



Norton Sound Economic Development Corporation

2006 Annual Report



NSEDC MISSION STATEMENT

“NSEDC will participate in and encourage the clean harvest of all Bering Sea fisheries to promote and provide economic development through education, employment, training and financial assistance to member communities and Western Alaska, while protecting subsistence resources.”



Cover photo: Golsolvia, just outside of St. Michael, Alaska.
Photo provided by Paul Ivanoff III.

THE YEAR IN REVIEW

Message From The Chairman



Another year has come and gone and life continues in our Norton Sound communities. Fuel prices and king crab stocks went up, the summer weather and our king salmon stocks came down. The cycles continue and we will persevere. Growth and change will continue in our region, just as it does with NSEDC. It is clear though, that our company's growth must be directly tied to the needs of our communities; without the communities there would be no need for us. In NSEDC's case, 2006 brought change to the laws governing the CDQ Program, organizational leadership and investment management. These changes did not take place overnight and the transition to adjust to these changes is ongoing in 2007. Throughout these improvements and adjustments in the organization, NSEDC has once again seen a profitable year with over \$16 million in growth while further expanding NSEDC's benefits to the Norton Sound region by adding the Clean Waters and Bulk Fuel Programs.

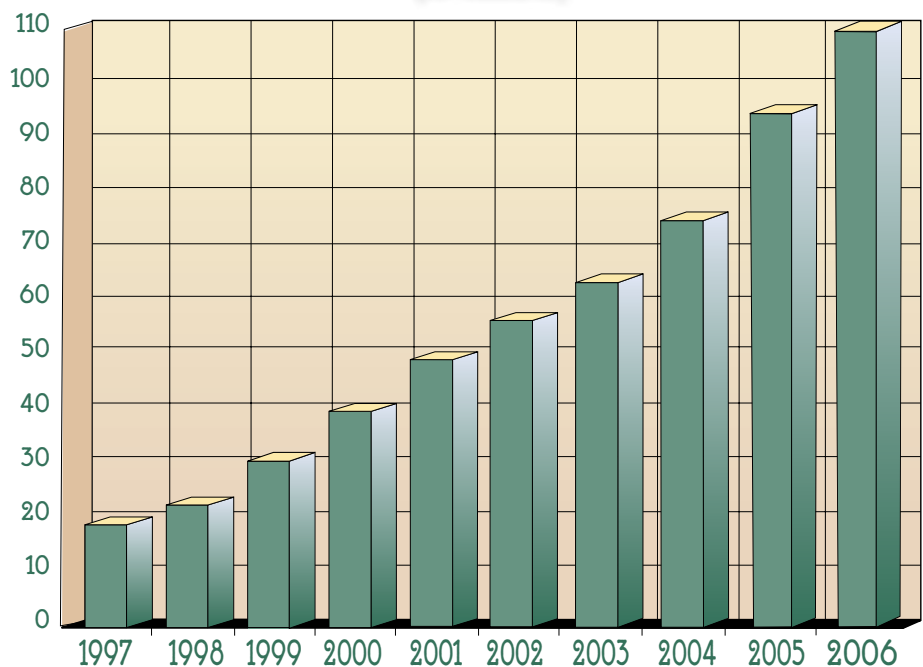
The laws that provide for the CDQ Program were modified in 2006, first in July within the Coast Guard Bill and then more thoroughly through

the December reauthorization of the Magnuson-Stevens Fishery Conservation and Management Act. The new law reflects the maturation and growth of the six CDQ groups and makes important fundamental changes to the way the program functions. One of the most important results is the transition to unity amongst the six CDQ groups. The divisive and time consuming allocation process of the old CDQ Program is gone, and a new coalition has been built by the formation of the CDQ Panel comprised of representatives from each of the six groups and operating on consensus. With the inherent impetus for competition removed, the groups are moving forward in unison to bring results to member communities. The new law also provides for

spending money in the region on non-fisheries related programs, an important component for NSEDC as the abundance and diversity of our commercially-viable fish species is relatively low when compared to the population and economic conditions of our region. Another substantial change to the program involves the oversight and management of the groups. Once heavily regulated by the State of Alaska, the groups are now overseen by their constituents, much like ANCSA corporations. The CDQ Panel is currently developing further reporting requirements (over and above those required by law) to ensure that residents are well informed.

Changes and adjustments in organizational leadership are always the

NSEDC 2006 Fiscal Year Total Assets (in millions)



most difficult to make. Recognizing the need, initiating the change and acceptance of the decision by all involved is an arduous process. In October, the board made the decision to split the position of the President and Chief Executive Officer as a means of improving relationships between the board and management. This decision did not come without careful consideration. The board will continue to make decisions as we have in the past with the same mission, passion and values to provide a balance in establishing a financially solid organization and delivering benefits to the region.

Choosing the right investment strategy and investment management team to oversee NSEDC's financial portfolio and Bering Sea business ventures is not an easy task. Our track record is a successful one, but making tweaks and adjustments to evolve and keep on top of the game is essential in this business. The Board's first and foremost concern is the strength of the organization both financially and structurally. The ability to expand into new endeavors when the opportunity arrives or achieve investment goals is important for the long-term health of our organization; having a management team in place that recognizes and accomplishes that is essential.

Change is the only constant in business, but I am proud to say that the message I am delivering regarding our economic impact on the region is once again the same as years past – we saw another year of growth, delivered a record number of benefits to the region and expanded programs. Our programs

and business ventures were again very productive: \$2.4 million was invested in fisheries wages through activities of Norton Sound Seafood Products, over \$1 million in wages was earned by residents employed by Glacier Fish Company and Norton Sound Ventures, and over \$341,000 in post-secondary education and vocational training scholarships were awarded to residents. These direct benefits were on top of the \$2 million in grants and donations to organizations and entities in the region, an estimated \$200,000 saved by participants in the new Bulk Fuel Program and the well over 15 tons of debris and garbage that was removed from the shores around Unalakleet through the Clean Waters Program.

