

FOR DISTRIBUTION

**2011 FIRST QUARTER REPORT**  
January 1 – March 31, 2011



**NORTON SOUND ECONOMIC  
DEVELOPMENT CORPORATION**

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## I. Quarterly Highlights

- The NSEDC Board of Directors held its 2010 fourth quarter meetings in Nome, Alaska January 27 – 28, 2011.
- A NSEDC community representative election was held in Shaktoolik. Eugene Asicksik was elected and sworn in at the 2010 fourth quarter meetings in Nome.
- One hundred seventy-three residents were awarded scholarships totaling \$341,833.
- A total of 19 residents of NSEDC member communities (14) and other Alaska communities (5) worked on the *F/V Pacific Glacier* and the *F/V Alaska Ocean* earning a total of \$181,581.29 in wages.
- Three fishermen delivered 5,134 pounds of open access winter crab to NSSP during the quarter, receiving a total of \$17,333.40 for their harvests.
- Three fishermen delivered 2,489 pounds of miscellaneous finfish (tom cod and sheefish) to NSSP during the quarter receiving a total of \$2,908 for their harvests.
- Twenty-seven residents took a NSEDC-sponsored driver's permit class in Savoonga in February under the direction of UAF Northwest Campus instructor Mike Rutledge.
- Ten residents took a NSEDC-sponsored Off-system Class B commercial driver's license class in Gambell in February.
- Sixteen residents of Wales participated in an NSEDC-sponsored Inupiaq language class during the first quarter of 2011.
- NSEDC sponsored two residents (one from Nome, one from Golovin) participated in an onboard marine refrigeration workshop in Anchorage on March 30.
- During the first quarter of 2011, the following training opportunities were being developed: Skin sewing class in Brevig Mission; Inupiaq language course in Unalakleet; Net hanging class in Golovin.
- Crowley was selected as the fuel provider for the 2011 bulk fuel program. For the 2011 program, 23 participants have nearly 1.06 million gallons of diesel No. 1 and 390,000 gallons of unleaded gasoline ordered.
- In January, Reese Huhta came on as the Southern NSSP Operations Manager. Reese will be based in Unalakleet.
- In January, Dennis Bahnke was hired as the NSSP Facilities Refrigeration Engineer. Dennis will be based in Nome.
- In February, Tyler Rhodes was hired as Communications Director. Tyler will be working at the NSEDC offices in Nome.
- In March, Tiffany Martinson was hired as HR Director. Tiffany will be working at the NSEDC offices in Nome.
- Frank Doty was promoted to Assistant Manager of the Southern NSSP plant in Unalakleet during the first quarter of 2011.
- Heather Karmun returned to work for NSEDC as an accountant in the Anchorage office.

- NSEDC sponsored a Driver's Permit Workshop in Savoonga.
- NSEDC sponsored an Inupiaq language class in Wales and is preparing for one in Unalakleet.

## Outreach

NSEDC management and staff performed a number of outreach projects/activities during the fourth quarter.

- The NSEDC Board of Directors held its 2010 first quarter meetings in Nome January 28 – 29, 2011; these meetings were open to the public.
- NSEDC Board of Directors notified residents of the 2010 fourth quarter meetings by placing an ad in *The Nome Nugget*.
- NSEDC Employment, Education and Training staff travelled to Nome for the UAF Northwest Campus College Goal Sunday event Jan. 30, 2011.
- NSEDC Employment, Education and Training staff traveled to Nome to represent NSEDC at the Nome-Beltz High School career fair Feb. 9, 2011.
- NSEDC produced a long feature story published in *The Nome Nugget* detailing NSFR&D staff helping first- and second-graders with a salmon rearing project.
- NSEDC/Siu Alaska disseminated a press release announcing Siu's purchase of Wards Cove's fishing assets along with CVRF. The release was picked up by several media outlets. NSEDC also had a letter to the editor published in the Dutch Harbor Fisherman to correct inaccuracies in its March 21 coverage of the transaction.
- NSEDC/NSSP provided 600 pounds of Norton Sound red king crab and 400 pounds of Norton Sound halibut for the 2011 Iditarod Awards Banquet in March in Nome. NSEDC's participation was announced statewide with a release to the media.
- Four of the six 2010 NSEDC Small Business Initiative winners presented their businesses at the 2010 Bering Strait Regional Conference in Nome.
- NSEDC placed seven newspaper advertisements in *The Nome Nugget* during the quarter (ads appeared in a total of 13 issues). Advertisements were also placed in the Local Pages phone book, the program for the Dimond Prep Shootout basketball tournament, and a sports booster poster for the Bering Strait School District.
- NSEDC had radio spots produced for KICY, KNOM and KNSA to congratulate players, coaches and parents on finishing the basketball season, and to wish good luck to teams competing at the state tournament.
- Norton Sound Seafood Products produced vinyl posters to advertise its products to Iditarod visitors to Nome.

- NSEDC's NSFR&D staff in Unalakleet aided in two search and rescue operations.
- NSEDC's NSFR&D staff in Nome worked with two classrooms at Nome Elementary school to aid their Salmon in the Classroom project. The staff also led white fish dissections in the first- and second-grade classrooms.
- NSEDC NSFR&D biologist Kevin Keith gave a talk to Northwest Alaska Career and Technical Center students about careers in fisheries and working as a fisheries biologist.
- NSEDC's NSFR&D staff attended the Marine Science Symposium in Anchorage in January.
- NSEDC's NSFR&D staff held a community meeting in Koyuk to discuss plans for the Iglutalik salmon counting tower.
- NSEDC's NSFR&D staff attended a Golovin Bay Watershed Council meeting in White Mountain in mid-March.
- NSEDC continued to update the organization's web site ([www.nsedc.com](http://www.nsedc.com)) from which constituents can access quarterly reports, newsletters, applications, and information regarding opportunities with NSEDC. Press releases have been added to the home page and a news page has been developed.
- NSEDC has Community Outreach Liaisons in thirteen of its member communities with Community Benefits Director Paul Ivanoff III serving Unalakleet and Community Development Coordinator Roy Ashenfelter serving Nome. The NSEDC liaisons are sent informational fliers, applications, and other information to circulate within their communities.

