

Norton Sound Economic Development Corporation

2007 Annual Report

NSEDC Mission Statement

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

Cover photo courtesy of Jeff Erickson – The vessel, Silver Pearl, is owned by Clarence "Junie" Towarak.

The Year In Review Message From The Chairman



At NSEDC, the year 2007 was one of progressive development. Notable highlights include the changes in organizational leadership that have provided for a renewed management perspective, implementation of new program requirements for the CDQ program through the 2006 and 2007 Magnuson-Stevens Act (MSA) amendments, the consolidation of some of NSEDC's assets following the dissolution of our subsidiary, Norton Sound Investment Company (NSIC), and the reporting of certain income streams as taxable.

The 2006 and 2007 amendments to the law governing the CDQ program included new reporting requirements; CDQ groups are now required to include financial audit information as part of the annual report to their member communities. This marks no material change to NSEDC reporting, as we have presented audited financial information in our annual reports for a number of years. The publication of this annual report was delayed due to NSEDC retaining a new auditing firm, Altman, Rogers & Co., late in the audit process, after determining that it was in the corporation's best interest to terminate our relationship with our past auditors. Despite this delay, Altman, Rogers & Co. reported that NSEDC's financial statements are free from any misstatement and our management practices and internal controls sufficiently and in good faith meet the accounting principles generally accepted in the United States.

Following the 2006 MSA amendments, a panel of representatives from each CDQ group, now called the Western Alaska Community Development Association (WACDA), formed to make consensual decisions about the governance of the CDQ program. With the continuous development of this CDQ panel and the corresponding representation of NSEDC, we now have the opportunity to collaborate more effectively with our CDQ counterparts to obtain the most benefit from the CDQ program.

In 2007, NSEDC dissolved most of our partnership interests in Norton Sound Ventures (NSV). The Board of Directors decided to discontinue the partnership in an effort to streamline our offshore fishing assets to improve the efficiency and profitability of our operations. In the dissolution process, NSEDC effectively bought out some of NSV's assets while retaining partial ownership rights to several crab vessels and the respective gear.

One notable result of the dissolution of NSV is that NSEDC now has full ownership rights to the *F/V Aleutian No. 1*, a crab vessel that fishes in the Aleutian Islands and Bering Sea. Along with the purchase of this vessel, NSEDC has also obtained additional crab quotas for Aleutian Islands golden king crab, Bristol Bay red king crab, opilio crab, and bairdi crab. We feel this investment will solidify our position in the crab market and help facilitate future growth opportunities in crab fisheries.

Also in 2007, NSEDC retained tax experts to review and advise the board regarding certain aspects of tax reporting. The board's objective in undertaking this review was the protection of NSEDC's tax-exempt status and the long-term conservation of the organization's assets. After a thorough review by outside advisors, the board determined that income from certain assets should be treated as taxable, even if this income is used to further NSEDC's exempt purpose. As a result of this determination, the board decided to report that income as taxable on the organization's 2006 and 2007 IRS and state tax filings and to file an amended return (along with other required returns) for the organization's 2005 taxable year. Further, the board determined it prudent to begin the process of forming a for-profit subsidiary corporation and to eventually transfer assets that generate taxable income to the subsidiary to reduce unrelated business income in the future.

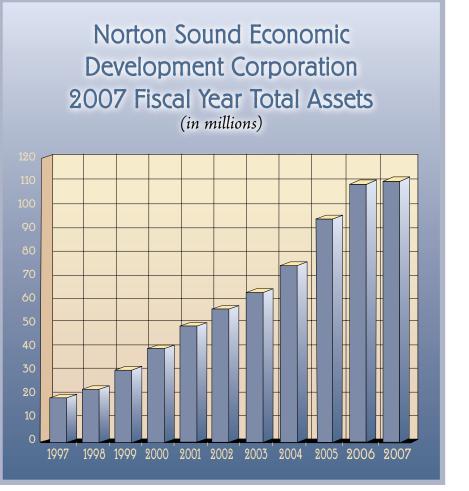
NSEDC earned over \$13 million in revenue from various CDQ fisheries in 2007. These revenues made it possible for NSEDC programs to continue to contribute to our member communities throughout the region. NSEDC helped Norton Sound residents save over \$200,000 in fuel expenses through our Consolidated Bulk Fuel Program, paid over \$1 million in crew share wages to residents of the region, and removed 240,000 pounds of debris from the shores and riverbanks of Shaktoolik, Unalakleet, and White Mountain through our Clean Waters Program. Additional noteworthy achievements are the scholarships totaling over \$400,000 awarded to 176 residents of the region through our post-secondary education and vocational training program. In 2007, the scholarship amount increased

from \$1,500 per semester to \$2,000 per semester for those recipients who met the requirements for the award.

NSEDC has continually impacted our region through the Community Benefits Department, which this year completed the Boat Ramp Program by providing funding to the final five communities for improvement projects. As they did in 2006, the Board also approved \$100,000 in Community Benefit Shares to each of our 15 member communities, as well as providing over \$1 million in financial contributions to local and regional organizations to administer their internal programs. Another project included the beginning of construction on the NSSP Cold Storage Facility in Nome that will allow for increased cold storage capacity for our king crab and halibut operations.

NSEDC is well positioned to continue delivering strong results, as we have been doing and did again in 2007 – from achieving record revenue to delivering millions of dollars in benefits directly to the region's communities and residents. While facing obstacles, NSEDC has taken a long-term view, gone on offense, and positioned the organization to deal with those obstacles head-on.

Let me close by expressing my pride in the NSEDC Board of Directors, staff, and our harvesting partners for bringing us to this point and my gratitude to the residents of our member communities for your unwavering support. I hope that you are pleased with how NSEDC is performing and evolving and I trust that you share my excitement about the role NSEDC continues to play in our region.



Norton Sound Seafood Products

Since 1995, Norton Sound Seafood Products (NSSP), a division of NSEDC, has continued to support the commercial fisheries of the Norton Sound region. 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 Teller, Elim, Golovin, and Shaktoolik.

Open-Access Norton Sound Red King Crab

The 2007 open-access red king crab season, which started on the 1st of July, came to an end on the 7th of August. Twenty-six fishermen delivered to the plant a total of 253,135 pounds of crab. The ex-vessel value totaled \$622,018. Fishermen were paid an average of \$23,924 each. The crab were delivered to the plant in Nome or tendered from Golovin to Nome with the *F/T Norton Bay*, skippered by Saul Paniptchuk and deckhand Jeffrey Paniptchuk. NSSP hired 45 processors for the crab season.

CDQ Halibut Season

The halibut season was successful; 128,062 pounds were delivered to the Nome and Savoonga plants. Ten fishermen delivered 29,607 pounds of halibut to the Savoonga plant. There were eight fishermen delivering to the Nome plant for a total of 98,455 pounds landed. The ex-vessel value totaled \$429,917. Fishermen were paid an average of \$23,884.

Port Clarence Salmon

The first year of this salmon fishery produced high quality fish. Three fishermen made deliveries during the monthlong season. A total of 8,792 pounds of sockeye salmon and 20,761 pounds of chum salmon were delivered to the Teller buying station for an ex-vessel value of \$8,670. Fishermen were paid an average of \$2,890.

Unalakleet Salmon

The 2007 Unalakleet salmon season went well overall. There was a decent chum salmon fishery in Moses Point and a very large coho salmon fishery in eastern



Pallets of salmon processed and ready to ship from Unalakleet



Teller fishery buying station

Norton Sound. The king salmon run was poor, and the pink salmon run was not as strong as expected.

