table above shows an overage in BS Sablefish, but in fact there was no overage since the quota above our allocation is deducted off of the Sablefish allocation that is not gear-specific.

The flatfish fisheries were difficult for all of the CDQ groups. Many of these fisheries may or may not occur due to open access openings and closures, market conditions, opportunity cost incurred by harvesting partners to prosecute CDQ fisheries, and the availability of observers (or the lack of) make these fisheries very complicated.

BBEDC has to give our flatfish partner (North Pacific Fishing, Inc.) credit for navigating through the aforementioned hurdles to prosecute the MSCDQ fisheries at the level they did. BBEDC and our partner, harvested the most Flathead Sole and Area 542 Atka Mackerel of all the CDQ Groups. In addition, we harvested the second most Area 541 Atka Mackerel. BBEDC transferred our entire Area 543 Atka Mackerel to APICDA.

BBEDC did not prosecute target fisheries for Rock Sole and Yellowfin Sole. After the open access Rock Sole fishery, the roe was becoming over-mature which brings down the value of the fishery and open access Cod fishery was occurring, which made prosecution of a CDQ fishery less appealing. In the case of Yellowfin sole, the market conditions for that fishery were not conducive to attempt a target fishery.

The performance of our other two harvesting partners (Arctic Storm, Inc. and Bristol Leader, LLC) was also very good.

The Bristol Leader harvested our allocations of Pacific Cod, Sablefish, and Greenland Turbot. As mentioned previously, it was a conscious decision to leave some of our Pacific Cod in the water and to move into the open access fishery late in the year. Our partner was very capable of harvesting the allocation down to the last ton. The Bristol Leader ranked first among all CDQ Groups in harvesting the AI Greenland Turbot (51.8%) and Sablefish (100%). As for the Bering Sea allocations of Turbot and Sablefish, we ran into problems of observer availability and bycatch issues. After the open access Turbot fishery, the ratio of Sablefish to Turbot was much too low to ensure full harvest of our Sablefish allocation and we chose to cease fishing and attempt it again later in the year. However, we ran into observer problems and the November 15<sup>th</sup> closure date for Sablefish.

In the case of Arctic Storm/Arctic Fjord they harvested virtually all of our Pollock CDQ allocations. On NMFS's ranking sheet, BBEDC came in fourth, but our overall harvest was within 17 MTs of a 20,832 MT quota (Note: The Pollock figure includes bycatch encountered in our flatfish fisheries). Our bycatch rate for the whole year was less than 1% of the target catch, roughly 0.71%.

## **1<sup>st</sup> Quarter 1999 Processing, Compliance, and Other Issues**

### **B. Processing Report**

#### **Pollock Processing Activities:**

During the 1999 A season, the Arctic Fjord produced surimi and roe from the CDQ quota. No fillets were produced from CDQ pollock. During A season CDQ, the Arctic Fjord produced 962.64 mt of surimi and 132.59 mt of roe. The Arctic Storm also produced surimi and roe. During the CDQ A Season, the Arctic Storm produced 908.82 mt of surimi and 143.64 mt of roe

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

There were no compliance or enforcement issues during this quarter. However, there were two instances which raised concerns over compliance and conflicting regulations. On Feb. 13 and again on Feb. 19, we experienced trouble with the flow scales on the Arctic Storm (2/13) and Arctic Fjord (2/19).

In both instances the problems were corrected in a short time on the vessels. During both instances there were fish on the vessel in the live tanks and other fish flowing into the net in the water. If the scales had not been repairable, the vessel would have had to face the decision to violate IR/IU regulations by discarding fish or the Multi-Species CDQ regulations requiring all fish be weighed.

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

### **Pollock**

The Arctic Fjord fished their entire CDQ quota during the middle of February and the majority was harvested inside the CH/CVOA. The Arctic Storm fished a small part of their CDQ during the middle of February inside the CH/CVOA. The Arctic Storm harvested the largest part of the CDQ during the middle of March, all outside the CH/CVOA.

## **2<sup>nd</sup> Quarter 1999 Processing, Compliance, and Other Issues**

### **B. Processing Report**

#### **Pacific Cod Processing Activities**

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 Processing Activities**

The Atka Mackerel and POP harvested were processed into an H&G product from with the collarbone off. They bycatch of rockfish and cod were processed in a similar fashion, the Arrowtooth Flounder was processed into an H&G product without the tail.

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

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 Processing Activities**

All of the 4E halibut was sold in the round and the 4D was sold in and H&G product form.

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

#### **Pacific Cod Processing Activities**

There was no compliance or enforcement issues reported this quarter.

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

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.

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

There was no compliance or enforcement issues reported this quarter.

### **Halibut Processing Activities**

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.

## **3<sup>rd</sup> Quarter 1999 Processing, Compliance, and Other Issues**

### **B. Processing Report**

#### **Pollock Processing Activities**

During the third quarter, the Arctic Fjord put up 403.34 MT of surimi, 303.10 MT of block and 107.67 MT of mince. This resulted in an overall recovery rate of 25%. The Arctic Storm produced 184.98 MT of surimi, 50.26 MT of block and 38.1 MT of fishmeal. The overall recovery from the Arctic Storm's production was also greater than 25%.

#### **Pacific Cod Processing Activities**

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.

#### **Aleutian Islands Sablefish and Turbot Processing Activities**

The Aleutian Islands Sablefish and Turbot 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.

### **Halibut Processing Activities**

All of the 4E halibut was sold in the round and the 4D was sold in an H&G product form.

### **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**

### **Pollock Fishery**

There was no compliance or enforcement issues reported this quarter.

### **Pacific Cod Fishery**

There was no compliance or enforcement issues reported this quarter.

### **Aleutian Islands Sablefish and Turbot Fishery**

There was no compliance or enforcement issues reported this quarter.

### **Halibut Processing Fishery**

One issue that arose this quarter involved listing the F/V Tenacious in our CDP. BBEDC amended our CDP to include this vessel, but not with the appropriate form. No enforcement action has resulted to date.

### **Flathead Sole Fishery**

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.

### **Flathead Sole**

Observer estimates of cod and pollock catch were also a problem in the Flathead fishery. Cod for example, has to be 100% retained under IR/IU regulations, for this Flathead sole trip cod showed an 87% retention rate. Our harvesting partner indicates that "this is likely due to sampling extrapolations where pollock and cod come out of the net first, and if sampling is not done throughout the cod-end, then there's a sampling bias that exaggerates the cod and pollock tonnages. This is a common complaint in the flatfish fisheries."