The NSEDC Board has taken some big steps and made some decisions that cannot be popular with everyone involved, but I will attest that we are moving ahead in good faith and working to make NSEDC more responsive to the needs of all of our communities. We've listened to your comments and concerns brought to us through the evaluation of NSEDC that

we solicited and are putting more people on staff to work with communities. We are excited to be expanding in our region and working to implement projects and programs that aren't just there, but actually bringing results. That's why we're here. But in order for these projects and programs to be worthwhile they need your acceptance and energy as well. NSEDC working with member communities can and will make a difference, and time will be the ultimate reflection of that.

I would personally like to thank the NSEDC Board of Directors and staff for all their hard work in the past year. It has been challenging, but we're heading toward a bright future and have a great (and growing) team in place. I look forward to building upon the changes and improvements we have made to undertake the challenges and tasks before us.

Sincerely,

Dan Harrelson

*NSEDC President and Board Chairman
White Mountain*



Stebbins, Alaska

NORTON SOUND SEAFOOD PRODUCTS

Since 1995, Norton Sound Seafood Products (NSSP), a division of NSEDC, has continued to support the Norton Sound region commercial fisheries. NSSP's activities include purchasing, processing, marketing, and selling herring, salmon, halibut, crab, and bait. NSSP operates facilities throughout the region including the Unalakleet plant, Savoonga halibut buying station, Norton Sound Seafood Center in Nome, and buying stations in Elim, Golovin, and Shaktoolik.

Commercial Norton Sound Herring & Salmon

The sac roe herring fishery started on June 8, 2006 and continued for 4 days.

Thirty-two Norton Sound permit holders delivered to Norquest Seafoods at an ex-vessel value of \$65,148 (\$150/Ton at ten percent).



In addition, NSEDC paid these fishermen a bonus incentive of \$100/Ton for ten percent and better, totaling \$43,333. From this amount \$12,725 was collected and applied toward NSEDC loan programs.

The Norton Sound salmon fishery was at its highest in 2006 compared to the past twelve years. Sixty salmon permit holders fished the Coho season, for a

total ex-vessel value of \$485,822. This included 167 pounds of king salmon, 180 pounds of red salmon, 869,908 pounds of coho salmon, and 68,389 pounds of chum salmon.

A \$.10 per pound price adjustment for all salmon landed in 2006 was approved by the board of directors.

Open-Access Norton Sound Red King Crab

The open-access crab season commenced July 1st and closed August 22nd. Twenty-seven fishermen delivered a total harvest of 379,000 pounds. The ex-vessel value totaled \$945,913. Fishermen were paid an average of \$35,034 each.



Salmon delivered to the Unalakleet Plant

2006 CDQ FISHERIES

NSEDC had another good year in harvesting of CDQ fisheries and yet another record in CDQ royalties paid to the company – almost \$13 million for all fisheries. NSEDC continues to work well with longstanding harvesting partners – Glacier Fish Company (GFC) and United States Seafood (USS) – as well as developing new opportunities and business relationships.



NSEDC working cooperatively with harvesting and processing partners shares in revenues generated from the harvest of CDQ resources and the eventual sale of CDQ-related products. NSEDC benefits from these partnerships through the payment of royalties, sharing of profits and distribution from ownership interests, in addition to employment opportunities created for NSEDC region residents.

Pollock

Pollock was once again our most valuable CDQ fishery. The CDQ pollock harvest generated roughly 81% of all CDQ royalties in 2006. GFC-owned and managed at-sea processing vessels, the *F/V Northern Glacier* and *F/V Pacific Glacier*, harvested about 33,084 metric tons of CDQ pollock on behalf of NSEDC. Pollock is harvested in the Bering Sea during two distinct fishing seasons – the A or roe season in the first quarter of the year and the B or

non-roe season in the last half of the year. GFC has been our CDQ harvesting partner for pollock since 1992. NSEDC is now a 50% owner of GFC.

Pacific Cod

The CDQ Pacific cod harvest accounted for nearly 7% of all CDQ royalties. NSEDC harvested about 2,279 metric tons of CDQ cod in fishing operations in the Bering Sea using GFC's two longline catcher-processing vessels, the *F/V Norton Sound* and *F/V Glacier Bay*. Cod is also harvested in two distinct fishing seasons at the beginning of the year in the A season and at the end in the B season.

Atka Mackerel/Pacific Ocean Perch

The CDQ harvest in bottom-trawl fisheries for Atka mackerel/POP, yellowfin sole and rock sole accounted for roughly 2% of all CDQ royalties. Product values in these fisheries have substantially risen in recent years. NSEDC harvested the entire CDQ allocation of Atka mackerel and POP and a small amount of quota transferred to NSEDC from another CDQ group. USS continued as our harvesting partner in these fisheries using the catcher-processing vessels, *F/V Seafreeze Alaska* and the *F/V Ocean Alaska*, and the catcher vessel, *F/V Alaska Beauty*.

Yellowfin Sole and Rock Sole

NSEDC also worked with USS to prosecute these CDQ fisheries in 2006.

For the year, NSEDC harvested more than three quarters of yellowfin sole and rock sole quotas in target fishing operations, leaving small amounts unharvested.

Greenland Turbot

CDQ Greenland turbot allocations in the Bering Sea and Aleutian Islands were reserved again this year for bycatch purposes only due to the low stock levels.

Sablefish

NSEDC harvested CDQ sablefish in the Bering Sea and Aleutian Islands working with the *F/V Sea Venture*, *F/V Lisa Marie* and *F/V Aleutian Spray*. Roughly one-half of the sablefish CDQ in both management areas were harvested.



Sablefish

Halibut

NSEDC facilitated the harvest of the entire quota of 144,900 pounds of CDQ halibut in Area 4D. We worked with eleven local fishing boats in Nome, three in Savoonga, the *F/V Shemya* and the *F/V Glacier Bay*. Local fishermen harvested and delivered about 38,000 pounds, while the Glacier Bay and the Shemya took the remaining quota. The halibut product produced from the Norton Sound Seafood Center was primarily sold as fresh fish to markets in Alaska and the Pacific Northwest.