Sixteen fishermen from Shaktoolik, eleven from Elim, and forty-five from Unalakleet delivered to the Norton Sound Seafood Products plant in Unalakleet or to the tender vessel 212 pounds of king salmon, 151,657 pounds of chum salmon, 10,603 pounds of pink salmon, 1,003,103 pounds of Coho salmon and 16 pounds of red salmon.

Altogether fishermen were paid a total of \$651,829.70 for salmon, with the majority of the income coming from coho salmon.

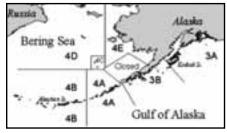


Salmon being offloaded at the Norton Sound Seafood Unalakleet processing plant.

Norton Sound Seafood Products

Savoonga Plant & NSEDC's History in the Area 4D Halibut Fishery

The Pacific halibut fishery is managed by the International Pacific Halibut Commission (IPHC) in conjunction with the North Pacific Fishery Management Council. The fishery is broken down into area designations with specific quotas in each area. The regions adjacent to St. Lawrence Island and Nome are Areas 4D and 4E, shown on the map below. At the 1993 IPHC meetings in Canada, NSEDC was granted an experimental 20,000 pound halibut fishery for Area 4D. The intent of the experimental fishery was to give fishermen a chance to start a local halibut fishery while collecting catch information on halibut in the area.



Map source: www.iphc.washington.edu/halcom/commerc/regmap.htm

In support of the halibut fishery, NSEDC contributed \$50,000 to the community of Savoonga for the development of an ice-making system. A market was established out of Nome and NSEDC staff visited Gambell and Savoonga to assist fishermen with permit applications, Coast Guard vessel registration, and arranging for all the necessary equipment and gear for the season.

At the urging of NSEDC, the experimental halibut fishery was extended into 1994. The catch limit was increased to 35,000 pounds. NSEDC continued their support of local fishermen and four to six residents were hired and trained to operate the buying station in Savoonga. That year 20,654 pounds of dressed halibut was harvested by Norton Sound residents.

The harvest goal for 1995 was 50,000 pounds, which was expected to increase to 96,200 in 1996. The time had come to plan for long term support of the local fishery. The St. Lawrence Island Halibut Project began with the City of Savoonga committing a building site, site work and an ice house. The Alaska Department of Community and Economic Development provided matching funds to begin construction of a halibut plant.

A processing facility was not the only objective of the St. Lawrence Island Halibut Project. NSEDC, the Bering Sea Fishermen's Association, and a Marine Advisor from the University of Alaska worked with the community of Savoonga and the Ivisa Fishermen's Association to



NSEDC and the Alaska Department of Community and Economic Development provided funding for the Savoonga halibut processing plant.

provide technical support and knowledge to local fishermen on product quality, the use of longline fishing gear, the regulatory process and oversight of the halibut fishery by the IPHC, National Marine Fisheries Service, Alaska Department of Fish & Game, and the new CDQ halibut management systems.



Savoonga plant workers icing halibut and preparing totes for shipping to Nome.

Once the plant was complete deliveries to the Nome and Savoonga plant grew steadily over the next two years and reached a remarkable 112,392 pounds in 1998, as shown in the chart below.

More recent support of the halibut fishery out of Savoonga was provided in 2007 when NSEDC allocated \$120,000 for the construction of a boat ramp. The planks were constructed by West Coast Construction Company in Unalakleet and are scheduled to be installed in 2008.

The Savoonga plant has had its busy seasons over the years but there are times, usually when there is year round work available, that fishing activity decreases. Whatever quota is not delivered by either Nome or Savoonga area fishermen is typically contracted for harvest by a fishing partner. 2007 was a great year for local fishermen and we hope it is a sign of good times to come!

For more information, visit www.iphc.washington.edu

Halibut Delivered by Norton Sound Fishermen

YEAR	TOTAL POUNDS HARVESTED
1994	
1995	
1996	
1997	
1998	112,392
1999	
2000	
2001	
2002	
2003	72,027
2004	
2005	
2006	

NSEDC 2007 Fisherman Spotlight Clarence "Junie" Towarak, Jr.

Clarence Towarak, Jr. (a.k.a. Junie) is a lifelong resident of Unalakleet, Alaska. He is the son of Clarence and Guerie Towarak. Junie currently resides in midtown Unalakleet with his wife, Linda, and his sons, Donald and Dean. Junie also has a daughter named Aimee and a granddaughter named Sierra.

Junie began commercial fishing in 1960, when he was in high school. He bought his first outboard motor and built his own skiff. Every year he goes out commercial fishing for herring, salmon, and crab. Junie goes out crabbing with his same crew every year, but when it comes to herring and salmon he brings younger kids. The reason being: he loves seeing young kids get involved with fishing. Junie has fished in the Bristol Bay region for 20 years and started crabbing when the small boat fishery started up around 1994. The experiences that stand out the most were when he went out herring fishing. He said he could recall all of the good camping memories while herring fishing.

After decades of being a fisherman, Junie has noticed some major changes in commercial fishing. One big change is the attitude of fishermen. This negative change in attitude makes fishing not as enjoyable as it once was. "Competitiveness is good, but we have to set our limits," Junie stated. He also said that he enjoyed fishing with the old-timers who



Clarence Towarak, Jr. onboard his boat, the *Silver Pearl*.

respected each other.

Junie has three boats he uses to commercial fish. The first is named *Running Bear* and is used for herring and crabbing. The second boat, *Silver Pearl*, is also used for crabbing and the third, *Dadoot Sea*, his wife's boat, is used for herring and salmon fishing.

Junie delivers salmon harvests to the Southern Norton Sound Seafood Products processing plant in Unalakleet and during the years when there was a sac-roe herring fishery, he sold to the buyers that traveled to the Norton Sound. He sells his red king crab harvests directly to Aquatech in Anchorage from his home port of Unalakleet.

We spoke with Lamar Ballard of Aquatech about their experience in working with Clarence. They said "Clarence has proven to be a most capable professional in how he manages his fishing business. He is a man of his word and doesn't promise what he can't deliver. He has been a reliable fisherman and one of the top producers. Clarence has been a pleasure to work with."

Although it requires more work on his part and from his crew to sell his red king crab harvest independently, he saves time and fuel by not having to travel to Nome or to the tender near Golovin to make deliveries. This also allows Junie to spend more time at home in Unalakleet, for which his wife Linda is appreciative.

Junie says his best season is, "When I come home and everyone is healthy and survived a good hard-working fishing season and there are no injuries. To me a good season is watching young fishermen emerge and have good control of their 'money matters." His tip to fishermen is, "Reinvest in your equipment and save for a rainy day." He says that he would like to see anyone, especially fishermen, maximize the use of our God-given resources.

2007 CDQ Fisheries

NSEDC is pleased to report a banner year in CDQ royalties paid to the company. Nearly \$13.2 million was earned in the various CDQ species, thanks in no small part to an excellent suite of harvesting partners. Glacier Fish Company (GFC) and U.S. Seafoods (USS) have been partners for a long time, and we continue to enjoy the benefits of working with them. Additionally, we've continued to work well with other CDQ groups in the harvest of quotas; mutually beneficial relationships.