**A. Employment**

**EMPLOYMENT DATA FORM  
March 31, 2011**

Table 1  
EMPLOYMENT DATA FORM  
March 31, 2011

	Q1		Q2		Q3		Q4		Year-to-Date	
	People	Wages	People	Wages	People	Wages	People	Wages	People	Wages
<b>Management/Administrative</b>										
NSEDC - In-region	12	\$ 198,241.93						\$		198,241.93
NSEDC - Anchorage	13	\$ 233,478.91						\$		233,478.91
NSSP - In-region	6	\$ 54,558.39						\$		54,558.39
<b>Total Management/Administrative</b>	<b>31</b>	<b>\$ 486,279.23</b>						<b>\$</b>		<b>486,279.23</b>
<b>CDQ Pollock Related</b>	<b>14</b>	<b>\$ 130,068.55</b>						<b>\$</b>		<b>130,068.55</b>
<b>Total NSSP Employment</b>	<b>13</b>	<b>\$ 10,702.61</b>						<b>\$</b>		<b>10,702.61</b>
<b>Other NSEDC Employment</b>										
Skippers, Deckhands, Shoreside, etc.	2	\$ 44,497.50						\$		44,497.50
<b>Total Other NSEDC Employment</b>	<b>2</b>	<b>\$ 44,497.50</b>						<b>\$</b>		<b>44,497.50</b>
<b>Other Fishing</b>										
GFC - Longline	0	\$ -						\$		-
Aleutian No. 1	1	\$ 29,700.00						\$		29,700.00
O/A Norton Sound Winter Red King Crab	3	\$ 17,333.40						\$		17,333.40
Sheefish / Tomcod	3	\$ 2,908.00						\$		
O/A Norton Sound Red King Crab	0	\$ -						\$		-
CDQ Red King Crab	0	\$ -						\$		-
Norton Sound Salmon	0	\$ -						\$		-
Norton Sound Herring	0	\$ -						\$		-
NSEDC CDQ Halibut	0	\$ -						\$		-
<b>Total Other Fishing</b>	<b>7</b>	<b>\$ 49,941.40</b>						<b>\$</b>		<b>49,941.40</b>
<b>NSEDC Community Outreach Liaisons</b>	<b>13</b>	<b>\$ 19,500.00</b>						<b>\$</b>		<b>19,500.00</b>
<b>Interns</b>										
NSEDC Administration	1	\$ 215.67						\$		215.67
NSEDC Salmon Rehab.	0	\$ -						\$		-
Alaska Dept. of Fish & Game	0	\$ -						\$		-
Fisheries Development	1	\$ 353.35						\$		353.35
<b>Total Interns</b>	<b>2</b>	<b>\$ 569.02</b>						<b>\$</b>		<b>569.02</b>
<b>GRAND TOTALS</b>	<b>82</b>	<b>\$ 722,058.31</b>						<b>\$</b>		<b>741,558.31</b>
<b>NSEDC =</b>	<b>42</b>	<b>\$ 496,287.36</b>						<b>\$</b>		<b>496,287.36</b>
<b>NSSP =</b>	<b>25</b>	<b>\$ 85,502.40</b>						<b>\$</b>		<b>85,502.40</b>
<b>Partners =</b>	<b>15</b>	<b>\$ 159,768.55</b>						<b>\$</b>		<b>159,768.55</b>

## **Employment Summary**

**Management/Administrative** – Eighteen employees were employed by NSEDC/NSSP at various offices in the region and thirteen employees were employed at the administrative offices in Anchorage during the quarter.

**CDQ Pollock** – Glacier Fish Company paid wages to fourteen residents of NSEDC member communities and to five residents with ties to the region or from neighboring communities who were employed aboard the *F/V Pacific Glacier* and the *F/V Alaska Ocean* during the quarter.

Community Breakdown:      8 employees from Unalakleet  
                                         1 employee from Shaktoolik  
                                         3 employees from Stebbins  
                                         1 employee from St. Michael  
                                         1 employee from Nome  
*From non-member communities:*  
                                         1 employee from Emmonak  
                                         3 employees from Kaltag  
                                         1 employee from Anchorage who is  
                                         originally from Unalakleet

**NSSP Employment** – Thirteen residents of Norton Sound communities were employed during the quarter.

**Community Breakdown:**    7 employees from Unalakleet  
                                         5 employees from Nome  
                                         1 employee from Anchorage

**Other NSEDC Employment** – Two residents of Norton Sound or other communities were employed during the quarter.

**Community Breakdown:**    2 employees from Nome

**Other Fishing** – Three fishermen delivered 5,134 pounds of open access winter crab to NSSP during the quarter.

**Community Breakdown:**    2 fishermen from Nome  
                                         1 fisherman from Elim

Three fishermen delivered 2,489 pounds of miscellaneous finfish (tom cod and sheefish) to NSSP during the quarter.

**Community Breakdown:**    1 fisherman from Kotzebue (sheefish)  
                                         2 fishermen from Unalakleet (tom cod)

**NSEDC Community Outreach Liaisons** – Thirteen residents held liaison positions during the quarter.

**Community Breakdown:**

- 1 liaison from St. Michael
- 1 liaison from Stebbins
- 1 liaison from Shaktoolik
- 1 liaison from Koyuk
- 1 liaison from White Mountain
- 1 liaison from Brevig Mission
- 1 liaison from Teller
- 1 liaison from Wales
- 1 liaison from Diomede
- 1 liaison from Savoonga
- 1 liaison from Gambell
- 1 liaison from Elim
- 1 liaison from Golovin

**Interns** – There were two internship positions sponsored by NSEDC during the quarter.

**Community Breakdown:**

- 1 intern from Anchorage
- 1 intern from Nome



**Training Data Form**

**Table 2  
TRAINING DATA FORM  
January 1 through March 31, 2011**

	Quarter		Year-to-Date	
	People	Expenditures	People	Expenditures
<b>Scholarships</b>				
Post-Secondary	143	\$281,833.00	143	\$281,833.00
Vocational	30	\$60,000.00	30	\$60,000.00
<b>Voc-Tech</b>				
Basic	0	\$0.00	0	\$0.00
Advanced	0	\$0.00	0	\$0.00
<b>Other Training</b>				
Fisheries Related	2	\$2,236.00	2	\$2,236.00
CDQ Staff	0	\$0.00	0	\$0.00
CDQ Board	0	\$0.00	0	\$0.00
Other	53	\$16,647.77	53	\$16,647.77
<b>TOTAL</b>	<b>228</b>	<b>\$360,716.77</b>	<b>228</b>	<b>\$360,716.77</b>

**Training Summary**

One hundred seventy-three students received funding for post-secondary and vocational education in the first quarter. Residents of Nome and Golovin traveled to Anchorage for an Onboard Marine Refrigeration Workshop. The Northern NSSP Facilities Refrigeration Engineer started training at Refrigeration School Inc. this quarter and will finish during the second quarter. Twenty-seven Savoonga residents participated in a Driver's Permit Class. Ten Gambell residents participated in an Off System Class B Commercial Driver's License Course. Sixteen Wales residents participated in the Wales Eskimo language class. An instructor for a Unalakleet Eskimo language class will attend a Inupiaq instructional class at the Northwest Campus in Nome before teaching the class in Unalakleet. A net hanging class is in the works for Golovin. A sewing class is being prepared for Brevig Mission with 10 students signed up as of the end of the first quarter.

## **I. Administration**

### **A. Board Activities**

#### **Board of Director Meetings**

The NSEDC Board of Directors held its 2010 fourth quarter meetings in Nome, Alaska, January 28 – 29, 2011.