Norton Sound Red King Crab

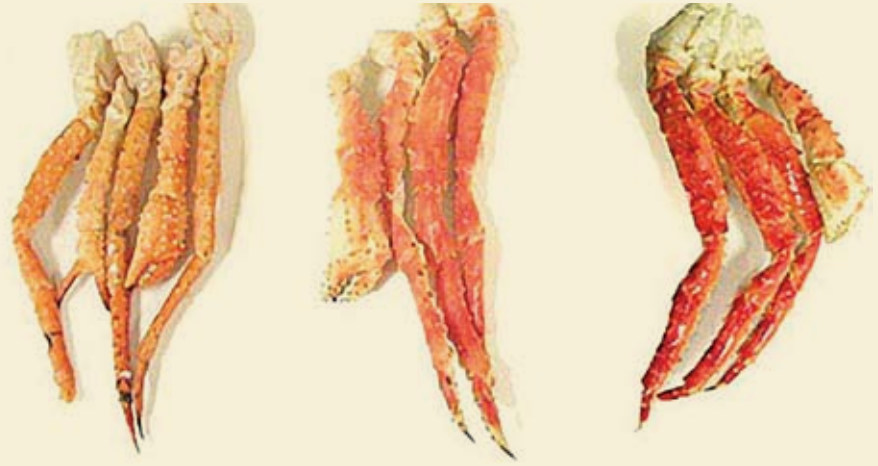
NSEDC harvested 32,560 pounds of CDQ crab from the 2006 Norton Sound red king crab fishery working with 11 local fishing boats. All but 1,400 pounds of CDQ crab was harvested. This CDQ crab was delivered to the Norton Sound Seafood Center in Nome and product was sold by NSSP into various markets. Yukon Delta transferred their CDQ allocation to NSEDC again this year for the local fishery.

Bristol Bay Red King Crab

The harvest of CDQ crab in the BSAI fisheries accounted for roughly 9% of all CDQ royalties paid to NSEDC. NSEDC harvested the entire 2006/07 quota of 279,486 pounds of red king crab CDQ using the *F/V Ocean Olympic* and the *F/V North Sea*. This quota was harvested in one month from late October to late November 2006. NSEDC worked with Royal Aleutian Seafoods in the processing and sales of product from this CDQ crab fishery. The final settlement price for Bristol Bay red king crab paid to the vessels was \$3.85 per pound.

Bering Sea Opilio Crab

NSEDC worked with the catch-processing vessel *F/V Baranof*, and the catcher vessels *F/V Ocean Olympic* and *F/V North Sea* to harvest the entire 2006/07 quota of 658,188 pounds of CDQ opilio crab. The *Baranof* is an at-sea catcher/processor which by regulation can take only 75% of the allocation in any CDQ crab fishery with the remaining 25% required to be delivered to and processed by a shoreside plant. This



Brown (also known as golden), Blue and Red King Crab. Photo courtesy of Fishermen's Express

quota was harvested in a timeframe from December 2006 to April 2007. NSEDC worked with Royal Aleutian Seafoods in the processing and sales of product delivered shoreside in this crab fishery. The initial settlement price for opilio crab paid to the catcher boats was \$1.50 per pound – final prices have yet to be set.

Eastern Aleutian Islands Golden King Crab

NSEDC harvested the entire CDQ allocation of 63,000 pounds in a single trip starting in late December using the *F/V Aleutian No. 1*. The CDQ fishery was conducted in combination with the IFQ fishery. NSEDC again worked with Royal Aleutian Seafoods in the

processing and sales of product. The final settlement price paid to the vessel was \$1.96 per pound.

St. Matthew and Pribilof Islands King Crab

The commercial fisheries for the Pribilof Islands and St. Matthew king crab were closed again for the 2006/07 season.

Bering Sea Bairdi Crab

NSEDC harvested the entire amount of the 2006/07 allocation of CDQ bairdi crab or 33,750 pounds in the eastern district and 19,692 pounds in the western district using the *F/V Baranof* and the *F/V Tempo Sea*. This quota was harvested in a timeframe from December 2006 to April 2007.



Opilio Crab (Chionoecetes bairdi)

NORTON SOUND FISHERIES

Research and Development Program

The Norton Sound Fisheries Research and Development (NSFR&D) Program is continuing to expand operations within the region, focusing on both representing all of our communities as well as moving into new types of research. We opened a new office in Unalakleet and added an eastern Norton Sound biologist to our staff in 2006. The purpose of this position is to give more dedicated attention to those communities in the southern Norton Sound area whose reliance on fisheries is long-standing and pronounced. We've also moved more fully into marine research through the acquisition of a research vessel. Overall, we're headed to a more comprehensive program and are working towards meeting the needs of member communities.

Moist Air Incubation/ Egg Planting

NSFR&D completed our third season

of moist-air incubation and egg planting in 2006. This fish culture process includes capturing spawning pairs of salmon, fertilizing and incubating the eggs until they reach the stable "eyed egg" stage, and then planting them back into good spawning areas (October for chum, December for coho). This process allows us to greatly increase survival as well as to pick and choose good/underutilized spawning areas. In 2006 we chose to concentrate on Snake River chum and Anvil Creek coho salmon. We planned to take eggs from the Nome River, but with a delay in permitting and the strong early return, a full egg take was not feasible.

We met our egg take goals for chum and coho in 2006. The mist incubation portion of the project ran much more smoothly than in previous years and survival was high for both chum and coho (mortality less than ten percent in both cases). We got good reviews on



Salmon eggs procured for the Mist Incubation Project

the health of the eggs from Alaska Department of Fish & Game (ADF&G) Pathology who would not allow operations if there was significant disease. Otolith (ear bone) marking, used for identification of these incubated fish, also went quite well. We use variation in temperature to put marks on the bone of the embryonic fish as they grow. Mist incubation allows for very precise control of water temperature unlike traditional hatchery methods.

Because of our practices and goals we have been able to expand our project to the Solomon River in 2007. The city of Nome and some private landowners have approached NSFR&D to perform habitat rehabilitation on Anvil Creek and Solomon River. The data we have gathered on egg take locations is useful in determining where to plant eggs and in specifying the qualities for spawning habitat for construction of fish habitat.