Pollock

Pollock was once again our most valuable CDQ fishery. CDQ pollock harvest accounted for just over 75% of our CDQ revenue. As we have since 1992, we used Glacier Fish Company pollock catcher processors, the *F/V Pacific Glacier* and *F/V Northern Glacier* to harvest 30,649 metric tons of CDQ pollock. Our A season pollock (also known as "roe season") was harvested in the first quarter, while the B season pollock was taken in the third and fourth quarters. As 50% owners, we also derive benefits from the harvest of CDQ pollock through distributions from GFC.

Pacific Cod

The CDQ Pacific cod harvest accounted for over 7% of all CDQ royalties. NSEDC harvested about 2,280 metric tons of CDQ cod in fishing operations in the Bering Sea, primarily using GFC's two longline catcher-processor vessels, the *F/V Norton Sound* and *F/V Glacier Bay.* This accounts for about 99% of our total allocation for directed cod fishing. 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 (POP)

The CDQ harvest in bottom-trawl fisheries for Atka mackerel/POP, yellowfin sole and rock sole accounted for almost 2% of all CDQ royalties. NSEDC harvested the entire CDQ allocation of Atka mackerel (661 tons) and POP (186 tons), as wells as a small amount of quota transferred to NSEDC from another CDQ group. USS



This picture shows an example of sealife found in the Bering Sea during an R/V Pandalaus survey.

continued as our harvesting partner in these fisheries using the catcherprocessing vessels, *F/V Seafreeze* Alaska and the *F/V Ocean Alaska*.

Yellowfin Sole and Rock Sole

NSEDC also worked with USS to prosecute the yellowfin sole and rock sole CDQ fisheries in 2007. For the year, NSEDC harvested its entire allocation of yellowfin sole (702 tons). Additionally, 397 out of the 410 tons of directed rock sole allocation were harvested.

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*. Approximately 60 tons of Aleutian Islands black cod were harvested, while 53 tons were taken in the Bering Sea.

Halibut

NSEDC harvested 197,523 pounds of CDQ halibut in Area 4D/E during the year working with local fishermen operating in the region and the *F/V Glacier Bay.* Local fishermen harvested and delivered 128,062 pounds of CDQ halibut to the Norton Sound Seafood Center in Nome and the buying station in Savoonga between July 24 and September 30. The *F/V Glacier Bay* took 69,461 pounds of CDQ halibut during two trips in late July and early August.

Norton Sound Red King Crab

NSEDC harvested 23,611 pounds of CDQ red king crab in Norton Sound during the second quarter working with eight local fishing boats delivering to the NSSC in Nome. Only 14 pounds of the combined NSEDC and Yukon Delta allocation was not harvested.



Norton Sound Red King Crab

Bristol Bay Red King Crab

The harvest of CDQ red king crab in the BSAI fisheries accounted for almost 14% of CDQ royalties paid to NSEDC. NSEDC harvested the entire 2007/08 quota of 366,894 pounds of CDQ red king crab using the F/V North Sea in the 4th quarter.

Bering Sea Opilio Crab

NSEDC worked with the *F/V Baranof*, *F/V Ocean Olympic* and *F/V North Sea* to harvest the entire 2006/07 quota of 658,188 pounds of CDQ opilio. The Baranof is an at-sea catcher/processor which by regulation can take only 75% of the allocation in any CDQ crab fishery. The remaining 25% is required to be delivered to, and processed by, a shoreside plant. This quota was harvested in the timeframe from December 2006 to April 2007.

Eastern Aleutian Islands Golden King Crab

NSEDC harvested its CDQ allocation of 63,000 pounds in the third quarter using its catcher vessel, the *F/V Aleutian No. 1*. The CDQ fishery was again conducted in combination with the IFQ fishery. The golden king crab fishery is prosecuted using longline pot gear.

Bering Sea Bairdi Crab

NSEDC harvested the entire amount of the 2006/07 allocation of CDQ bairdi crab (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 the timeframe from December 2006 to April 2007.

Norton Sound Fisheries

Research and Development Program

Program Overview

The Norton Sound Fisheries Research and Development Program (NSFR&D) has embraced the goal of sustainable fisheries and fish stocks by focusing our program on maintaining self-supporting fish stocks and scientific stock management. The Fisheries Development aspect of the program has received great assistance from the University of Alaska Marine Advisory Program and Heidi Herter, the new agent in Nome. The NSFR&D Program's rapid growth over the last two years caused the professional staff to initiate their own planning just before the company, as a whole, began their planning. The results were nearly parallel. NSFR&D will work to support the best management of the most heavily utilized fish stocks (eg. crab, king salmon, red salmon, etc.) so that management has the best available tools to keep them healthy. Research will focus on fishery issues that have broad implications for the region or on specific issues that are in need of more information to be adequately managed. An example of recent research is the chum salmon genetic research with USFWS, about to be published in the Canadian Journal of Fisheries. Another proposal was submitted in cooperation with Eastern Carolina University for funding research on climate change on sea ice residency.

Moist Air Incubation and Eyed Egg Planting

NSFR&D continues to be a leader in the development of moist air salmon egg incubation and eyed egg implants. Our projects in 2007 included the planting of silver salmon eggs in Anvil Creek and chum salmon eggs in the Snake and



Marjorie Tahbone is gutting a chum salmon on the Snake River so she can collect a kidney sample to evaluate potenial disease.

Solomon Rivers. Our previous success brought a request from the Chickaloon Village Traditional Council to assist them in developing a king salmon moist air incubation and eyed egg implant project on Moose Creek, ten miles east of Palmer. They were off to a rough start and wanted some coaching and practical experience in the operation of their equipment. We helped them select planting sites and prepare for egg planting; providing over the phone advice on incubation. Two of their biologists accompanied the NSFR&D crew planting coho salmon eggs. Chickaloon Village is trying to rehabilitate Moose Creek much as we are working on Anvil Creek. They recently removed an old dam and regraded the stream opening a former spawning site. They are now working to jump start the king salmon run so that the entire spawning habitat is utilized. Anvil Creek was once a more productive silver salmon stream and we have worked at cleaning the concretion of years of mining sediment and the replacement of juveniles into a system that had salmon extirpated by mining impacts and over harvest.

Red Salmon

The Seward Peninsula has enjoyed much improved red salmon runs over the past decade. NSEDC has played a significant role in that improvement by fertilizing Salmon Lake to improve productivity. In 2007, NSFR&D distributed 16 tons of fertilizer in Salmon Lake and monitored plankton levels in the lake to document the effect of fertilization. NSFR&D conducted smolt research on the Pilgrim River in cooperation with the Alaska Department of Fish and Game (ADF&G) and the U.S. Geological Survey



Didson sonar at work on the Shaktoolik River.

to document the size or health of the outmigrating juvenile salmon and the duration of their migration in freshwater. NSEDC provided a grant to assist Kawerak, Inc. in counting the adult return to the Pilgrim River and NSFR&D helped to acquire a count of adults returning to Glacial Lake. Although these have little commercial value at present they support a very significant subsistence fishery. NSEDC is interested in developing a small commercial fishery, but it is likely the subsistence harvest will be the primary use of these two stocks for the foreseeable future.

Clean Waters

The Clean Waters Program is another program that NSFR&D has shown leadership in. The success of the 2006 clean-up brought recognition for the program and we were requested to fly the entire coast of the Alaska Bering Sea to inventory the extent of marine debris in 2007. Local site clean-ups were completed in Shaktoolik, Unalakleet, and White Mountain. The total weight of



Boat loads of debris were taken along the shoreline of Unalakleet through the Clean Waters Program.

the collected debris in 2007 was 201,600, bringing the total to 240,000 pounds collected to date! There is great cooperation in each community, though the large amount of debris makes this project one that will require several years to complete in each of the region's communities.