Board members Oscar Takak, Victor Joe and Elvina Naranjo attended the North Pacific Fisheries Management Council Meeting in Seattle in early February to follow the council's deliberations on chum salmon bycatch.

## **Substantial Decisions**

A number of items and proposals were reviewed and approved by the NSEDC Board of Directors (Board) during the first quarter including:

- The Board reviewed and approved a three percent (3%) cost of living increase to permanent, full-time staff salaries and wages.
- The Board adopted Corporate Resolution 11-01 authorizing an additional three percent (3%) contribution to NSEDC's Employee 401(k) Plan under Group B.
- The Board approved the engagement of Altman & Rogers to perform NSEDCs 2010 independent audit.
- The Board authorized a budget amendment to include funding for an Administrative Assistant position in the NSEDC Nome office.
- Eugene Asicksik was sworn in as Shaktoolik's elected member representative to the NSEDC Board.
- The Board approved an amendment to the NSEDC Bylaws which designates NSEDC as an entity eligible to conduct Board representative elections in the event a municipality, city, or village of a member community is not able to hold the election.
- The Board reviewed and gave first approval to revisions to WACDA Panel Rules pertaining to Decennial Review Standards, Community Development Plans, and the Annual Report Rule as presented by staff.
- The Board re-elected Dan Harrelson as Chairman, elected William Johnson as Vice Chairman and Don Stiles as Sergeant at Arms. Janis Ivanoff was elected President, Simon Kinneen as Vice President, Rick Walicki as Treasurer, and Jerry Ivanoff as Secretary.

## **II. Harvesting Report**

### **A. CDQ Harvest Management**

During the first quarter of 2011 NSEDC conducted a number of CDQ fishing activities including the directed harvest of pollock, Pacific cod, Atka mackerel/Pacific Ocean Perch, Yellowfin sole, Rock sole, and Bering Sea opilio crab.

#### **Pollock**

Glacier Fish Co. completed the harvest of A (roe) season NSEDC pollock during the first quarter, harvesting 11,185 metric tons of pollock (40%),

leaving 16 metric tons that will rollover into the B season. The F/T *Pacific Glacier* completed six trips; the F/T *Alaska Ocean* completed three trips.

Block prices are down 10-12% due to influx of Russian pollock. The roe auction was postponed until April 15th due to the earthquake and tsunami in Japan.

### **Pacific Cod**

NSEDC contracted with Alaskan Leader Fisheries to harvest 1,035 metric tons of Pacific cod in the first quarter (47% of the A season allocation) using the F/V *Bristol Leader* and F/V *Alaskan Leader*. The harvest experienced very low bycatch (highest was Flathead sole at a rate of 0.3%).

The B season begins June 10. Prices are up slightly from the B season of 2010.

### **Atka Mackerel/Pacific Ocean Perch**

The F/V *Seafreeze Alaska* owned and operated by US Seafoods harvested 285 metric tons (47%) of NSEDC's CDQ Atka mackerel in the Eastern Aleutian Islands management area 541. Bycatch in this fishery was minimal.

Atka mackerel total allowable catch (TAC) is down significantly this year due to Steller sea lion closures in the Western Aleutian Islands management area (543) and restrictions in the Central Aleutian Islands management area (542).

### **Yellowfin Sole, Flathead Sole and Rock Sole**

Glacier Fish Co. began a new flatfish project this year with quota from a "pool" of four CDQ groups, including NSEDC, YDFDA, CVRF and CBSFA.

The F/T *Northern Glacier* started fishing Feb. 17 and completed two trips in the first quarter, harvesting 30% of the Yellowfin sole and 9% of the Rock sole allocations. The *NG* experienced high bycatch in Rock sole in the first trip so they moved to Yellowfin sole.

Flatfish prices have improved this year.

### **Sablefish**

There was no directed harvest of CDQ sablefish in the first quarter.

NSEDC's harvest partners and vessels are the same as in 2010:

- HAT, LLC to harvest 144,512 pounds with the F/V *Cynosure* in the Aleutian Islands
- Arctic Packer, LLC to harvest 113,096 pounds using F/V *Ballyhoo* in the Bering Sea.

### **Halibut**

There was no directed harvest of CDQ halibut in the first quarter. NSEDC's CDQ allocation for 2011 is 152,100 pounds (up 4% from 2010).

### **Bering Sea Opilio Crab**

The F/V *Ramblin Rose* (Diamondback Seafoods) delivered 272,058 pounds to Bering Fisheries. The F/V *Bering Sea* (Coastal Villages Crab) harvested 285,000 pounds. The F/V *Aleutian No. 1* (Siu Alaska) was still fishing opilio at the close of the first quarter. They delivered about 230,000 pounds to Bering Fisheries in early April and had 190,000 pounds remaining to complete our opilio harvest.

Prices remain stable at above \$2.00/pound, ex-vessel.

## **B. IFQ Harvest Management**

During the first quarter, NSEDC managed fishing operations and harvest of individual fishing quotas (IFQs) in the Aleutian Islands golden king crab and Bering Sea opilio crab fisheries.

### **Sablefish**

There was no directed harvest of IFQ sablefish in the first quarter. The season opened March 12 but fishing will not begin until mid-April. Prices are very strong at more than \$8/pound for large sizes.

NSEDC's harvest partners and vessels are the same as in 2010:

- HAT, LLC to harvest 45,099 pounds in the Aleutian Islands and 2,066 pounds in the Bering Sea
- Clipper Seafoods to harvest 46,599 pounds in the Western Gulf of Alaska and 32,000 pounds in the Central Gulf of Alaska
- Wild Alaskan Seafood (WAS) to harvest 98,490 pounds in the Central Gulf of Alaska

### **Halibut**

There was no directed harvest of IFQ halibut in the first quarter. Western Gulf of Alaska (Area 3B) quota is 20,536 pounds in 2011 (down 24% from last year). WAS is contracted to harvest this quota.

### **Bering Sea Opilio Crab**

The F/V *Baranof* fully harvested our catcher processor shares (329,958 pounds). The F/V *Tempo Sea* fully harvested our catcher vessel A and B shares (250,420 pounds). Prices are solid at more than \$2.00/pound.

### **Aleutian Islands Golden King Crab**

The F/V *Aleutian No. 1* fully harvested NSEDC's quota of 241,522 pounds of Western Aleutian Golden king crab in the first quarter, all of it delivered to Bering Fisheries. Prices are excellent at over \$4.00/pound.

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

To the best of the CDQ Harvest Manager's knowledge, there were no vessel or fishing violations, illegal activities and/or fines or penalties imposed on vessels operating under contract to NSEDC during the first quarter of 2011.

#### **D. NSEDC Quota Royalties**

To date for the year, NSEDC has generated roughly \$5.4 million in royalties from CDQ fishing operations and approximately \$790,000 in royalties from IFQ fishing operations.