Sockeye Salmon Rearing Research

During the last five years, the sockeye salmon returns to Salmon Lake have blossomed. Unfortunately the size of sockeye smolt leaving the lake has declined to the levels seen over ten years



Trying to find the best fish for egg takes

ago. Biologists believe this is a result of the juvenile salmon over-browsing the zooplankton in the lake. It has been shown that undersize smolt do not survive as well at sea as larger smolt. The ADF&G has recommended that lake fertilization be started again to help develop more plankton in the lake. NSFR&D and Kawerak Fisheries Staff combined forces to consider the possibility that juvenile sockeye could rear in the lower Pilgrim River or Imuruk Basin. We spent a week in March of 2006 measuring and mapping the available habitat. We found that salt water intruded well up the rivers and now do not believe that many juvenile sockeye could survive in this estuary during the winter. A rare winter storm surge may have biased the results of this study. The results would hold for the winter of 2005-06. Research on the rearing locations of sockeye continues during the summer of 2007.

R/V Pandalus

In April, NSEDC acquired the research vessel *Pandalus* from ADF&G. Under a cooperative agreement with ADF&G the vessel was brought to Norton Sound in July to conduct two trawl surveys. ADF&G conducted the Triennial Norton Sound Red King Crab Trawl



2006 Northern Bering Sea Trawl Survey – 5.5 inch blue king crab

Survey, and then NSEDC conducted the Northern Bering Sea Trawl Survey (west of the ADF&G work). The combination of the two comprises the most extensive survey work in the region since 1976.

Clean Waters Program

The NSEDC Clean Waters Program began with surveys of several rivers and beaches around Norton Sound. A test clean up was conducted with the Marine Conservation Alliance Foundation (MCAF) on beaches and flood plains in the Unalakleet area. The clean up was designed as a pilot project to check budgeting accuracy and timetables for cleaning areas. In eight days a crew of six removed 30 truck loads (NSSP flat bed) of debris from the beaches and

flood plan north of the Unalakleet River. This included 15 boats and 206 plus gillnets. The information from the pilot project is being used to plan more clean ups with MCAF in 2007.

Salmon Research/ Management

NSEDC began actively working on Eastern Norton Sound salmon stock assessment and research issues. Assessment of the Shaktoolik River for a location and method to count salmon was initiated in 2006. Salmon on the Shaktoolik River are currently managed using data from the Unalakleet River, and NSFR&D is moving forward on examining how accurate this method is and implementing better management tools.

NSFR&D also continued work with LGL Alaska Research Associates Alaska on Nome River juvenile coho studies. We're looking at how juvenile salmon utilize habitat, how many fish are actually needed to provide stable returns, and how well salmon survive in their time at sea. We are planning to expand this project to other river systems in the near future to provide for better management of coho stocks around the region.



2006 Northern Bering Sea Trawl Survey – catch at one of the stations

EDUCATION, EMPLOYMENT & TRAINING

EDUCATION

A record number of Norton Sound residents applied for the NSEDC Scholarship in 2006! For the year, the entire NSEDC Scholarship Fund was utilized, with the need to supplement the fund, with \$132,288.50 awarded in the first quarter to ninety-one residents (74 post-secondary & 17 vocational), \$19,635.00 in the second quarter (6 post-secondary & 9 vocational), \$170,445.54 in the third quarter (102 post-secondary & 19 vocational), and \$18,000.00 in the fourth quarter (3 post-secondary & 9 vocational). The NSEDC Board of Directors approved a NSEDC Scholarship Fund Supplement of \$81,369.04, in addition to the \$260,000.00 budgeted for this program. This was the highest level of scholarship awards from inception to date with \$341,369.04 awarded to one hundred and seventy-eight of our post-secondary and vocational education students. As our Norton Sound residents strive to improve their employable skills through education, the NSEDC Board of Directors, upon recommendation of the NSEDC Scholarship Committee, filled this monetary void to meet the educational need requests of our most important resource, in terms of economic development, our people.

EMPLOYMENT

Sixteen processors of Norton Sound, working on the *F/T Pacific Glacier*, brought home \$202,027.82 in crew share wages. Twelve processors, working on the *F/T Northern Glacier*, brought home \$137,713.60 in the first quarter of 2006. Five processors worked on the *F/V Norton*

2006 Employment Statistics

Management/Administrative		
NSEDC	5	\$314,523.58
NSSP	7	\$312,364.81
Total Management/Administrative		
	12	\$626,888.39
CDQ Pollock Related	53	\$959,668.44
NSSP Employment	114	\$396,881.82
Other NSEDC Employment Skippers, Deckhands, etc.	10	\$98,980.00
Other Fishing		
GFC-Longline	10	\$139,255.91
Icicle Seafoods	1	\$7,642.51
Norton Sound Salmon	60	\$485,822.21
Norton Sound Herring	32	\$43,333.40
NSEDC CDQ		
Red King Crab	8	\$37,111.50
YDFDA CDQ		
Red King Crab	10	\$33,521.50
O/A Norton Sound		
Red King Crab	27	\$945,917.75
O/A Norton Sound		
Winter Red King Crab	0	\$0.00
CDQ 4D/4E Halibut	7	\$125,159.35
Total Other Fishing	124	\$1,817,764.13
NSEDC Community Outreach Liaisons		
	13	\$75,000.00
Interns		
NSEDC Administration	6	\$19,565.51
NSEDC Salmon Rehab.	11	\$64,742.84
Alaska Dept. Fish & Game	12	\$61,784.58
Kawerak, Inc.	8	\$95,559.11
Native Village of Unalakleet	1	\$25,733.52
City of Koyuk	1	\$6,019.42
Total Interns	39	\$273,404.98
GRAND TOTAL	366	\$4,248,587.76

Sound bringing home \$39,396.26 in crew share wages. Two processors on the *F/V Glacier Bay* brought home \$14,385.44 in crew share wages. The total for the first quarter of 2006 was thirty five Norton Sound residents working with Glacier Fish Company bringing home \$393,523.15 in crew share wages.