Salmon Research and Management

Salmon research and management is one of NSFR&D's priorities. The goal of having a representative indicator of salmon escapement in each fishing district is intended to insure that all salmon stocks



Rhonda Sparks holds the seine up to keep the chum in that were just hauled in on the Solomon River for the egg samples.

are managed well. The Shaktoolik Subdistrict has long been managed on the basis of returns at Unalakleet. There are studies showing that Unalakleet salmon mingle with Shaktoolik salmon in the ocean, but little is known about the Shaktoolik system as far as historic returns or spawning potential. In 2007, a site was selected and highly advanced fish counting sonar equipment was purchased for the Shaktoolik River. Genetic samples were collected from king salmon in the Shaktoolik River as well. This is the beginning of an independently managed salmon system – work that is long overdue.

Salmon that rear in freshwater -silver, sockeye, and king salmon - are often more affected by how much fresh water habitat they have than the number of eggs that are laid or the marine life stage. Until recently, judgments on salmon management have all focused on escapement in this region. NSFR&D with the help of LGL Alaska Research Associates, Inc. have found that rearing habitat is a good predictor of returns on the Nome River silver salmon. The success on the Nome River helped us to successfully apply for research funding on the Fish River silver salmon habitat with ADF&G and LGL. The intent of this new research is to see if a common habitat assessment method can be applied over all Norton Sound silver salmon streams.

Crab Management

Red king crab is one of the bread and butter fisheries of Norton Sound, which makes it a primary concern for the NSFR&D program. In 2006, NSFR&D participated in a trawl survey to assess the red king crab population of Norton Sound. This information is then used to model the crab population and predict the allowable harvest of the crab stock. The model was reexamined in 2007 due to some concerns raised in the southern Bering Sea models. NSFR&D staff was interested in this process and consulted with the ADF&G on the changes and the assumptions used in the model. Recent information indicates that red king crab

is longer lived than previously thought, especially in Norton Sound.

Over the winter, the Alaska Board of Fisheries considered the management of the Bering Sea crab fisheries. NSFR&D staff submitted several proposals to allow for a potential blue king crab fishery and to better manage the red king crab fishery. This required working with local stakeholders and the advisory committees to find suitable compromises that would be passed by the Board of Fisheries. In the end, the proposals were supported by the advisory committees and Fish and Game.

Preparation for the next trawl survey to inventory the red king crab and other

benthic organisms of Norton Sound and the northern Bering Sea began in the fall of 2007. The crew of the *R/V* Pandalus drew the attention of the NSFR&D staff to a new device being developed by the Kodiak Fish and Game staff. NSFR&D staff was able to accompany the crab biologists in Kachemak Bay while they used the new camera sled. We are assisting the Kodiak staff to use this new tool to survey the St. Matthews opilio crab stock so that the sled will be available to survey portions of the Norton Sound crab management section. The comparison of the two surveys will be of interest in assessing opportunity for opilio fishing in the area between St. Matthews and St. Lawrence Islands.

2007 Asset Report Formerly Norton Sound Investment Company

During 2007 NSEDC consolidated its offshore fishing assets. The end result is a more focused and efficient fishing operation.

Glacier Fish Company (GFC) successfully operated all four of its vessels throughout the year. With high pollock quotas and fair prices the company had a very good year. There were no major interruptions to fishing, no market problems, and no detrimental fishery management changes. At the end of the year we were notified of significantly lower pollock catch limits for 2008 but are expecting higher market prices as a result.

The past year saw the dissolution of most of NSEDC's participation in the Norton Sound Ventures (NSV) partnership. This partnership lasted for several years and brought NSEDC into the crab fisheries, especially brown crab, at the time of rationalization. We learned much from our partners, gained valuable experience, and increased the variety of our investments. Ultimately, the partners decided to go in different directions.

During the summer we took full ownership of the *F*/*V* Aleutian No 1. One of the few brown crab vessels fishing in the Aleutian Islands, she is a well maintained, efficient platform for fishing single and longline crab pots. Due to the investments we had under NSV, we also received a substantial amount of Aleutian Islands brown crab quota as well as quota for Bristol Bay red king crab, opilio and baridi Tanner crab. We intend to use the Aleutian No. 1 as a brown crab boat for much of the year fishing NSEDC's IFQ and CDQ, as well as leasing IFQs from others. We also plan to fish much of NSEDC's opilio CDQ and IFQs in the beginning of each year. This plan was fully underway during the fall when the boat successfully landed 550,000 pounds of brown crab. We are fully managing this

vessel with the assistance of Rip Carlton. Mr. Carlton has well over twenty years experience captaining crab boats. He and our fall fishing captain, Rick Alvarez, are two of the most experienced brown crab boat captains in the industry.

We purchased direct ownership of 50% of the *F*/*V* Glacier Bay as another part of the NSV dissolution. This effectively gives us 75% ownership of the vessel since GFC is the only other owner. GFC has successfully managed this freezer longliner for several years and will continue to do so. In the end, NSEDC has retained partial ownership of three crab vessels (F/VAlaskan Beauty, F/V Ocean Olympic and *F/V Pacific Star*) as well as a collection of crab fishing gear. The dissolution agreement calls for the sale of these vessels and gear as soon as possible. By the end of the 2007 year, all remained unsold, but efforts were well underway to sell the F/V Alaskan Beauty.

2007 NSEDC VESSELS

Vessels owned jointly with or through Glacier Fish Company.





F/T Pacific Glacier

276-foot factory trawler that produces frozen-at-sea Alaska pollock fillet and surimi, as well as Pacific Whiting surimi and fillet, Alaska pollock roe, and Alaska cod fillets.

F/T Northern Glacier

201-foot factory trawler that produces frozen-at-sea Alaska pollock fillet, pollock mince blocks, pollock surimi, pollock roe, shatter pack Alaska cod fillets, and cod roe.



C/P Norton Sound 136-foot catcher processor that produces frozen-at-sea H&G Alaska cod, H&G Alaska pollock, skin-on pin bone-in fillets, Alaska pollock roe, and cod roe.



C/P Glacier Bay 154-foot catcher processor that produces frozen-at-sea H&G Alaska cod, H&G

154-toot catcher processor that produces trozen-at-sea H&G Alaska cod, H&G Alaska pollock, skin-on pin bone-in fillets, Alaska pollock roe, and cod roe.

Vessels owned 100% by NSEDC.



F/V Aleutian No. 1 105-foot crab vessel fishes in the Aleutian Islands and Bering Sea. It is used to fish NSEDC's IFQ and CDQ brown crab and much of our opilio crab.



F/T Golovin Bay 38-foot tender vessel supports NSSP operations in the region.

39-foot tender vessel supports NSSP operations in the region.





RSW Besboro Barge This 33-foot vessel with a 30,000-pound storage capacity supports NSSP operations in the region.

Other vessels owned jointly with Norton Sound Ventures are the F/V Alaskan Beauty, F/V Ocean Olympic, and the F/V Pacific Star.