### **III. Board of Directors January 1 –March 31 Meeting Minutes (Attachments 1)**

ATTACHMENT 1

2010 Fourth Quarter Meeting Minutes



**FILE COPY**

*Serving the fisheries of the Bering Strait Region*

*Brevig Mission Diomede Elim Gambell Galovin Koyuk Nome Saint Michael Savoonga Shaktoolik Stebbins Teller Unalakleet Wales White Mountain*

**Norton Sound Economic Development Corporation  
Fourth Quarter Board of Directors Meeting  
BSNC Boardroom  
Nome, Alaska 99762  
January 27 & 28, 2011  
9:00 a.m.**

**CALL TO ORDER**

NSED C Board Chairman Dan Harrelson called the NSED C 2010 Fourth Quarter Board of Directors Meeting to order at 9:08 a.m. on January 27, 2011.

**ROLL CALL**

Present at the meeting were Dan Harrelson, Don Stiles, Dean Peterson, Joel James, Eugene Asicksik, Joe Garnie, Orville Ahkinga Jr. (telephonically), Walter Seetot, Truman Kava, Frank Oxereok Jr., William Johnson, Elvina Naranjo, Wilfred Katcheak, Victor Joe, and Oscar Takak Sr. Staff present were Janis Ivanoff, Simon Kinneen, Kyan Olanna, Virginia Nashalook, Charlie Lean, Kevin Keith, Roy Ashenfelter, Rick Walicki, Paul Ivanoff III, Joel Cladouhos, Rich Ferry, Reese Huhta, Kathy Wheelehan, and Jerry Ivanoff. John Eckels of Siu Alaska Corporation was present. Public present were Laurie McNicholas of the *Nome Nugget*, Chuck Wheeler, Tim Smith, Eric Osborne, and Robin Thomas.

**INVOCATION**

Oscar Takak gave the invocation.

**SWEARING IN OF SHAKTOOLIK BOARD MEMBER**

NSED C CEO Janis Ivanoff gave the NSED C Oath of Office to Eugene Asicksik, Shaktoolik's NSED C Board Member. On his conflict of interest statement, Eugene Asicksik declared a land lease with NSED C for the ice machine in Shaktoolik.

**APPROVAL OF AGENDA**

*Joe Garnie asked about adding the chum salmon bycatch issue under old business. Janis informed him this would be covered in the FDC Report. Don Stiles made a motion to approve the agenda. Oscar Takak seconded the motion. The motion passed.*

**APPROVAL OF MINUTES**

*Oscar Takak made a motion to approve the minutes of November 3 & 4, 2010 and the December 6-9, 2010 as a block. Elvina Naranjo seconded the motion.*

Joe Garnie recalled a conversation of the Teller secession from NSED C and did not see it in the minutes. Don Stiles and Janis Ivanoff informed Joe that this happened in the NSED C 2010 Annual Meeting of Directors. Eugene Asicksik asked about the recent rules and bylaws changes. Chairman Harrelson said Eugene should have the latest copy.

*The motion passed with Eugene Asicksik abstaining.*

*"NSED C will participate in the Bering Sea fisheries to provide economic development through education, employment, training and financial assistance to our member communities."*



**PUBLIC COMMENTS**

Robin Thomas addressed the board on the NSSP Working Group and the decrease to two meetings a year, instead of four. He felt this was not the right move and expressed his hope to have more say in his livelihood. He would like to see more creativity and inclusion of the fishermen in the marketing scenario.

**PRESIDENT'S REPORT-Dan Harrelson**

Dan Harrelson gave the NSEDC President's Report, which was distributed. Noting recent improvements in Nome, Savoonga, and Eastern Norton Sound, Eugene Asicksik asked about the feasibility study of the Shaktoolik Processing Plant and if the project is in the 2011 budget. Chairman Harrelson said the feasibility study is in the preliminary stages and more information will be provided throughout the meeting, it is not in the 2011 budget. NSEDC Corporate President Harrelson thanked the board and staff for their support of his presidency and stated he is not running for NSEDC President in 2011. He expressed his support for Janis Ivanoff, NSEDC CEO, for the office.

**CEO's REPORT-Janis Ivanoff**

Janis Ivanoff gave the NSEDC CEO's Report. She welcomed Walter Seetot of Brevig Mission and Eugene Asicksik of Shaktoolik to the board. Janis covered the Siu Alaska Corporation, the Norton Sound Seafood House, the NSEDC 2010 Audit, Nome office remodel, the preliminary bycatch analysis, and a seafood donation to the Iditarod banquet. Eugene Asicksik asked about Norton Sound Seafood House. Janis informed him it is doing well. Chairman Harrelson noted HMS Host is planning to open up other businesses nation-wide. William Johnson noted NSEDC's participation was for name recognition at a minimal cost. Eugene admitted donating to the Iditarod would provide good publicity but basically said it is hard to justify seafood donations when fishermen are looking for a better price. In the CEO written report Janis mentioned WACDA discussion on a resolution that would allow certain action to pass with less than unanimous consent. Eugene asked why that isn't in the CDQ Panel Rule Resolutions. Kyan Olanna explained it was passed by a resolution of the WACDA principles and doesn't affect the CDQ Panel Rules.

**FINANCIALS/INVESTMENT PORTFOLIO**

Rick Walicki gave the NSEDC Financials/Investment Portfolio for the year end, December 31, 2010. He reported the acquisitions of Bering Fisheries and the F/V Glacier Bay, the line of credit for Siu Alaska Corporation, and for the bulk fuel program, our net assets for 2010 were \$144,600,000.00 on December 31, 2010, and we are on track with budget to actuals. Joe Garnie asked about the line of credit. Rick explained it was a short term loan and said it was economical to borrow to cover the bulk fuel program expenses. Chairman Harrelson commented on this line of credit to protect our investments and save us money over time. Janis Ivanoff noted our vessels had a record harvest year. Eugene Asicksik asked for clarification on the funds from Key Bank and confirmed they were the funds used for the NSEDC Education Foundation.

Adem Boeckmann walked in at 9:39 a.m. Gay Sheffield of ADF&G joined the meeting at 10:03 a.m.

Chairman Harrelson declared a break at 10:01 a.m. The meeting was reconvened at 10:15 a.m.

Chairman Harrelson introduced Gay Sheffield, our new MAP Agent with UAF.

**SIU ALASKA CORPORATION REPORT-John Eckels**

John Eckels gave the Siu Alaska Corporation Report providing a brief update on progress of the Bering Fisheries Plant improvements at Dutch Harbor, Siu's one hundred percent ownership of Glacier Bay Fisheries, Aleutian No 1's 2010 season and plans for 2011, and Pacific Star activity. William Johnson

asked about the possibility of the F/V Pacific Star harvesting some of NSEDC's resources. John informed him the vessel is big enough but it would have to be repowered to operate as a tender vessel. Chairman Harrelson asked about the amount of bait used in the cod and crab operations and suggested it be purchased from Northern NSSP. There was also discussion about employment opportunities through Siu and advertising the positions in the region. John mentioned the significant increase in the Pollock TAC in 2011, but cautioned a possible decline in prices with the increase in supply. John informed the board of an investment in the pollock and the crab fisheries wrapping up soon. The investment will be done in partnership with another CDQ Group.

