

**YUKON DELTA FISHERIES DEVELOPMENT ASSOCIATION  
COMMUNITY DEVELOPMENT QUOTA  
THIRD QUARTER REPORT  
FOR THE PERIOD JULY 1 – SEPTEMBER 30, 1999**

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## **I. QUARTERLY HIGHLIGHTS – July 1 to September 30, 1999**

### **July 1999**

- ◆ F/V Lisa Marie fished for halibut
- ◆ F/V Blue Dolphin jig fished out of Adak with limited success
- ◆ 32' Vessels fished for Norton Sound King Crab
- ◆ Douglas Redfox hired as Training & Employment Coordinator

### **August 1999**

- ◆ F/V Lisa Marie fished for halibut
- ◆ F/V Blue Dolphin jig fished out of Adak with limited success
- ◆ 32' Vessels fished for Norton Sound King Crab
- ◆ Board of Directors meeting in Sheldon Point
- ◆ Submitted 2000 CDP Application
- ◆ The communities of Mountain Village and Grayling joined YDFDA

### **September 1999**

- ◆ 14 Students enrolled in classes at AVTEC in Seward
- ◆ F/V Lisa Marie fished for Pacific Cod
- ◆ F/V Blue Dolphin drydocked in Dutch Harbor
- ◆ 32' Vessels being winterized
- ◆ Board of Directors Meeting in Anchorage
- ◆ Attended CDQ Meeting and State Hearing in Anchorage
- ◆ Two 32' Vessels were sold

## COMMUNITY DEVELOPMENT

### A. PROGRESS TOWARD GOALS, OBJECTIVES, MILESTONES

#### *Initiative 1. Comprehensive Vocational and Educational and Rehabilitative Training Programs*

Goal: Provide training for up to 100 by the end of 1999

Milestone:

- ◆ Programs –See Below
- ◆ 14 Yukon Delta residents are enrolled in courses at AVTEC
- ◆ 17 college students enrolled for the fall semester
- ◆ 10 new scholarship applicants for scholarships have been accepted for the fall semester 1999
- ◆ Training Programs –See Below

Objectives:

- ◆ Assure that an appropriately skilled native work force is available for all opportunities created in CDQ enterprises.
- ◆ Provide technical knowledge to native work force to assure that skills are developed to move into higher paying senior positions.

#### **PROGRAM 1: Automotive Technology**

1 student enrolled in the Automotive Technology course at AVTEC during this quarter.

#### **PROGRAM 2: Heavy Equipment**

2 students enrolled in the Heavy Equipment course at AVTEC this quarter.

#### **PROGRAM 3: Business and Office Technology**

9 students enrolled in the Business and Office Technology course at AVTEC during this quarter.

#### **PROGRAM 4: Diesel Engine Technology**

2 students enrolled in the Diesel Engine Technology course at AVTEC during this quarter.

#### **PROGRAM 5: Office Interns**

One resident was employed as an office intern during this quarter at Icycle Seafoods' Everett plant. One resident was employed at Icycle Seafoods' main office in Seattle. One resident was employed at Icycle Seafoods' Seward plant.

### **Scholarship Program:**

The board of directors approved a motion to extend the guidelines for Yukon Delta Scholarships to include students enrolled through the distance learning center for the University of Alaska. No more than one complete year of schooling can be completed through distance learning. We are exploring the opportunity to work with Alaska Pacific University in their RANA program. This is a program to get older students who have some previous college education back in school. Through our outreach efforts, we have extended the scholarship program to include students from our new communities in time for the fall semester of 1999. Two students from Graying and three students from Mountain Village are now receiving YD scholarships. Presently a total of 17 students have been accepted for scholarships this fall at the University of Alaska, Alaska Pacific University and Sheldon Jackson.

### ***Initiative 2. Placement of YDFDA Community Residents in Bering Sea Harvesting & Processing, Factory Trawlers***

Goal: Train 135 individuals by the end of 1999

Milestone:

- ◆ 10 Yukon Delta residents were trained this quarter
- ◆ 35 Yukon Delta residents were employed in this quarter

Objective:

- ◆ Provide on-the-job training and experience in offshore and onshore fisheries and generate employment and income-earning opportunities to community residents.