F/*T* Norton Bay

Community Benefits Department

A Year in Review

Shoreside Infrastructure Improvements Program

Boat Ramp Projects The Boat Ramp Program was introduced in 2005 to improve the efficiency and

in 2005 to improve the efficiency and safety of launching and landing subsistence and commercial fishing vessels in the region. Since implementation, each member community has been allotted \$120,000 for a boat ramp project or in lieu of a boat ramp, the option to use the funds for a project that meets the program guidelines. In 2007, Diomede, Wales, Brevig Mission, Savoonga and Gambell were the final five communities allocated money for boat ramp projects. Following is a description of how each community used the NSEDC Boat Ramp Program to meet their priorities.

- Diomede opted to purchase a 2003 CAT 908 Loader with a bucket, forks, hydraulic angle snow blade, hydraulic oil and spare parts for the loader for \$91,000. Special thanks and recognition to Kawerak, Inc. for assisting in the delivery of the loader to Diomede.
- Gambell used the funds to purchase a 2003 CAT D5G LGP Wide Pad Dozer with a cutting edge, hydraulic oil and spare parts for the dozer for \$82,989.70.
- Teller purchased a 2002 621D Case



This 2003 CAT 908 Loader was purchased for Diomede through the NSEDC Boat Ramp Program.

Loader and two spare buckets/forks for \$118,278.66.

- Wales used the funds for the purchase of a 2005 Caterpillar 420D 4ETCB backhoe loader for \$93,435 and a 2007 Honda TRX500FM7 ATV for \$8,149. The ATV will allow community members to utilize boat trailers, which were previously funded by NSEDC.
- Brevig Mission opted out of the boat ramp option with the intention to use the allotted funds as a match for future funding to design and build a small boat harbor within the existing lagoon.
- Savoonga chose to install a community boat ramp on the northeast shore near the community. The boat ramp is 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 upon installation is owned and maintained by the respective municipality. West Coast Construction of Unalakleet will oversee the construction of the cement planks and installation of the boat ramp in 2008.

NSSP Cold Storage Facility

The construction of the Cold Storage Facility upgrades at NSSC in Nome commenced in summer 2007. LCMF, Inc. is the Architectural & Engineering Firm and Alaska Mechanical, Inc. is the General Contractor. The construction will replace the existing cold storage system of portable freezer vans that the NSSC currently uses with a permanent structure that will have freezer rooms capable of holding 175,000 pounds of palletized and racked crab, halibut, salmon, cod and other product, to maximize efficiency. The facility will be constructed on a



Savoonga block and tackle purchased through an Outside Entity Funding grant. concrete pad, with aluminum exterior walls and insulated panels.

In addition to cold storage, the facility will also include a sheltered crab tank room, increased ice making equipment and a hydraulic powered crane. Each of the sub-components will enhance NSSP's red king crab and halibut operations in Nome and allow for potential future expansion.

Community Benefit Share

The NSEDC Board of Directors declared a \$100,000 NSEDC Community Benefit Share (CBS) for 2007. This is the second successive year in the program's nine year history that \$100,000 was declared. The CBS reflects NSEDC's commitment to prudent financial management and dedication to its communities. Each member community receives an equal distribution and the remittance of the CBS is made to each city government. The decision on how the community will apply the funds is decided through a public process at the municipal level. The CBS is fully funded through NSEDC's investments outside of our allocations, and NSEDC feels proud

to direct investment returns to integral efforts to strengthen the economy of the Norton Sound region.

Consolidated Bulk Fuel Program

The 2007 Consolidated Bulk Fuel Program expanded in its second year of the program increasing the number of participants and the amount of fuel delivered. A total of nineteen participants in thirteen of NSEDC's member communities, plus Shishmaref, received 964,345 gallons of heating fuel and 274,730 gallons of unleaded gasoline which was delivered by Delta Western, Inc at a total cost of \$3,674,231.35.

For program eligibility, each entity must have sufficient fuel storage with a U.S. Coast Guard approved header and be a local fuel vendor, municipal or tribal



A future Gambell fisherman shows his latest catch - what a smile! July 2007

government, or native corporation. NSEDC acts as an agent on behalf of the participants to coordinate the order, issue a Request for Proposals (RFP) to fuel suppliers, evaluate the proposals and award a contract, as well as serve as a single point of contact for the supplier and communities. No interest or fees are charged to participants for administration of the program. Recognizing that the results and benefits of this program are substantial and far reaching makes NSEDC extremely proud and eager to invest such considerable time and resources into the program. Participants not only receive the benefit of lower fuel prices than they would receive going out to bid independently, but they also benefit from lower administrative costs by NSEDC coordinating



There was a great turnout at the Diomede Fishermen's Fair, March 2007



NSEDC staff member Sye Larson, contract helper Jefford Kingeekuk, and several Savoonga community members are entertained by an intense sumo wrestling match during the Savoonga Fishermen's Fair.



A bungee basketball participant is being cheered on at the Shaktoolik Fishermen's Fair, June 2007



Scene at the White Mountain Fishermen's Fair, June 2007

the majority of this activity and foregoing any fees or interest. It is estimated the participants saved more than \$200,000 in direct fuel purchases and participants who are fuel vendors in their communities passed savings on to residents in the form of lower fuel prices at the pump.

Substance Abuse Prevention Program

Little Dribblers Program

In 2007, the Little Dribblers Program was funded for the third consecutive year. Through this program, the Board donates a \$3,000 contribution to each of NSEDC's member community school sites, and to Shishmaref, for the Little Dribblers elementary school basketball programs. The sport of basketball is a favorite activity in the Norton Sound region and it provides a healthy alternative to drugs, alcohol and delinquency. The funding has not only helped to develop the skills and promote teamwork of young players, but allowed opportunities for elementary teams to host tournaments, travel to other tournaments, and purchase jerseys and equipment. The program is well received by elders, adults and youngsters alike.

Fishermen's Fairs

NSEDC continued visits to member communities to host Fishermen's Fairs in honor of local subsistence and commercial fishermen for their hard work and commitment to the fisheries of the Norton Sound region. Fairs took place in Diomede in March, in White Mountain and Shaktoolik in June, and in Gambell and Savoonga in July.

Fair activities included: sumo wrestling, a moon bounce, an obstacle course, a bungee basketball challenge, a fish pond, and a prize walk. NSEDC served sandwiches and pizza from Subway and Airport Pizza in Nome, fresh fruits and salads, and beautiful cakes prepared by Judie Kotongan of Unalakleet. Activities were followed by door prizes, including certificates to local vendors for groceries, gasoline and heating fuel, and regional airlines for tickets and freight, and NSEDC regalia.

NSEDC will continue hosting Fishermen's Fairs each summer until each member community has been visited and each fisherman is honored.

Outside Entity Funding

The Board of Directors approved thirty-one requests for funding proposals from outside entities in 2007, for a total approved amount of \$1,565,344.