## MANAGERS REPORTS

### 1. CDQ Management-Jon Zuck & Joel Cladouhos

Joel Cladouhos was given the floor for the CDQ Management Report. He went over all the CDQ Species available for harvest, the revenue generated and the vessels we used to harvest the quota. We had no fishing violations or penalties for the year. With the increase of Pollock and Cod TAC, royalty rates were at their highest in history. Joel reported the IPHC is meeting now to set harvest levels for halibut, Norton Sound Halibut Quota may be increased. Joel thanked NSEDC CEO Janis Ivanoff and the NSEDC Board for giving him this opportunity. There was discussion about delivering quota to the Bering Fisheries plant to maximize its operations. It was noted by Janis that NSEDC received record high royalties in 2010 for our CDQ and IFQ.

Louie Green Jr. walked in at 11:03 a.m.

The meeting was recessed at 10:57 a.m. The meeting reconvened at 11:10 a.m.

### 2. Southern and Northern NSSP

#### a. Simon Kinneen

Simon Kinneen gave the Southern NSSP Report. He noted that business was very slow in the fourth quarter, inventory is sold, the storage building is near completion, the tender vessels are in dry dock, and routine maintenance is being done. Simon introduced Reese Huhta, the Southern NSSP Manager. Reese voiced his desire to see the board's vision and to help meet our tendering needs. He is currently working on getting the ice machines operational for the season, getting familiar with budget and learning the ropes. There was discussion about the Southern NSSP Processing plan, having buying stations in other communities, and hiring a gear coordinator. Chairman Harrelson noted the need for a support facility for storage of our ice machines in Golovin and Elim. Besides our refrigeration people, Chairman Harrelson suggested we utilize the EET Program and work with BSSD to have young kids in the community to build these storage buildings.

#### b. Rich Ferry

Rich Ferry gave the Northern NSSP Report. The winter crab operation is pretty slow, there was no halibut activity to report, tom cod, trout, and white fish have been purchased from Unalakleet, Nome, and Savoonga. We have crab and halibut for our seafood restaurant in Anchorage. There was extensive discussion about the bait fishery, the process for delivering, how much can be harvested, when it can be harvested, increasing the quota, and storage. Eugene asked about raising the quota for dolly varden, as they are a predator of chum salmon eggs and fry. Chairman Harrelson asked about the permits and buying station. Rich Ferry noted that he has worked closely with Jim Menard of ADF&G on this fishery; it doesn't require buying stations and they have planned for the fish tickets. Eugene felt that the NSFR&D should be involved in getting rid of the predators of our salmon eggs and fry. Rich informed the Board that Dennis Bahnke has been hired as the facilities engineer and he is scheduled to go to refrigeration training.

### 3. Written Reports

Chairman Harrelson asked if there were any questions about the written reports of the managers.

#### a. Community Benefits Department-Paul Ivanoff II

Eugene Asicksik asked about the Western Alaska Sawmill Budget; it shows he has only spent about \$6,000 but he has purchased the sawmill, trees and a snow machine. Paul Ivanoff III informed him that he also received funding through AFN. There was discussion about the Community Energy Fund; how it can be used, how AVEC sets the rate per KWH, helping communities with the feasibility studies to utilize the funds. Chairman Harrelson asked for a sunset date on this funding. Paul Ivanoff III informed him that it was a five year deal. Don Stiles mentioned the energy summit coming up. Janis Ivanoff said Paul is requesting a budget amendment to get representatives from the communities to the summit. Paul noted some proposals submitted to the Alaska Energy Authority were not approved partly because there is no regional energy plan.

*Don Stiles made a motion to approve the budget amendment of the community benefits department on the 2011 Regional Energy Plan. William Johnson seconded the motion.*

Chairman Harrelson asked for the transportation line item in the budget. Paul Ivanoff III informed him that one person would travel to the energy conference. Chairman Harrelson asked if other entities would assist with the cost of this regional energy conference. Paul informed him that the Nome Joint Utilities and the Alaska Energy and Power stepped up to assist financially.

*The motion passed.*

There was discussion about how the \$10,000 Board Discretionary funds could be spent. Janis Ivanoff clarified that \$10,000.00 was available with no stipulation for the little dribblers program, but geared for alcohol and substance abuse. Paul noted BSSD Management's concern that the Little Dribblers tournaments would no longer be funded. Chairman Harrelson desired to clarify the discretionary funds before the next year's distribution. Eugene Asicksik requested a copy of the letter describing the uses for the fund. Paul will send him the letter and how Harvey opted to spend it. There was discussion about the Bulk Fuel Program; how much is available to each community, what the back haul rate is and Janis noted that another supplier will be coming into the fuel business in the near future.

#### b. EET Department-Jerry Ivanoff

William Johnson asked about the GFC Internship and the plan to fill it. Jerry informed him that GFC is looking for a particular type of person to take this internship. He also stated that this GFC Internship was brought to all our member communities during our community outreach meetings. Chairman Harrelson asked if this opportunity was advertised by our liaisons or posted in our member communities. Jerry stated that this opportunity should be placed into our NSEDC Newsletter, so it could be made available to all our post office box-holders throughout the region.

#### a. NSFR&D-Charlie Lean

Chairman Harrelson asked Charlie if he had enough funds for his incubator needs. Charlie informed the board that he has purchased a new incubator, which will be available in June. Charlie stated that one incubator is six years old and one is four years old. William Johnson asked Charlie if he participated in the watershed meetings. Charlie stated that they are working on protocol and long term data gathering. Joe Garnie asked if the mist incubation project would be used in the Pilgrim River. Charlie stated that this would not be used for red salmon due to a virus problem, but it will be used in the Chinook salmon. Joe asked if this mist incubation would be used for king salmon in the Pilgrim River. Charlie informed

him that they are doing their due diligence. Eugene Asicksik asked about the DOT Plan to reroute the Snake River. Charlie explained the plan is to reroute the river to increase the runway length to the west. It is still being rerouted, but it will be a scaled down project. Eugene voiced his concern for rerouting this river in relation to the NSSC. Charlie said that the reroute should not affect NSSC.

We took lunch break at 12:33 p.m. The meeting reconvened at 1:05 p.m.

## COMMITTEE REPORTS

### 1. Executive Committee Report

Chairman Harrelson gave the NSEDC Executive Committee Report. Janis noted that Simon handed out the "Non-Chinook Salmon Bycatch Management". Elvina Naranjo asked the purpose of the executive session. William Johnson noted that the increased processing capacity will not happen in 2011. Chairman Harrelson noted that we would operate much like last year.