One resident worked with Icicle Seafoods in Seattle bringing home \$7,642.51 in the second quarter of 2006 with a total of \$15,285.02 for the year.

Eighteen Norton Sound residents worked with Glacier Fish Company on the *F/T Pacific Glacier* during the second quarter bringing home \$125,183.21 in crew share wages, eight worked on the *F/V Northern Glacier* with \$42,266.08 in crew share wages, two on the *F/V Norton Sound* bringing home \$29,059.39. The cumulative total for the second quarter of 2006 was \$196,508.68 in Glacier Fish Company crew share wages.

During the third quarter, 20 residents worked on the *F/T Pacific Glacier*

Education & Training Statistics

	People	Expenditures
Scholarships		
Post-Secondary	124	\$250,046.50
Vocational	54	\$91,322.54
Fisheries Related Training	60	\$112,614.45
TOTAL	221	\$453,983.49

bringing home \$159,692.79, 15 residents worked on the *F/T Northern Glacier* bringing home \$104,022.12, and 3 residents worked on the *F/V Norton Sound* reflecting \$16,632.10 in crew share wages for a cumulative total for the quarter of \$280,547.01.

Twelve Norton Sound residents went out on the *F/V Pacific Glacier* bringing home \$127,681.47 in crew share wages during the fourth quarter.

Ten processors went out on the *F/T Northern Glacier* bringing home \$60,881.32, one resident working on the *F/V Norton Sound* bringing home \$29,880.47, and one resident working on the *F/V Glacier Bay* bringing home

\$9,902.55 in crew share wages.

This brought the cumulative total of crew share wages from Glacier Fish Company to \$228,325.51 in the fourth quarter of 2006, bringing the cumulative total of crew share wages to \$1,098,905.35 for the year. Since 1992 to 2006, the cumulative total of crew share wages from Glacier Fish Company is \$11,035,985.66 and \$11,087,720.81 from all seafood processing companies.

TRAINING

With nineteen people given the opportunity, during February 4-16, 2006, a Fisheries Safety Orientation Class was sponsored in Seward at the Alaska Vocational Technical Center with Vivian Washington and George K.I. Dan of Stebbins, Stanley Milligrock, Patrick Thomas, Jason Herdt, Rhonda Komok-Herd of Teller, Ronald Ivanoff and David Kotongan Jr. of Unalakleet, and Donald Oliver of Nome, successfully completing the training session with a total class expense of \$35,865.85. Each of our trainees must complete their employment documentation in Nome with a physical examination, hearing test, and negative drug screen urinalysis at the Norton Sound Health Corporation. Complying with the U.S. Coast Guard Zero Tolerance Law, they cannot consume alcohol during training and



Fire Training, part of the Fisheries Safety Orientation Class held at AVTEC in Seward, Alaska

employment. A picture identification of some sort and birth certificate or social security card are also required. Each trainee must successfully complete the ten day training course in order to be eligible to work with Glacier Fish Company in the Bering Sea or any other fish processing company on the high seas.

During April 23-May 4, 2006, another fisheries safety orientation class was put on at AVTEC in Seward with Ephraim Bouchan Jr., Dwayne Thrasher, Letia Martin, John Nashoanak, Adaline Pete, Vincent Mathias, and Cyrilene Mike of Stebbins, Morgan Annogiyuk of Savoonga, William Cooper and Justin Nanouk of Unalakleet, and Shane Iknokinok of Nome/Anchorage

successfully completing the class.

A CPR/First Aid Class, total cost \$1476.00, was held in Nome on April 22, 2006 at the Northwest College Campus. Adam P. Boeckmann, Adam K. Boeckmann, Howard L. Farley, Howard Farley, Julie Farley, Johnnie Noyakuk, Eric Osborne, Josh Osborne, Ross Outwater, Phillip Pryzmont, Crystal Taxac, and Robin Thomas completed the course.

Howard Appel of Nome completed the Marine Safety Instructor Training with AMSEA in Sitka, Alaska on September 18-26, 2006 with a class expense of \$2471.40.

From November 5-15, 2006, a Fisheries Safety Orientation Class was held

at AVTEC in Seward with thirteen residents given the opportunity for this training and nine successfully completing the class. Matthew Thomas, Susan Omiak, and Galen Pushruk of Teller, George Koontz of Stebbins, Alice Anawrok of Unalakleet/Anchorage, Christopher John of Unalakleet, Geoffrey Milligrock of Nome, Johnee Seetof of Brevig Mission, and John Prentice of Koyuk successfully completed the training program, thereby completing all documentation work necessary to work on the high seas processing pollock. The Fisheries Safety Orientation Class expense summary reflected \$37,931.47 spent for the class.

2006 BOAT RAMP PROJECTS

NSEDC proposed to construct boat ramps in the communities of Golovin, White Mountain, Koyuk and Elim in 2006. This program was introduced in 2005 to improve the efficiency and safety of launching and landing subsistence and commercial fishing vessels in the region. Each community had the option to accept a boat ramp project or use the allotted funds for a project that would lie within the program guidelines of improving efficiency and safety of vessel launching and landing.

The design of the boat ramps was inspired by the Unalakleet boat ramp that was constructed in 2001 at the dock. The boat ramps are constructed of sixty 12' long, 8" deep and 1' wide concrete planks, reinforced with epoxy coated rebar and connected by wire cable and fittings. The site of the boat ramp is selected by the community and once

constructed is owned and maintained by the respective municipality.

- The community of Golovin chose to have a boat ramp constructed on the north beach near the site of the floating dock. Construction was completed in September 2006.
- The community of White Mountain chose to purchase a fork lift, a boat trailer and to fix the beachfront. The fork lift was delivered in 2006 and the

boat trailer will be delivered in the summer of 2007.

- The community of Elim chose to have a boat ramp constructed at Moses Point located near the site of a previous boat ramp. Construction was completed in September 2006.
- The community of Koyuk chose to purchase a CAT 960F Wheel Loader that will be delivered to Koyuk in the summer of 2007.