Organization	Amount	Approved
ADF&G 2007 Summer Interns	\$	59,762
Chinik Eskimo Community Large Boat Trailer	\$	55,000
City of Diomede Burn Box	\$	147,600
City of Elim Beacon for Moses Point	\$	1,385
City of Elim Old School Rehabilitation	\$	76,132
City of Elim Wood Burning Boiler	\$	25,000
City of Savoonga Dump Truck	\$	100,000
City of Shaktoolik Large Boat Trailer	\$	55,000
City of Unalakleet Fuel Tank Disposal	\$	115,000
City of White Mountain Fire Safety Building	\$	100,000
City of White Mountain Fish & Meat Processing Equipmen	ıt\$	39,132
Kawerak, Inc. Salmon Enumerations Camps & Internships.	\$	144,959
Koyuk SAR Snowmachine	\$	6,809
Martin L. Olson Schools Activities	\$	19,623
Native Village of Elim Future Leaders Workshop	\$	8,200

Native Village of Shaktoolik Youth & Elders Cabin Upgrades\$	55,456
Native Village of Teller SAR Equipment\$	13,238
Native Village of Unalakleet Elders Lunch Program\$	30,000
Native Village of Unalakleet Salmon Counting Tower\$	
Native Village of Wales Trail Staking\$	10,000
Native Village of Wales Transportable Repeater System\$	21,600
Native Village of White Mountain CampFire USA\$	6,930
Native Village of White Mountain Elders Lunch Program\$	42,876
Nome Chamber of Commerce Cruise Ship Marketing DVD\$	75,905
Nome Civil Air Patrol Start-up Costs\$	12,940
Nome Elementary School Salmon Incubation\$	4,700
Nome Eskimo Community 2007 Summer Youth Camp\$	32,000
Nome Fishermen's Association Hobson Creek Project\$	128,204
Nome Preschool Assoc., Inc. Scholarships, Supplies & Training \$	18,000
Savoonga Whaling Captains Association Equipment Purchase \$	26,250
Wales Volunteer Fire Department Start-up Equipment Costs\$	14,616



The NSEDC Outside Entity Funding Program provided funds for upgrades to the Shaktoolik Youth & Elders Camps

Education, Employment & Training

2007 Report

EDUCATION

On behalf of the NSEDC Board of Directors, the NSEDC Scholarship Committee awarded one hundred seventy-six Norton Sound residents a scholarship for a total of \$401,577.99. With an annual budget of \$464,000 for 2007, the NSEDC Scholarship Fund for the year reflected a surplus of \$62,422.01. Good luck to all our scholarship recipients as they strive for their post-secondary education and to find gainful employment upon their completion.

The NSEDC Board of Directors, upon recommendation of the NSEDC Scholarship Committee, voted to increase the NSEDC Scholarship to \$2,000 per semester beginning in the fall semester of 2007. Each applicant must fill out the NSEDC Scholarship Application and include two letters of recommendation, a letter of acceptance from the institution they are attending, official transcripts, and a current photograph before the specified deadline. Each applicant must maintain twelve credit units with a 2.0 GPA or a positive progress report to be eligible for a continuing scholarship. Applicants can now use the Seward Peninsula Application Network Scholarship (SPANS) to apply for scholarships from NSEDC, Kawerak, Inc., Norton Sound Health Corporation, and the Bering Straits Foundation. The NSEDC Board of Directors recognizes that true economic development begins with the education of our most important resource, our people, to enable them to take the jobs available in our communities.

EMPLOYMENT

Glacier Fish Company employed twenty four Norton Sound seafood processors

on board our vessels in the first quarter with a total of \$276,021.81 in crew share wages, twenty-four processors in the second quarter with \$198,329.11 in crew share wages, thirty-eight processors in the third quarter with \$370,928.08 in crew share wages, and twenty-four processors in the fourth quarter with \$197,921.76 in crew share wages paid – for a cumulative total of \$1,043,200.76 in crew share wages for 2007. This brought the cumulative total of crew share wages paid to Norton Sound processors to

\$11,822,699.43. With \$532,974.92 paid in wages to Norton Sound processors from all other seafood processors from 1992-2007, the cumulative total paid to our seafood processors from 1992-2007 is \$12,355,674.35.

Now that's bringing home the bacon for the last fifteen, going on sixteen years! Thank you to Glacier Fish Company for their employment efforts to allow our processors to bring home crew share wages back to the region!! With the price

2007 EMPLOYMENT STATISTICS

Management/Admistrative	PEOP	LE	WAGES
NSEDC	7	\$487	,053.69
NSSP	9	\$348	,750.73
Total Management/Admistrative	16	\$835	,804.42
CDQ Pollock Related	37	\$706	,168.88
NSSP Employment	156	\$513	,877.27
Other NSEDC Employment	8	\$93,8	95.00
Other Fishing			
GFC - Longline	1	\$76,1	54.48
O/A Norton Sound Winter Red King Crab	7	\$20,2	259.00
O/A Norton Sound Red King Crab	26	\$723	,798.45
NSEDC CDQ Red King Crab	8	\$36,1	85.00
YDFDA CDQ Red King Crab	7	\$20,6	i22.5 0
Norton Sound Salmon	73	\$660	,499.81
Norton Sound Herring	7	\$19,6	i31.70
NSEDC CDQ Halibut	19	\$497	,088.11
Total Other Fishing	148	\$2,05	64,239.05
NSEDC Community Outreach Liaisons	13	\$78,0	00.00
Interns			
NSEDC Administration	2		121.64
NSEDC Salmon Rehab.	5		152.05
Alaska Dept. of Fish & Game	7		139.38
Kawerak, Inc.	7		644.67
Native Village of Unalakleet	1	\$4,40	
Fisheries Development	37		210.13
Total Interns	59	\$332	,167.87
GRAND TOTAL	437	\$4,61	4,152.49

2007 Education	& Training	g Statistics
Scholarships	People	Expenditures
Post-Secondary Vocational	139 37	\$334,077.99 \$67,500.00
Fisheries Related Training	20	\$123,946.93
TOTAL	196	\$525,524.92

of gas at \$5.25 per gallon and \$6.40 per gallon for fuel oil, or higher, our residents will need to have continued employment in the Bering Sea. Good fishing and be safe!!

TRAINING

On March 11-21, 2007, a seafood processing class was sponsored at the Alaska Vocational Technical Educational Center (AVTEC) in Seward with twenty people given the opportunity to participate, at a total cost of \$32,469.00. Completing the course and ready to work with drug screen urinalysis, hearing test, and physical examination documented were Wayne Kotongan, Morris Katchatag, Craig Ivanoff, and Jack Koutchak, III of Unalakleet; Lawrence Kingeekuk of Savoonga; Adam Saccheus of Elim; Elias Milligrock of Shishmaref; Doug O'Donnell, Cyrus Savetilik, Danielle Topkok, and David Miller, Sr. of Teller; and Martin Lincoln of White Mountain.

A one-day (ten-hour) Emergency Procedures and Onboard Drills Course to meet USCG Requirements on fishing vessels was held in Nome on April 27-28, 2007, with Doug Jensen of AMSEA and Howard Appel of Nome as instructors.

Rich Ferry received refrigeration training at Garden City, Kansas and a General Industry Trainer 503 class in Seattle, Washington. Eleanor Bahr went to training in Portland, Oregon, for OSHA safety training. William Johnson, Harry Muktoyuk, and Josh Osborne went to Seattle for OSHA 511 Safety Standards for Industry. Marlin Sookiayak of Shaktoolik was assisted to get his driver's license prior to employment on the North Slope. Calvin Paniptchuk was assisted to get his hazwoper certification to also help him with employment on the North Slope.

The May 13-23, 2007, NSEDC Seafood Processing Class was cancelled for the first time since inception due to a lack of applicants. All arrangements were cancelled.

Seventeen Norton Sound residents were given an opportunity for seafood processing at AVTEC in Seward on October 14-23, 2007, with a cost of \$37,375.95. Francis Aparezuk, Charleen Dan, and Xavier Pete, Jr. of Stebbins; Galen Ivanoff, and Joseph Katchatag, III of Unalakleet; Samuel Goodhope of Brevig Mission; Maggie Topkok and Julia Lee of Teller; Michael Kulukhon of Gambell; and George Lewis of Nome/Golovin successfully completed the class.