### 2. Compensation Committee Report

Chairman Harrelson gave the NSEDC Compensation Committee Report.

*Dean Peterson made a motion to approve the NSEDC Compensation Committee Report with its recommendation. Elvina Naranjo seconded the motion.*

Eugene Asicksik asked what the State of Alaska cost of living. There was no information on the State of Alaska Cost of Living Increase. Oscar Takak thought that the 3% increase was based on merit. Chairman Harrelson noted, in the future, staff would like to make salary recommendations based on merit. Oscar did not oppose the 3% increase to the cost of living to the staff.

*The motion passed.*

### 3. Appeals Committee Report

Chairman Harrelson gave the NSEDC Appeals Committee Report.

### 4. Finance Committee Report

Chairman Harrelson gave the NSEDC Finance Committee Report.

*Don Stiles made a motion to approve the NSEDC Finance Committee Report with all its recommendation. Oscar Takak seconded the motion.*

Joe Garnie asked about the fees of the NSEDC Audit. Rick informed the board that it would be \$50,000.00 to \$51,000.00.

*The motion passed.*

### 5. Scholarship Committee Report

Chairman Joe gave the NSEDC Scholarship Committee Report. Jerry Ivanoff noted a mistake, 125 Norton Sound Students not 16 students received \$252,000.00. Eugene Asicksik asked about the amount returned, \$11,000.00 instead of \$12,000.00. Jerry informed the board that one student used up \$1,000.00 of the award, so it was \$11,000.00.

### 6. Rules & Bylaws Committee Report

Chairman Stiles gave the NSEDC Rules & Bylaws Committee Report.

*William Johnson made a motion to adopt the NSEDC Rules and Bylaws Committee Recommendation for the recommended NSEDC Bylaw Amendments. Oscar Takak seconded the motion.*

Eugene Asicksik asked about the certification of the elections. Kyan Olanna explained the recommended changes. Eugene Asicksik stated that he was involved in the Shaktoolik Election and felt the election could have happened any time. Chairman Harrelson clarified the purpose of having a runoff election as soon as possible for our annual meeting of member and directors. A discussion was held on the election process and the clarification in the bylaws.

*The motion passed.*

Janis Ivanoff went over the NSEDC Board Compensation. A spreadsheet was provided showing NSEDC's compensation compared to other entities. She noted that the 2009 figures include insurance to cover our board. There was discussion about attending committee meetings other than the ones they are appointed to and receiving per diem for those, changing honorarium to a day rate, implementing a monthly stipend to compensate for business done in the communities, and what other entities provide for a monthly stipend. Wilfred Katcheak suggested \$200.00 a day honorarium and a monthly stipend of \$750.00. Don Stiles felt that, if we pay board members for attending committees they are not on, we should just have a full board meeting. Joel James stated he likes what how the board compensates for the committees currently. Chairman Harrelson asked for a show of hands for board members comfortable with where it is now, nine board members agreed. For changes, there were five hands shown. Chairman Harrelson recommended keeping it as is with the understanding that it can always get back on the agenda. Eugene Asicksik felt the committees should be more evenly distributed. Chairman Harrelson noted that the bylaws stipulate the composition of the committees and any committee with more than seven board members constitutes a full board meeting.

#### 7. Fisheries Development Committee Report

Chairman Takak gave the NSEDC Fisheries Development Committee Report. Janis noted two corrections to the minutes, one on the NPFMC in Seattle and one with the special board meeting in March. A digital draft of the chum salmon analysis was provided to the board and Charlie Lean was asked to update the board on any concerns they should be aware of. Charlie stated that, at the Council meeting next week, he would like to receive the complete document. He felt there was a lot of local information missing. Eugene Asicksik asked what the State of Alaska's position is on this. Simon stated that he does not believe that the State has any position at this time, since it is so early in the analysis. Joe Garnie asked about the compilation of chum numbers to be made available in the NPFMC in June here in Nome. He asked if the NSEDC Board of Directors would come up with a chum salmon hard cap in compliance with all our tribal governments. Joe stated that he suggested a 30,000 hard cap for chum as salmon are becoming extinct. He felt that the Chinook Hard Cap recommendation was a high number. There was discussion about Area M chum bycatch compared to the pollock fishery's bycatch rate. Chairman Harrelson asked about the studies to determine where the fish are coming from. Charlie Lean noted that they could distinguish between a Yukon Chum and a Norton Sound Chum. Chairman Harrelson felt that parts of western Alaska are in pretty good shape; but agreed chums in the Teller Area are in jeopardy. William Johnson asked how Joe came up with the 30,000 hard cap and said we need more information before setting a hard cap.

We took a break at 2:23 p.m. The meeting reconvened at 2:38 p.m.

Joel James requested to revisit the board compensation issue. Chairman Harrelson reminded the board that Wilfred requested a \$750.00 monthly stipend and \$200.00 per day honorarium. Chairman Harrelson requested a show of hands for keeping board compensation as it is now. Victor Joe asked how long this would be in effect. There were seven hands to leave it as it is and eight in favor of changes.

*Wilfred Katcheak made a motion to compensate the NSEDC Board Members a \$300.00 flat rate per day for stipends, the current per diem, a monthly stipend of \$750.00 and to amend the bylaws to reflect those changes. Oscar Takak seconded the motion.*

Joe asked if all the board members would come in when the committee meetings start. Wilfred Katcheak stated that the board members would only be paid for the committee meetings they sit on and attend plus the board meetings. Kyan Olanna read some draft wording available in written form for these scenarios. Her recommendations are to change the title of the paragraph from per diem to board compensation. Elvina Naranjo asked when the board would be paid the \$750.00 per month, if the board could receive the monthly stipend upon arrival at the meetings. A roll call vote was taken reflecting ten yes, four no, and one abstention. The NSEDC Bylaws stipulate that a bylaws change requires two-thirds of the board voting for it.

*The motion passed.*

We went on to the outside entity funding. Paul Ivanoff III was given the floor for the outside entity funding.

2011 Outside Entity Funding  
a. Community Funding

*Don Stiles made a motion to approve the recommendation of the NSEDC Outside Entity Funding Committee for community funding. Oscar Takak seconded the motion.*

William Johnson asked about using the unexpended funds before the annual deadline. Paul Ivanoff III recommended that the Outside Entity Funding Committee make the recommended changes, not this entity. Don clarified his motion covers the ones that are recommended so far. The Regional Entity Funding could be handled after.