### ***Golden Alaska Seafoods, Inc.***

Nine residents were aboard the M/V Golden Alaska for the Pollock B season. All nine were returning crew.

### ***Lisa Marie***

Two residents were aboard the F/V Lisa Marie fishing for halibut and Pacific cod. Both were returning crew.

### ***Fishermen's Finest***

Two residents received training aboard the F/V US Liberator fishing for Pacific cod.

### ***Premier Pacific Seafoods***

Two residents were aboard the F/V Ocean Phoenix fishing for Pollock. Both were returning crew.

***Kodiak Fish Company***

Two residents were aboard the F/V Legacy. One was receiving training and one was returning crew.

***Yukon Delta Fisheries Inc.***

Eighteen residents fished on YDFI's 32-skiffs in the Norton Sound fisheries. Five were first time trainees and thirteen were returning crew.

***Initiative 3. Salmon and Herring Permit Buy-Back and IFQ Acquisition Program***

Goal: Provide up to \$100,000 for salmon or herring permits and IFQ Purchases

Milestone:

- ◆ We are receiving inquiries as permit prices were way down from the previous two years due to the disastrous fishing seasons the last two years. Yukon permit prices are now in a price range that several non-permitted fishermen should be able to acquire permits at reasonable prices and lower financing terms. We are working with several fishermen to prepare applications for permits. We are taking extra precautions so as not to endanger or create more liability than an individual may be able to withstand.
- ◆ YDFDA continues to work with the Division of Investments to execute modification agreements to refinance and delay payments for several loans in arrears due to the poor fishing. Two loans in default will more than likely be terminated by the Division of Investments

Objectives:

- ◆ Maximize local benefits realized from our traditional salmon fishery and expansion to other local fisheries.

***Initiative 4. Training Subsidy for Small-Multi Fishery Boats***

Goal: Provide employment opportunities for communities and community residents.

Teach fishing techniques and provide boats for a community-owned fishing company.

Provide direct income from the groundfish resource.

Create opportunities for local residents to operate and own boats.

Milestone:

- ◆ The Blue Dolphin fished out of Adak for Pacific Cod.
- ◆ Four 32-foot vessels fished for Norton Sound Red King Crab out of Nome.

- ◆ Negotiations continue for the sale of four 32-foot vessels. This sale will help to substantially reduce the allocation of funds to support, maintain and repair the small multi-fishery vessel fleet. Yukon Delta is shifting its emphasis away from a fleet of small vessels to ventures in larger vessels under Initiative VI.

Objective:

- ◆ Develop a fleet of locally owned and operated fishing vessels.

***Initiative 5. Continued Development of Shoreside Processing Operations***

Goal: Establish self-sufficient, multi-product, value-added shoreside processing facilities.

Maximize the employment and payroll benefits derived by the communities from our seafood harvest.

Milestone:

- ◆ The YDFDA Board of Directors authorized the continuation of funding the planner's position for Kotlik fisheries project for an additional year. The current plan is to determine the amount of fisheries related infrastructure that needs to be developed in Kotlik for future projects as well as alternative outside funding sources for this project.
- ◆ Kotlik project used the two vessels purchased from YDF Inc. to purchase salmon for the co-op in Emmonak in a joint venture. Kotlik Project during this period also incorporated as a co-op and has informed us that they will be developing harvesting and marketing ventures in conjunction with the Emmonak Co-op for the 2000 season. They are discussing the prospects of flying fresh Yukon King salmon to the domestic markets.
- ◆ Sheldon Point Saltery –Discussions with the community is ongoing.
- ◆ Yukon Delta with Yukon River Fisheries Drainage Association is preparing an application for disaster funds to provide ice machines and support in several Yukon River villages.

Objective:

- ◆ Value add seafood products and explore for commercial quantities of fish locally to employ local residents.

***Initiative 6. YDFDA Investments in Offshore Vessels***

Goal: Joint ventures to purchase and jointly operate catcher and catcher/processor vessels in both open access and CDQ fisheries for all fisheries.