Bruce Johnson and Frank Doty of Unalakleet went to refrigeration training at the Refrigeration School, Inc. in Phoenix, Arizona, from October 2007 to April 2008, with a total expense of \$54,101.98.

NSEDC Scholarship Spotlight



Carrie Ojanen Cockerham

My name is Carrie Ojanen Cockerham. I graduated on June 10, 2007 from Walla Walla College, now called Walla Walla University. I graduated with honors with a Bachelor of Arts degree in English and in French.

I started out studying biology in college. I wanted to be a marine biologist. While taking general honors classes, however, I had to take several writing classes. In those classes, I discovered that I love writing. I found I have a lot to say about my family and about where I grew up. I was born and raised in Nome, Alaska. I grew up in a very close family. We went camping, boating, sledding, berry picking, fishing, and hunting together. I grew up going out to fish camp with my grandparents. In college, I was very homesick. I missed the Alaskan way of life. To make myself feel better, to feel connected to my family and to my home, I wrote about them. I eventually changed my major to English with a concentration in writing.

As part of my studies, I decided to spend a year in France to study French. I really wanted to travel and I loved the French language. It was a good experience. I would recommend to anyone interested in studying abroad to do so. I had a good time studying French language and culture and I got to travel to several other countries while on school breaks. This fall, I will begin graduate studies at the University of Montana. I will be pursuing a Master of Fine Arts degree in creative writing, focusing in poetry. When I have completed my studies at the University of Montana, I would like to teach creative writing, I think it is very important that people learn how to express themselves creatively.

I would advise young people to read widely because you never know what you may encounter in reading that may spark an interest for life. If you want to go to college, but you aren't sure what you want to study, take a lot of general studies classes to begin with. That way you can discover where your interests lie. Your college years are a great time to travel. See if your university or college has a study abroad program and participate in it! Take as many honors courses as you can. Not only are they interesting, but the people who take them with you will be interesting and become good friends. If you are struggling with any subject, take advantage of any tutoring your college or university may offer. Don't be afraid to make an appointment with your professor or a teacher's assistant to get all the help you need. To high schoolers: Apply for internships with your congressional delegation.

I would like to say thanks to my parents, Dave and Rudi Ojanen, who encouraged me every step of the way in the pursuit of my education. I would also like to say thank you to NSEDC for their continued financial support throughout my college years.

Revolving Loan Program

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

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 2007, NSEDC made twenty-seven loans in the sum of \$200,681.52 to local residents in the communities of Elim, Nome, Savoonga, Shaktoolik, Teller and Unalakleet.

Large Vessel Loan Option

The Large Vessel Loan Option provides further assistance to local fishermen in acquiring suitable vessels and vessel repowers 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:

- \$100,000 maximum for LLP permit holders
- \$75,000 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 2007, NSEDC made five Large Vessel Loans in the sum of \$175,645.54 to local commercial fishermen.



2007 REVOLVING LOANS

COMMUNITY	LOAN AMOUNT
Elim	\$22,982.85
Nome	\$14,546.64
Savoonga	\$25,279.28
Shaktoolik	
Teller	\$14,410.00
Unalakleet	\$69,488.94
Total	\$200,681.52
Nome	\$53,574.79
Nome	\$73,256.07
Nome	\$17,989.68
Nome	\$15,575.00
Nome	\$15,250.00
Total	\$175,645.54

GRAND TOTAL \$376,327.06

2007 NSEDC Board Of Directors



Walter Seetot P.O. Box 52 Brevig Mission, AK 99785 2004-2007 Term



Gilbert Ungott P.O. Box 75 Gambell, AK 99742 2005-2008 Term



Don Stiles P.O. Box 575 Nome, AK 99762 2006–2009 Term



Harvey Sookiayak, Sr.



P.O. Box 13 Shaktoolik, AK 99771 2007-2010 Term



Paul Johnson P.O. Box 329 Unalakleet, AK 99684 2004-2007 Term



Frank Oxereok, Jr. P.O. Box 524 Wales, AK 99783 2005-2008 Term



Dan Harrelson P.O. Box 190 White Mountain, AK 99784 2007-2010 Term



Mary Menadelook P.O. Box 7043 Diomede, AK 99762 2004-2007 Term



Dean Peterson P.O Box 62032 Golovin, AK 99762 2005–2008 Term



Victor Joe P.O. Box 95 St. Michael, AK 99659 2006-2009 Term



Wilfred Katcheak P.O. Box 71048 Stebbins, AK 99671 2005-2008 Term



Charles Saccheus, Sr. P.O. Box 39090 Elim, AK 99739 2006-2009 Term



Elvina Naranjo P.O. Box 53047 Koyuk, AK 99753 2005–2008 Term



Sam Mokiyuk P.O. Box 47 Savoonga, AK 99769 2006–2009 Term



Joe Garnie P.O. Box 582 Teller, AK 99778 2006-2009 Term



NSEDC Board of Directors hard at work at the 2007 3rd quarter meetings.



NSEDC 2007 Staff & Liaisons

Administration

Dan Harrelson President

Eugene Asicksik Chief Executive Officer

Camille Cruz Human Resources Director

Pearl Dotomain Administrative Assistant

Tasha Huffman *Controller*

Nina Razina Senior Accountant

Virginia Nashalook Accountant

Hazel Sagoonick Accountant

Dick Tremaine Asset Manager

Chelsea Ryan Accountant Assistant

Yvonne Ashenfelter Administrative Intern

Community Benefits

Janis Ivanoff Vice President & Community Benefits Director

Katie Peterson Community Projects Coordinator

Kathy Wheelehan Community Outreach Coordinator

Fred Eningowuk Community Development Coordinator

Paul Ivanoff, III Community Development Coordinator

Education, Employment and Training

Jerry Ivanoff Secretary & EET Coordinator

Carol Charles Administrative Assistant

Norton Sound Fisheries Research & Development

Simon Kinneen NSFR&D Director Charlie Lean Fisheries Biologist

Wes Jones Fisheries Biologist

Norton Sound Seafood Products

Josh Osborne NSSP General Manager

Richard Ferry Facilities Engineer

Crystal Taxac NSSP Accountant

William Johnson Unalakleet Plant Manager

Mitch Demientieff Plant Foreman

Contractors

Jon Zuck CDQ Harvest Manager & Technical Advisor

Steve Rieger & Company LLC *Financial Advisor*

Community Outreach Liaisons

Johnee Seetot Brevig Mission

Etta Ahkinga Diomede

Emily Murray • Elim

Shirley Antoghame Gambell

Sherri Lewis • Golovin

Ruby Nassuk • Koyuk

Shirley Martin St. Michael

Charlotte Kava • Savoonga

Reuben Paniptchuk Shaktoolik

Atha Foxie • Stebbins

Sarah Okbaok • Teller

Joanne Keyes • Wales

Davis Lincoln White Mountain

NSEDC 2007 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
- NSEDC contributed \$3,000 to the Brevig Mission School for their Little Dribblers Program
- 1 resident was certified in Fisheries Safety Orientation Training under the EET Program
- GFC employed 1 resident on board *F*/*V* Northern Glacier
- City of Brevig Mission and Brevig Mission Native Corporation were participants in the Consolidated Bulk Fuel Program