Front end loader purchased in lieu of boat ramp for Koyuk



NSEDC 2006 FISHERWOMAN SPOTLIGHT

Patti Dill Unalakleet, Alaska

Patti Dill, a NSEDC commercial fisherwoman, was born in Anchorage and raised in Unalakleet. She is the mother of four children: Nikki is her oldest at twenty, Jenny is sixteen, Hunter is twelve and her youngest, named Fisher, is seven. Hunter went fishing with his mom for the first time last year.

Patti started her fishing career with her grandpa at the early age of 12. Since then she has crabbed and fished herring and salmon. She prefers herring fishing because it is the shortest season and you stay busy the entire time. Her boat is named the *Nikki D.*

The most memorable experience throughout Patti's years of fishing is from her rookie year when she swamped her salmon boat. This happened when she and her crew decided to stay with their net and awoke to large swells. They tried pulling the beach line in and wound up dragging the anchor. The boat eventually beached

and they were unable to push it out. Since then it has been "smoother sailing".

When asked how the fisheries have changed, Patti says that there has not been a dedicated king salmon fishery for several years and the prices for fish have gone down, making it difficult when the price of gasoline and equipment have gone up. Despite the \$50 per ton price, Patti's best

season was when her boat caught well over 100 tons of herring.

Patti feels NSEDC has contributed to the Norton Sound fisheries by being the only salmon and herring buyer the past few years. She encourages other women to fish, jokingly adding that the men can stay home and raise the kids. We thank Patti for her participation in the Norton Sound fisheries.





NSEDC 2006 FISHERMAN SPOTLIGHT

Jory Peterson Golovin, Alaska

Young, driven and has a bright future – this description perfectly fits Jory Peterson, a successful fisherman out of Golovin, Alaska. His parents are Dean and Ruth Peterson. He has two brothers, Jason 24 and John 13. Eva Wilson is his paternal Grandmother and Floyd and Alice Fagerstrom are his maternal Grandparents.

Jory started fishing while he was still in high school with Paul Johnson from Unalakleet. Since then, with a loan from NSEDC, he has purchased his own fishing vessel, the “Solid Gold”. As Captain, Jory’s most exciting haul was his delivery of 6,002 pounds of red king crab.

In the short time that Jory has been commercially fishing he has noticed a significant increase in the number of vessels. He has

also noticed a movement for fishermen in the Norton Sound to be more involved and better understand management’s decisions.

When asked how NSEDC has contributed to the fishery, Jory said NSEDC has made his participation in the fishery possible. “They’ve provided the loan to purchase my vessel and gear and they’ve provided a plant

to deliver my catch to”.

Our last question for Jory was for him to describe his best season. Since he is only starting his career, he answered with what was probably his most memorable, “I’ve only been a captain for two years so I can’t really answer that question, but an experience etched in my mind is burning my hand on a flare. Operating

a vessel with one hand bandaged and the other with broken fingers was challenging. The whole experience reinforced the importance of safety for me.” We look forward to many more safe deliveries and thank Jory for his participation.



REVOLVING LOAN PROGRAM

Since 1993, NSEDC has assisted many local fishermen in participating more competitively in the Norton Sound commercial fisheries including the herring, salmon, red king crab, halibut, and baitfish.

NSEDC offers low interest, minimal down payment loans to local residents for vessel and equipment upgrades and for purchasing fishing gear, outboard motors, Norton Sound Salmon Permits, Lower Yukon Salmon Permits, Norton Sound Herring Permits, and Norton Sound Red King Crab License Limitation Program (LLP) Permits.

Terms:

- ✦ \$16,000 maximum for permit holders
- ✦ 7-year payback/5-year payback for outboards
- ✦ 10% down payment & 8% interest rate per annum
- ✦ Credit check and 90 day delinquency limit

In 2006, NSEDC made twenty-five loans in the sum of \$204,898.25 to local residents in the communities of Elim, Nome, Shaktoolik, St. Michael, Stebbins and Unalakleet.

Large Vessel Loan Option

The Large Vessel Loan Option provides further assistance to local fishermen in acquiring suitable vessels and vessel re-powers for participation in the Norton Sound red king crab and 4D/4E halibut commercial

fisheries. NSEDC designed the Large Vessel Loan Option to maximize benefits to the fishermen at a minimal cost to them. This Option was introduced in 2001 and is still available as funds are repaid back into the program.

Terms:

- ✦ \$80,000 maximum for LLP Permit holders
- ✦ \$55,000 maximum for non LLP Permit holders
- ✦ 5% minimum down payment
- ✦ 0% interest for first 3 years
- ✦ 2% interest commencing in 4th year of loan
- ✦ Credit check and 90 day delinquency limit

In 2006, NSEDC made four Large Vessel Loans in the sum of \$168,875.64 to local commercial fishermen of Elim, Nome and Shaktoolik.

2006 REVOLVING LOANS

Community	Loan Amount
Elim	\$7,295.00
Nome	\$31,724.68
Shaktoolik	\$74,275.64
St. Michael	\$14,937.95
Stebbins	\$9,845.20
Unalakleet	\$66,819.78
TOTAL	\$204,898.25

Large Vessel

Community	Loan Amount
Elim	\$7,600.00
Nome	\$71,645.33
Shaktoolik	\$89,630.31
TOTAL	\$168,875.64

GRAND TOTAL \$373,773.89



Boats docking at the Nome Small Boat Harbor

2006 NSEDC BOARD OF DIRECTORS



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DIOMEDE



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ELIM



Gilbert Ungott
GAMBELL



Dean Peterson
GOLOVIN



Elvina Naranjo
KOYUK



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NOME



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ST. MICHAEL



Truman Kava
SAVOONGA



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Wilfred Katcheak
STEBBINS



Norman Menadelook
TELLER



Paul Johnson
UNALAKLEET



Luther Komonaseak
WALES



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WHITE MOUNTAIN



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Katie Peterson
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Accountant

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Administrative Assistant

NSFR&D • Nome

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NSFR&D Director

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Wes Jones
Fisheries Biologist