Milestone:

Analysis continues on several projects:

- ◆ F/V Lisa Marie - lengthening and sponsoring the vessel. A decision has been made to put off this project due to the large reduction in opilio crab quotas for the year 2000 fishery.
- ◆ Preliminary meetings continue to discuss investment criteria in Golden Alaska Seafoods, Inc. which includes the mothership and catcher vessel fleet.
- ◆ Investment in a longline catcher/processor. This project has been put off until the year 2000.
- ◆ Investment in a crab catcher vessel. This project has been put off until the year 2000 due to the adverse impact of the reduction in crab harvest in the Bering Sea
- ◆ Investment in a 58' combination vessel to replace the 32' vessel fleet. A down payment has been made toward the purchase of a 58' combination vessel, subject to state approval of plan amendment. Plan amendment is presently under development.

Objective:

- ◆ To own and operate YDFDA's own fleet of vessels to prosecute the fisheries in the North Pacific.
- ◆ Establish a fleet of combination catcher and catcher/processor vessels to fish open access as well as CDQ fisheries in the Bering Sea.
- ◆ Maximize the employment and payroll benefits derived by local fishermen from open access and CDQ harvests.
- ◆ Protect YDFDA's equity.

***Initiative 7. Financing Program to Support Development of Small Business Fisheries Infrastructure***

Goal: To develop local marine service facilities and fisheries business infrastructure to support the fishing industry.

Milestone:

- ◆ YDFDA, LYEDC Ardor and Kuigpagmiut Corporation (representing Mountain Village and St. Mary's), are continuing development of their application for US the Department of Commerce to develop training facilities in St. Mary's for the benefit of residents of the entire area. Lower Yukon School District and the St. Mary's School District are also being included in the development of this plan. Additionally CVRF and the Chevak School district have expressed an interest in providing support for this area project.
- ◆ OceanLogic, LLC, a joint venture partnership between APICDA Joint Ventures, Inc., Yukon Delta Fisheries, Inc., and Parity Corporation, is continuing with its development of Version 1.04.00 of CatchPoint™ Software. Version 1.04 is capable of managing shoreside and mothership

cooperatives in compliance with the American Fisheries Act and the Steller Sea Lion rules and regulations. The software will be beta tested this fall and ready for installations before the end of the year.

- ◆ The Welding shop in Alakanuk has been in operation since this spring. The owner has been busy full time with major modifications and repairs on existing vessels. He is welding up his jigs preparing to construct the first vessel. He has a backlog of work to perform and cannot keep up. Customers from all four villages continue to bring work.

Objective:

- ◆ Fund loans to develop fisheries business support sector.
- ◆ To service the developing local and offshore fishing sector.

## **B. OUTREACH**

We have continued our village representative program in our four villages, Alakanuk, Emmonak, Kotlik and Sheldon Point and are expanding that program to include our new villages, Grayling and Mountain Village. These representatives work in the community to provide information regarding employment and training positions and administer the drug tests to applicants. They also have applications and information on the scholarship programs.

A new training and employment coordinator was hired in July. He is located in our Emmonak office. His duties include finding and filling offshore training and employment opportunities as well as training opportunities at AVTEC and other institutions. This individual also administers YDFDA's scholarship programs and YDFDA's permit and gear loan programs through the Division of Investments and the AVCP Revolving Loan Programs. YDFDA feels it is important to administer these programs from the village so residents have easy access to the programs they are most interested in.

The attached announcements were posted within the villages during the third quarter.

**C. EMPLOYMENT**

**1. EMPLOYMENT DATA FORM – September 30, 1999**

	<b>3rd Quarter</b>		<b>Year-to-Date</b>		
	<b>Positions/ Trips</b>	<b>Wages</b>	<b>Positions/ Trips</b>	<b>Wages</b>	<b>People</b>
<b>Management/Administrative</b>	7	\$79,173	11	\$312,730	11
<b>CDQ Pollock</b>					39
<b>A Season:</b>	0	\$	35	\$338,719	
<b>B Season:</b>	9	\$59,894	9	\$59,894	
<b>Other Fishing</b>	32	\$112,326	37	\$375,545	37
<b>Other Employment</b>	12	\$72,358	15	\$212,418	15
<b>Internships</b>	3	\$1,916	5	\$7,481	5
<b>Total</b>	63	\$325,667	112	\$1,306,787	107