*The motion passed.*

a. Regional Entity Funding

Paul Ivanoff III went over the Regional Entity Funding proposals. William Johnson asked if there were any continuing proposals. There was discussion about the Unalakleet proposal being treated as a regional proposal instead of a community proposal. Eugene questioned the legality of the elder proposal and who would qualify to participate. William stated that they would not exclude anybody. William abstained from the Unalakleet Proposal, as he works for the Native Village of Unalakleet. Paul noted that the care of the elders would be provided by the Unalakleet Sub-regional Clinic. He also stated that there is \$100,000.00 available for the Regional Entity Funding proposals. Don Stiles recommended moving forward with the Bering Straits Nursing Program with an undisclosed amount. Yvonne Ashenfelter clarified the nursing program proposal would be to pay \$84,000.00 to one instructor. Chairman Harrelson asked which proposals create new jobs and provide economic development. Paul provided him with an estimate of how many people would be employed by each proposal stating that an argument could be made for each of them.

*Oscar Takak made a motion to fund the Unalakleet Proposal with \$48,710.00. Victor Joe seconded the motion.*

Elvina Naranjo asked if a letter of support from all the participating communities, St. Michael, Unalakleet, Shaktoolik, Stebbins, and Koyuk, was received. Chairman Harrelson asked if NVU needed more funding to make this project go. William stated that this is a continuation.

*The motion passed with Eugene Asicksik and Don Stiles voting no.*

*Don Stiles made a motion to fund \$40,000.00 for the Bering Straits Nursing Program. Eugene Asicksik seconded the motion.*

Don noted that this was about half what they requested. Chairman Harrelson asked that, if they got any funding from elsewhere, they return this back to NSEDC.

*The motion passed.*

*Dean Peterson made a motion to fund \$10,290.00 to the Kawerak Grant Writing Proposal. Frank Oxereok seconded the motion. The motion passed.*

We took a break at 3:43 p.m. The meeting reconvened at 3:59 p.m.

*Dean Peterson made a motion to go into executive session at 4:00 p.m. to go over WACDA, the Groundfish Quota Harvest agreement, and the litigation update. Walter Seetot seconded the motion. The motion passed.*

This executive session would be the end of the meeting available to the public today. The public was excused.

Don Stiles excused himself from the meeting at the start of the executive session.

#### **OLD BUSINESS**

1. Litigation Updates-executive session

#### **NEW BUSINESS**

1. WACDA-executive session
2. Groundfish Harvest Agreement

*Elvina Naranjo made a motion to return to regular session at 5:23 p.m. Frank Oxereok seconded the motion. The motion passed.*

The meeting was recessed at 5:23 p.m. until 9:00 a.m. on January 28, 2011.

January 28, 2011

Chairman Harrelson reconvened the NSEDC Fourth Quarter Board Meeting at 9:01 a.m.

For the record, all the board members were present.

Frank McFarland joined the meeting at 8:55 a.m.

*Dean Peterson made a motion to approve the resolution for WACDA as discussed in executive session. Frank Oxereok seconded the motion.*

Eugene Asicksik asked staff to keep close tabs on it.  
*The motion passed.*

*Oscar Takak made a motion to approve the Groundfish Harvest Agreement Resolution 11-02 as presented. Elvina Naranjo seconded the motion. The motion passed with Don Stiles abstaining.*

Chairman Harrelson referred the Board to copies of the board meeting minutes of September 30, 2010 and December 10, 2010 which were passed out. They were inadvertently left out of the Approval of Minutes.

*Oscar Takak made a motion to approve the NSEDC Board Meetings of September 30, 2010 and December 10, 2010, as a block. Joel James seconded the motion.*

Eugene Asicksik asked if the funding listed in the September 30<sup>th</sup> minutes is in addition to what was approved yesterday. Don Stiles noted the minutes state that NSEDC's contribution will be a one-time deal but he still strongly supports yesterday's additional funding.

*The motion passed.*

Chairman Harrelson turned the floor over to NSEDC CEO Janis Ivanoff for the election of the NSEDC Executive Committee.

#### **ELECTION OF EXECUTIVE COMMITTEE**

Janis opened the floor for nominations of the NSEDC Chairman.

*Walter Seetot made a motion to retain all the executive committee committees replacing Harvey Sookiayak with Eugene Asicksik. William Johnson objected. For the lack of a second, the motion died.*

Walter Seetot nominated William Johnson as Chairman.

Joel James nominated Dan Harrelson as Chairman.

*Eugene Asicksik moved to close nominations. Oscar Takak seconded the motion. The motion passed.*

Ballots were passed out. The vote was six for William Johnson and nine for Dan Harrelson.

**Dan Harrelson is the NSEDC Board Chairman.**

Chairman Harrelson opened the floor for NSEDC Vice Chairman.

Eugene Asicksik nominated Wilfred Katcheak, who declined.

Joel James nominated Don Stiles. Oscar Takak nominated William Johnson.

*Walter Seetot moved that nominations cease. Frank Oxereok seconded the motion. The motion passed.*

Ballots were passed out with 7 votes for Don Stiles and 8 votes for William Johnson.

**William Johnson is the NSEDC Board Vice-Chairman.**

Chairman Harrelson opened the floor for the NSEDC Sergeant of Arms.

William Johnson nominated Oscar Takak.

Dean Peterson nominated Don Stiles.

*Eugene Asicksik moved to close nominations. Frank Oxereok seconded the motion. The motion passed.*

Ballots were passed out. Oscar Takak received six votes. Don Stiles received nine votes.



**Don Stiles is the NSEDC Board Sergeant of Arms.**

Chairman Harrelson opened the floor for a seat on the NSEDC Executive Committee.

Dan Harrelson nominated Dean Peterson.

Frank Oxereok nominated Eugene Asicksik.

William Johnson nominated Oscar Takak.

*Walter Seetot moved to ceased nominations. Don Stiles seconded the motion. The motion passed.*

Ballots were passed out. Dean Peterson received 3 votes. Eugene Asicksik received 7 votes. Oscar Takak received 5 votes.

**Eugene Asicksik is on the NSEDC Board Executive Committee.**

Dan Harrelson opened the floor for a seat on the NSEDC Executive Committee.

Eugene Asicksik nominated Wilfred Katcheak.

Dan Harrelson nominated Dean Peterson.

William Johnson nominated Oscar Takak.

*Walter Seetot moved to cease nominations. Eugene Asicksik seconded the motion. The motion passed.*

Wilfred Katcheak received 4 votes. Dean Peterson received 5 votes. Oscar Takak received six votes.

**Oscar Takak is on the NSEDC Board Executive Committee.**

**COMMITTEE APPOINTMENTS**

Chairman Harrelson noted that each committee should have seven or less board members, so as not to constitute a quorum of the board. William Johnson requested to sit on the Fisheries Development Committee. Wilfred Katcheak withdrew from Rules & Bylaws Committee. Dan Harrelson requested to sit on the Fisheries Development Committee, but there were already seven board members.

Janis Ivanoff noted that the committee assignments were provided at the back of the packet.