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NSSP General Manager

Josh Osborne
NSSC Plant Manager

Richard Ferry
Facilities Engineer

Crystal Taxac
Office Manager

Ross Outwater
NSSC Retail

William Johnson
Unalakleet Plant Manager

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Johnee Seetot
Brevig Mission

Etta Menadelook
Diomede

Emily Murray
Elim

Shirley Antogham
Gambell

Sherri Lewis-Amaktoolik
Golovin

Ruby Nassuk
Koyuk

NSSC
Nome

Shirley Martin
St. Michael

Charlotte Kava
Savoonga

Reuben Paniptchuk
Shaktoolik

Atha Foxie
Stebbins

Sarah Okbaok
Teller

EET Office
Unalakleet

Joanne Keyes
Wales

Davis Lincoln
White Mountain

NSEDC 2006 COMMUNITY HIGHLIGHTS

Brevig Mission

- ♦ Walter Seetot served as Board Member
- ♦ Johnee Seetot served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 2 residents
- ♦ 1 resident was certified in Fisheries Safety Orientation Training under the EET Program
- ♦ NSEDC contributed \$3,000 to the Brevig Mission Little Huskies for their Little Dribblers Program
- ♦ GFC employed 1 resident on board the *F/V Northern Glacier & F/V Glacier Bay*

Diomedea

- ♦ Mary Menadelook served as Board Member
- ♦ Etta Menadelook served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 1 resident
- ♦ NSEDC contributed \$3,000 to the Diomedea Dribblers for their Little Dribblers Program

Elim

- ♦ Charles Saccheus Sr. served as Board Member
- ♦ Emily Murray served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 4 residents
- ♦ 2 residents completed internships with ADF&G sponsored by NSEDC
- ♦ 1 local fisherman participated in the Norton Sound salmon fishery
- ♦ 2 local fishermen participated in the Norton Sound herring fishery
- ♦ NSEDC contributed \$3,000 to the Aniguiin School for their Little Dribblers Program
- ♦ GFC employed 2 resident on board *F/V Northern Glacier*
- ♦ GFC employed 1 residents on board *F/V Glacier Bay*
- ♦ NSEDC contributed \$92,288 to the City of Elim for a boat ramp project
- ♦ City of Elim participated in the 2006 Consolidated Bulk Fuel Program

Gambell

- ♦ Gilbert Ungott served as Board Member

- ♦ Shirley Antogham served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 2 residents
- ♦ 1 resident completed an administrative internship sponsored by NSEDC
- ♦ NSEDC contributed \$3,000 to the Gambell School for their Little Dribblers Program
- ♦ City of Gambell participated in the 2006 Consolidated Bulk Fuel Program

Golovin

- ♦ Dean Peterson served as Board Member
- ♦ Sherri Lewis served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 3 residents
- ♦ 1 local fisherman participated in the Open Access Norton sound red king crab fishery
- ♦ NSEDC contributed \$3,000 to the Golovin Lynx for their Little Dribblers Program
- ♦ NSEDC contributed \$87,433 to the City of Golovin for a boat ramp project

Koyuk

- ♦ Elvina Naranjo served as Board Member
- ♦ Ruby Nassuk served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 3 residents
- ♦ 1 resident completed an internship with the City of Koyuk sponsored by NSEDC
- ♦ 1 resident was certified in Fisheries Safety Orientation Training under the EET Program
- ♦ NSEDC contributed \$3,000 to the Koyuk Malemute School for their Little Dribblers Program
- ♦ GFC employed 1 resident on board *F/V Pacific Glacier*
- ♦ NSEDC contributed \$75,000 to the City of Koyuk for a front-end loader in lieu of the Boat Ramp Project
- ♦ City of Koyuk participated in the 2006 Consolidated Bulk Fuel Program
- ♦ Koyuk Native Corporation participated in the 2006 Consolidated Bulk Fuel Program

Nome

- ♦ Don Stiles served as Board Member

- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 83 residents
- ♦ 3 residents were certified in Fisheries Safety Orientation Training under the EET Program
- ♦ 1 resident was certified in Marine Safety Instructor Training under the EET Program
- ♦ 11 residents were certified in a CPR/First Aid Class under the EET Program
- ♦ 21 residents completed internships with ADF&G, Kawerak, and NSFR&D sponsored by NSEDC
- ♦ 6 local fishermen participated in the 4D/4E CDQ Norton Sound halibut fishery
- ♦ 4 local fishermen participated in the NSEDC CDQ Norton Sound red king crab fishery
- ♦ 5 local fishermen participated in the YDFDA CDQ Norton Sound red king crab fishery
- ♦ 14 local fishermen participated in the Open Access Norton sound red king crab fishery
- ♦ GFC employed 3 residents on board *F/V Pacific Glacier*
- ♦ GFC employed 1 resident on board *F/V Northern Glacier*
- ♦ GFC employed 2 residents on board *F/V Norton Sound*
- ♦ NSEDC contributed \$1,200 to the Junior High Boys Basketball Program; \$1,200 to the Junior High Girls Basketball Program and \$1,266 to the Nome Pee Wee Basketball Program for their Little Dribblers Program
- ♦ NSEDC contributed \$31,650 to Norton Sound Health Corporation for the Injury Prevention Program
- ♦ NSEDC contributed \$22,000 to Norton Sound Heath Corporation for the Tribal Healer Program
- ♦ NSEDC contributed \$11,535 to Alaska Department of Fish & Game for the Salmon Lake sockeye salmon restoration program
- ♦ NSEDC contributed \$118,772 to Eric Osborne & UAF for a Nome-bases Marine Advisory Program agent
- ♦ NSEDC contributed \$19,058 to Kawerak, Inc. for the Escapement Goal Discussions Technical Advisor
- ♦ NSEDC contributed \$4,900 to Nome Public Schools for a Classroom Salmon Incubation Demonstration

St. Michael

- ♦ Victor Joe served as Board Member
- ♦ Shirley Martin served as Community Outreach Liaison

- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 2 residents
- ♦ 2 local fishermen participated in the Norton Sound herring fishery
- ♦ 1 resident was certified in Fisheries Safety Orientation Training under the EET Program
- ♦ NSEDC contributed \$3,000 to the SMK Little Dribblers/Jr. Storm for their Little Dribblers Program
- ♦ GFC employed 1 resident on board *F/V Pacific Glacier*

Savoonga

- ♦ Sam Mokiyyuk served as Board Member
- ♦ Charlotte Kava served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 4 residents
- ♦ 1 resident was certified in Fisheries Safety Orientation Training under the EET Program
- ♦ NSEDC contributed \$3,000 to the Savoonga Husky Pups for their Little Dribblers Program
- ♦ GFC employed 1 resident on board *F/V Norton Sound*
- ♦ City of Savoonga participated in the 2006 Consolidated Bulk Fuel Program

Shaktoolik

- ♦ Harvey Sookiayak served as Board Member
- ♦ Reuben Paniptchuk served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 4 residents
- ♦ 1 resident completed an administrative internship sponsored by NSEDC
- ♦ GFC employed 1 resident on board *F/V Northern Glacier & F/V Norton Sound*
- ♦ 3 local fishermen participated in the NSEDC CDQ Norton Sound red king crab fishery
- ♦ 3 local fishermen participated in the YDFDA CDQ Norton Sound red king crab fishery
- ♦ 6 local fishermen participated in the Open Access Norton sound red king crab fishery
- ♦ 22 local fishermen participated in the Norton Sound salmon fishery
- ♦ 18 local fishermen participated in the Norton Sound herring fishery
- ♦ NSEDC contributed \$3,000 to the Shaktoolik Elementary Basketball Dribblers for their Little Dribblers Program
- ♦ City of Shaktoolik participated in the 2006 Consolidated Bulk Fuel Program

- ♦ Shaktoolik Native Corporation participated in the 2006 Consolidated Bulk Fuel Program

Stebbins

- ♦ Wilfred Katcheak served as Board Member
- ♦ Atha Foxie served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 8 residents
- ♦ 9 residents were certified in Fisheries Safety Orientation Training under the EET Program
- ♦ NSEDC contributed \$3,000 to the Stebbins Snow Owls and the Stebbins White Owls for their Little Dribblers Program
- ♦ GFC employed 9 residents on board *F/V Pacific Glacier & F/V Northern Glacier*
- ♦ City of Stebbins participated in the 2006 Consolidated Bulk Fuel Program

Teller

- ♦ Joseph Garnie served as Board Member
- ♦ Sarah Okbaok served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 3 residents
- ♦ 7 residents were certified in Fisheries Safety Orientation Training under the EET Program
- ♦ NSEDC contributed \$3,000 to the Teller School for their Little Dribblers Program
- ♦ GFC employed 2 residents on board *F/V Pacific Glacier*
- ♦ GFC employed 3 residents on board *F/V Northern Glacier*

Unalakleet

- ♦ Paul Johnson served as Board Member
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 44 residents
- ♦ 6 residents were certified in Fisheries Safety Orientation Training under the EET Program
- ♦ 7 residents completed internships with NSEDC, NSFR&D, Kawerak, & Native Village of Unalakleet/NSSP sponsored by NSEDC
- ♦ NSEDC contributed \$3,000 the Unalakleet Wolf Pups for their Little Dribblers Program
- ♦ GFC employed 3 residents on board *F/V Northern Glacier*
- ♦ GFC employed 1 resident on board *F/V Pacific Glacier & F/V Norton Sound*
- ♦ Icicle Seafoods employed 1 resident
- ♦ 1 local fisherman participated in the YDFDA

- CDQ Norton Sound red king crab fishery
- ♦ 4 local fishermen participated in the Open Access Norton sound red king crab fishery
- ♦ 38 local fishermen participated in the Norton Sound salmon fishery
- ♦ 10 local fishermen participated in the Norton Sound herring fishery
- ♦ City of Unalakleet participated in the 2006 Consolidated Bulk Fuel Program
- ♦ NSEDC contributed \$30,000 to the Native Village of Unalakleet for an addition to the Aaron Paneok & Myles Gonangnan Memorial Hall
- ♦ NSEDC contributed \$30,000 to Unalakleet Schools for a Rural Student Coordinator

Wales

- ♦ Frank Oxereok served as Board Member
- ♦ Joanne Keyes served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 1 resident
- ♦ NSEDC contributed \$3,000 to the Wales Seawolf Jammers for their Little Dribblers Program

White Mountain

- ♦ Dan Harrelson served as Board Member
- ♦ Davis Lincoln served as Community Outreach Liaison
- ♦ Received \$100,000 Community Benefit Share
- ♦ NSEDC awarded academic scholarships to 10 residents
- ♦ 2 resident completed internships with NSEDC and ADF&G sponsored by NSEDC
- ♦ 1 resident was certified in a CPR/First Aid Class under the EET Program
- ♦ 1 local fisherman participated in the 4D/4E CDQ Norton Sound halibut fishery
- ♦ 1 local fisherman participated in the NSEDC CDQ Norton Sound red king crab fishery
- ♦ 1 local fisherman participated in the YDFDA CDQ Norton Sound red king crab fishery
- ♦ 1 local fisherman participated in the Open Access Norton sound red king crab fishery
- ♦ NSEDC contributed \$3,000 to the White Mountain Wolf Pups for their Little Dribblers Program
- ♦ NSEDC contributed \$91,539 to the City of White Mountain for lumber production equipment
- ♦ NSEDC contributed \$120,000 to the City of White Mountain for the purchase of a new forklift and fixing the beachfront in lieu of the Boat Ramp Project



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Fax: (907) 274-2249
Website: www.nsedc.com

Norton Sound Economic Development Corporation

Education, Training & Employment Office
P.O. Box 193
Unalakleet, AK 99684
Phone: (907) 624-3190 or (800) 385-3190
Fax: (907) 624-3183

Norton Sound Seafood Products

P.O. Box 323
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Norton Sound Seafood Center

P. O. Box 906
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