**2. SUMMARY:**

- ◆ Management/Administrative 7 - Yukon Delta Employees
- ◆ Pollock B Season - 9
- ◆ Other Fishing 32 - description in Initiative II
- ◆ Internships - 3

**Other Employment**

- ◆ Village Representatives - 6 (one in each of the six villages)
- ◆ YDF Inc. - 4 employees
- ◆ Kotlik Yupik - 1
- ◆ Icicle Seafoods - 1

## D. TRAINING

### 1. TRAINING DATA FORM – September 30, 1999

	3rd Quarter		Year-to-Date	
	People	Expenditure	People	Expenditure
<b>Scholarships</b>				
University of Alaska	12	\$21,500	13	\$34,000
Alaska Pacific University	3	\$7,000	3	\$10,000
Sheldon Jackson College	2	\$5,000	2	\$10,000
<b>Vocational</b>				
<b>Voc-Tech Classes</b>				
Basic				
Advanced	14	\$13,945	22	\$43,107
<b>Other Training</b>				
Fisheries related – See Emp Sht	8	\$8,755	28	\$14,503
<b>Student Loans</b>				
Interns (see employment)	3	\$632	6	\$4,492
Other	0	\$0	1	\$234
<b>Other Expenditures</b>				
To Educational Institutes				
Educational Endowment Funds				
Other				
<b>Total:</b>	<b>42</b>	<b>\$57,332</b>	<b>75</b>	<b>\$116,336</b>

### 2. SUMMARY

- ◆ Scholarships - 17
- ◆ Voc-Tech Classes - 14
  - Heavy Equipment - 2
  - Automotive Technology - 1
  - Business & Office Technology - 9
  - Diesel Engine Technology - 2
- ◆ Fisheries Training – 8
- ◆ Interns - 3

### **III. ADMINISTRATION**

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

1. New Board Members  
Appointed until the Elections in October 1999  
Matthew Waskey and William Beans, Mountain Village  
Rebecca Shellikoff and Carl Walker, Grayling
2. The Board of Directors held their regular meeting in Sheldon Point August 12 and 13, 1999. The meeting continued in Anchorage September 27, 1999.

Substantial Decisions:

Mountain Village was accepted as a new member village by the board.

The board of directors decided to defer payment of principal on the Co-op loan for the next two years. Interest will not be accrued during this two-year period. The principal of the note is still due and payable. This decision was made as a result of the disastrous salmon fishing on the Yukon River the previous two years.

Douglas Redfox was appointed as our representative on the AVCP Loan Board.

The Board authorized administration to conduct a study for the purchase of a percentage of the Golden Alaska and possibly negotiate the purchase of an equity position.

The Board authorized the Financial Advisory Board to pursue the purchase of a 58' vessel.

The Board authorized administration to conduct a study on the purchase of an equity position in Icicle's crab vessel.

3. The Board of Directors met by teleconference on August 19 and voted to accept Grayling as a member village.

#### **B. CDP Amendments**

In August we submitted an amendment to our CDP requesting 20% of the 2000 Pollock allocation, an increase of 6% over last year's allocation. Approved for 14% all allocations remained the same for the year 2000.

Submitted an amendment August 12, 1999 to our P Cod fish plan to allow for one observer on a vessel fishing at a reduced rate due to the non-availability of CDQ certified observers. Approved.

Submitted a substantial amendment August 26, 1999 to change the budget and authorize a loan to OceanLogic LLC in the amount of \$90,000 for the purposes of software development. Approved by NMFS September 29, 1999.