Chairman Dan Harrelson brought up attendance at the NPFMC Meetings. He noted that Elvina Naranjo, Oscar Takak, Victor Joe, and Frank Oxereok attend most commonly and should sit on the committee that attends the Council Meetings and reports back to the board. Chairman Harrelson noted that the whole board will be brought to the NPFMC June Meeting. For budgetary purposes, he suggests board members limit the trips to three or four days, instead of the whole gamut. William Johnson stated that other board members may want to attend and wanted to add one more board member. Don Stiles felt that four was a good number. Chairman Harrelson noted that more board members could attend on matters of concern.

Eugene Asicksik wanted to sit on the Fisheries Development Committee, but it was full. Eugene requested to sit on the NSSP Working Group. He will sit on all the committees Harvey Sookiayak was on.

Chairman Harrelson noted the composition of the NSEDC Appeals Committee and asked who would like to sit on the compensation committee. William Johnson and Eugene Asicksik requested to sit on this committee. Eugene Asicksik will sit on the compensation committee, as the member from Finance. Orville Ahkinga requested to remain on compensation.

*William Johnson made a motion to seat these board members on the compensation committee. Oscar Takak seconded the motion. The motion passed.*

#### **ELECTION OF CORPORATE OFFICERS**

Dan Harrelson nominated Janis Ivanoff as NSEDC Corporate President.

*Don Stiles moved to close nominations and asked for unanimous consent. Joe Garnie objected. The motion failed.*

Joe Garnie nominated Eugene Asicksik.

*Dean Peterson moved to close nominations. Victor Joe seconded the motion. The motion passed.*

Ballots were passed out. The vote reflected 10 votes for Janis Ivanoff and 5 votes for Eugene Asicksik.

**Janis Ivanoff is the NSEDC Corporate President.**

Chairman Harrelson opened the floor for NSEDC Corporate Vice-President.

William Johnson nominated Simon Kinneen and asked for unanimous consent.

Joe Garnie nominated Eugene Asicksik.

*Walter Seetot moved to close nominations. Joel James seconded the motion. The motion passed.*

Ballots were passed out. Simon Kinneen received eight votes. Eugene Asicksik received seven votes.

**Simon Kinneen is the NSEDC Corporate Vice President.**

Wilfred Katcheak nominated Rick Walicki as the NSEDC Corporate Treasure and asked for unanimous consent. Dan Harrelson seconded the nomination.

**With no objection, Rick Walicki is the NSEDC Corporate Treasurer**

William Johnson nominated Jerry Ivanoff for the NSEDC Corporate Secretary and asked for unanimous consent. Oscar Takak seconded the nomination.

**With no objection, Jerry Ivanoff is the NSEDC Corporate Secretary.**

#### **PUBLIC COMMENTS**

Tim felt that we should have a regional position on the bycatch while keeping tabs on Area M and the trawlers. Eugene Asicksik asked if there was a contribution to the Bering Sea Elders Advisory Group and if they are going to report back to NSEDC. Janis told him that it was so. Tim Smith asked if we were going to have a public meeting to develop a position. NSEDC Chairman Dan Harrelson noted that the board is having a workshop to address this issue.

Louie Green Jr. addressed the board with regard to the Northern Norton Sound Advisory Committee and a federal committee. Louie worked on the ADF&G Salmon Working Group. He noted that there was a small hatchery in one of the Nome Rivers and expressed his support for funding this hatchery in the Nome Area again.

Eric Osborne addressed the board on the smaller bottom trawlers harvesting halibut, opilio crab, and red king crab. He noted that Norton Sound is getting an increase in the halibut quota. Eric felt there is a conflict between NSEDC and Kawerak. He referred to a proposal submitted to NSEDC for the Nome

Native Arts Center by his wife Wilma Osborne and strongly objected to his perception of how some staff and board members responded to the proposal.

Eugene Asicksik brought Louie Green's salmon concerns. He felt we need to develop an aquaculture association to access state funds, we need a regional planning team, and a twenty year plan. He said this was done, but they did not receive much funding from the State of Alaska. He talked about NSFR&D efforts and their growth.

Louie Green Jr. brought up the Norton Sound Bering Strait Aquaculture Association, where, he said, Tim Smith is the president. Tim Smith concurred with Eugene Asicksik on the regional planning team. Per Alaska Statutes, the regional planning team must be formed. He said he sent a letter to Dan, but he did not get an answer.

We took a break at 10:06 a.m. The meeting reconvened at 10:15 a.m.

#### **BOARD COMMENTS**

Eugene Asicksik had a long election. He felt that he will represent the people of Shaktoolik and the young ones. He has interest in NSEDC, the region, and economic development. Shaktoolik participates in the herring, salmon, and crab commercial fishing. He voiced his concern with relations NSEDC built in the past. Thank you for your support on the committees and will work with the board.

Joe Garnie spoke to his concern on salmon bycatch. He concurred with Mr. Green that we need salmon enhancements. To date, our enhancement has failed miserably. The Teller Fish Resource is being hit hard with Nome having troubles with their stocks. He wanted to get behind the regional planning team. He requested NSEDC's support.

Frank Oxereok felt it was good to see everyone.

Walter Seetot stated that it was good to see friends, new and old. Thanks to board and staff.

Elvina Naranjo thanked the board and staff for all their hard work. Thanks for public comment. We will work with you.

Victor Joe noted that the people are happy with NSEDC.

Joel James thanked the board and staff for tolerating accusations from the public.

Wilfred Katcheak felt we should work on our salmon interception.

William Johnson noted that NSEDC has funded \$31 million for economic development. NSEDC is providing an economic boost. Continue your good work. Work with other organizations to get there.

Oscar Takak thanked the board for their support and thanked the staff for the leadership we have. Oscar mentioned that when he became involved in 1991 or 1992, we were hurting because of salmon bycatch. We need to keep tabs on the decline of our fish. The mist incubation is successful. Thank you.

Truman expressed his thanks to the staff and board for their hard work.

Don Stiles thanked Frank Katchatag, Reggie Barr, and Harvey Sookiayak for their years of service on the NSEDC Board of Directors.

Chairman Harrelson would like to move forward in a positive fashion. On bycatch, we need to keep working. For subsistence, we need to work with industry to curb bycatch and enhancement. We could possibly start an enhancement program. He concurred with Middy.

Janis thanked the board and staff for their support. We had a good year and she looks forward to another.

Orville Ahkinga welcomed Eugene Asicksik back and said one day he will sit with the board.

**SPECIAL SIU SHAREHOLDER MEETING**

This meeting was held. The Siu Affiliated seat was filled by Eugene Asicksik. NSEDC Resolution 11-03: Approval of Guarantee for Siu Alaska Corporations Asset Purchase was passed.

**ADJOURNMENT**

*Oscar Takak made a motion to adjourn the NSEDC 2010 Fourth Quarter Board of Directors Meeting at 10:48 a.m. on January 28, 2011. Joel James seconded the motion. The motion passed.*

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Dan Harrelson, Chairman

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Jerry Ivanoff, NSEDC Corporate Secretary

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Date