**C. Other Issues - None**

## IV. Harvesting Activities

### A. CDQ Harvest Report September 30, 1999\*

Species	TOTAL HARVESTED	Percent Harvested	Allocation Totals	Balance Remaining	
Arrowtooth flounder	88.755	4.4%	2,015.3	1,926.6	95.6%
Atka mackerel Eastern AI/BS	198.438	77.8%	255.0	56.6	22.2%
Atka mackerel Central AI	227.287	67.6%	336.0	108.7	32.4%
Atka mackerel Western AI	355.299	87.7%	405.0	49.7	12.3%
Flathead sole	40.047	3.5%	1,159.5	1,119.5	96.5%
Greenland turbot AI	1.068	2.5%	42.3	41.3	97.5%
Greenland turbot BS	1.589	1.5%	108.5	107.0	98.5%
Other flatfish	6.562	0.3%	2,310.0	2,303.4	99.7%
Other red rockfish BS	3.781	94.4%	4.0	0.2	5.6%
Other rockfish BS	0.479	9.1%	5.3	4.8	90.9%
Other rockfish AI	2.475	25.4%	9.8	7.3	74.6%
Other species	350.032	67.6%	517.5	167.5	32.4%
Pacific cod	2,077.132	82.4%	2,522.3	445.1	17.6%
Pacific ocean perch Central AI	49.986	86.6%	57.8	7.8	13.4%
Pacific ocean perch Western AI	88.065	94.4%	93.3	5.2	5.6%
Pacific ocean perch Eastern AI			51.5	51.5	100.0%
Pacific ocean perch BS	0.367	1.7%	21.0	20.6	98.3%
Pollock (A) BS	6,259.500	100.2%	6,249.0	(10.5)	-0.2%
Pollock (B) BS	7,553.951	99.2%	7,617.5	63.5	0.8%
Pollock AI			70.0	70.0	100.0%
Pollock Bogoslof			14.0	14.0	100.0%
Rock sole	177.894	9.9%	1,800.0	1,622.1	90.1%
Sablefish fixed gear BS	0.117	0.3%	33.5	33.4	99.7%
Sablefish fixed gear AI	1.161	3.7%	31.1	29.9	96.3%
Sablefish Trawl BS	4.012	42.0%	9.5	5.5	58.0%
Sablefish Trawl AI			4.9	4.9	100.0%
Sharpchin/northern AI	50.527	79.6%	63.5	12.9	20.4%
Shortraker/rougheye AI	5.142	37.4%	13.8	8.6	62.6%
Squid	0.071	0.3%	20.7	20.6	99.7%
Yellowfin sole	7.875	0.2%	4,304.6	4,296.7	99.8%
Halibut Area 4D	74.363	99.7%	74.6	0.2	0.3%
<b>PSC</b>					
Bairdi tanner Zone 2	72	0.2%	35,977.5	35,906	99.8%
Baridi tanner Zone 1	589	4.1%	14,235.0	13,646	95.9%
Halibut Mortality	14.649	18.6%	78.9	64	81.4%
Non-chinook salmon	131	29.8%	441.1	310	70.2%
Chinook salmon	138	27.4%	504.0	366	72.6%
Opilio tanner crab	3,224	3.8%	84,825.0	81,601	96.2%
Red king crab Zone 1	30	1.0%	3,102.8	3,073	99.0%

\*Includes some hauls & sets at beginning of October

## **B. Compliance**

We are aware of no non-compliance issues this quarter.

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

Again this quarter, the greatest problem we have experienced is the issue of obtaining CDQ certified observers. For example, the Lisa Marie attempted to harvest some of Yukon Delta's AI Sable and Turbot. After two weeks of not being able to obtain an observer they had to return to the Bering Sea area and fish other species. In order to harvest all of our 4D Halibut it was necessary to make three separate trips with different observers for short periods of time.

Our groundfish partners were not able to begin their fishing efforts until a later time due to the non-availability of CDQ qualified observers. Our COD partner also had to delay their fishing efforts for the same reason during the quarter. We also submitted an amendment to our fish plan so they could fish on a reduced basis with only one CDQ observer on the vessel. Presently (mid-October) there still remains a serious problem with obtaining observers. The Lisa Marie is again waiting for days for their observer.

### **F/V Lisa Marie**

In July and August the F/V Lisa Marie fished for CDQ halibut in area 4D and harvested our entire allocation. In September the F/V Lisa Marie fished for Pacific Cod out of Adak.

### **F/V Blue Dolphin**

In July and August the F/V Blue Dolphin jig fished for Pacific Cod out of Adak. In September the F/V Blue Dolphin was drydocked in Dutch Harbor.

### **32-Foot Vessels**

The five 32-foot vessels fished for Norton Sound Red King Crab out of Nome. Two 32-foot vessels were sold to APICDA.