Diomede

- Mary Menadelook served as Board Member
- Etta Ahkinga served as Community Outreach Liaison
- Received \$100,000 Community Benefit Share
- NSEDC contributed \$3,000 to the Diomede School for their Little Dribblers Program
- NSEDC contributed \$147,600 to the City of Diomede for a burn box
- NSEDC hosted a Fishermen's Fair in honor of local commercial and subsistence fishermen
- City of Diomede received a 2003 Caterpillar 908 Loader for \$91,000 in lieu of the Boat Ramp Project funding

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 3 residents
- NSEDC contributed \$3,000 to the Elim School for their Little Dribblers Program
- 2 residents completed an internship with NSEDC and ADF&G sponsored by NSEDC
- 1 resident was certified in Fisheries Safety Orientation Training under the EET Program
- GFC employed 1 resident on board F/V Northern Glacier & F/V Glacier Bay
- NSEDC contributed \$1,385 to the City of Elim for a beacon at Moses Point
- NSEDC contributed \$76,132 to the City of Elim for the Old High School Rehabilitation project
- NSEDC contributed \$25,000 to the City of Elim to purchase a wood-burning boiler

- NSEDC contributed \$8,200 to the Native Village of Elim for Future Leaders workshops
- The City of Elim was a participant in the Consolidated Bulk Fuel Program

Gambell

- Gilbert Ungott served as Board Member
- Shirley Antoghame served as Community Outreach Liaison
- Received \$100,000 Community Benefit Share
- NSEDC awarded academic scholarships to 3 residents
- NSEDC contributed \$3,000 to the Gambell School for their Little Dribblers Program
- 1 resident was certified in Fisheries Safety Orientation Training under the EET Program
- City of Gambell was a participant in the Consolidated Bulk Fuel Program
- NSEDC hosted a Fishermen's Fair in honor of local commercial and subsistence fishermen
- City of Gambell received a 2003 CAT D5G LGP Wide Pad Dozer for \$66,500 in lieu of the Boat Ramp Project funding

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 7 residents
- NSEDC contributed \$3,000 to the Golovin School for their Little Dribblers Program
- 1 resident was certified in Fisheries Safety Orientation Training under the EET Program
- NSEDC contributed \$55,000 to Chinik Eskimo Community for a large boat trailer
- NSEDC contributed \$19,623 to Martin L. Olson School's activities
- City of Golovin was a participant in the Consolidated Bulk Fuel Program

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 4 residents
- NSEDC contributed \$3,000 to the Koyuk School for their Little Dribblers Program
- GFC employed 1 resident on board *F/V Pacific Glacier*
- NSEDC contributed \$6,809 to Koyuk Search and Rescue for a snomachine
- City of Koyuk and Koyuk Native Corporation

were participants in the Consolidated Bulk Fuel Program

Nome

- Don Stiles served as Board Member
- Received \$100,000 Community Benefit Share
- NSEDC awarded academic scholarships to 86 residents
- NSEDC contributed \$3,000 to the Nome Elementary School for their Little Dribblers Program
- 17 residents completed internships with NSEDC, ADF&G, and Kawerak, Inc. sponsored by NSEDC
- GFC employed 3 resident on board *F/V Pacific Glacier*
- GFC employed 1 resident on board *F/V Norton Sound*
- NSEDC contributed \$144,959 to Kawerak, Inc. for Salmon Enumeration camps and internships
- NSEDC contributed \$75,905 to the Nome Chamber of Commerce Cruise Ship Marketing DVD
- NSEDC contributed \$12,940 the Nome Civil Air Patrol for start-up costs
- NSEDC contributed \$4,700 to the Nome Elementary School Salmon Incubation project
- NSEDC contributed \$32,000 to the Nome Eskimo Community for the 2007 Summer Youth Camp
- NSEDC contributed \$128,204 to the Nome Fishermen's Association Hobson Creek project
- NSEDC contributed \$18,000 to the Nome Preschool Association, Inc. for scholarships, supplies and training
- NSEDC contributed \$59,762 to the Alaska Department of Fish and Game for 2007 summer interns

Savoonga

- Sam Mokiyak served as Board Member
- Charlotte Kava served as Community Outreach Liaison
- Received \$100,000 Community Benefit Share
- NSEDC awarded academic scholarships to 3 residents
- NSEDC contributed \$3,000 to the Savoonga School for their Little Dribblers Program
- 1 resident was certified in Fisheries Safety Orientation Training under the EET Program
- NSEDC contributed \$100,000 to the City of Savoonga to purchase a dump truck
- NSEDC contributed \$26,250 to the Savoonga Whaling Captains Association to purchase whaling equipment

- City of Savoonga was a participant in the Consolidated Bulk Fuel Program
- NSEDC hosted a Fishermen's Fair in honor of local commercial and subsistence fishermen
- City of Savoonga received a boat ramp as part of the Boat Ramp Project

Shaktoolik

- Harvey Sookiayak, Sr. served as Board Member
- Reuben Paniptchuk served as Community Outreach Liaison
- Received \$100,000 Community Benefit Share
- NSEDC awarded academic scholarships to 3 residents
- NSEDC contributed \$3,000 to the Shaktoolik School for their Little Dribblers Program
- 12 residents completed internships with NSEDC and ADF&G sponsored by NSEDC
- NSEDC contributed \$55,000 to the City of Shaktoolik for a large boat trailer
- NSEDC contributed \$55,456 to the Native Village of Shaktoolik for Youth & Elders camp upgrades
- NSFR&D Clean Waters Program collected 43,600 pounds of debris
- NSEDC hosted a Fishermen's Fair in honor of local commercial and subsistence fishermen
- City of Shaktoolik and Shaktoolik Native Corporation were participants in the Consolidated Bulk Fuel Program

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 3 residents
- NSEDC contributed \$3,000 to the St. Michael School for their Little Dribblers Program
- GFC employed 2 residents on board *F/V Pacific Glacier*
- GFC employed 1 resident on board *F/V Northern Glacier & F/V Glacier Bay*
- City of St. Michael was a participant in the 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 4 residents
- NSEDC contributed \$3,000 to the Stebbins School for their Little Dribblers Program
- 3 residents were certified in Fisheries Safety Orientation Training under the EET Program

- GFC employed 7 residents on board F/V Pacific Glacier & F/V Northern Glacier
- City of St. Michael was a participant in the Consolidated Bulk Fuel Program

Teller

- Joe Garnie served as Board Member
- Sarah Okbaok served as Community Outreach Liaison
- Received \$100,000 Community Benefit Share
- NSEDC awarded academic scholarships to 1 resident
- NSEDC contributed \$3,000 to the Teller School for their Little Dribblers Program
- 6 residents were certified in Fisheries Safety Orientation Training under the EET Program
- GFC employed 1 resident on board *F/V Pacific Glacier*
- GFC employed 3 residents on board *F/V Northern Glacier*
- NSEDC contributed \$13,238 to the Native Village of Teller for Search and Rescue equipment
- City of Teller was a participant in the Consolidated Bulk Fuel Program
- City of Teller received a 2002 Case 621D Loader for \$110,679 in lieu of the Boat Ramp Project

Unalakleet

- Paul Johnson served as Board Member
- Received \$100,000 Community Benefit Share
- NSEDC awarded academic scholarships to 40 residents
- NSEDC contributed \$3,000 to the Unalakleet School for their Little Dribblers Program
- 4 residents completed internships with NSEDC and ADF&G sponsored by NSEDC
- 2 residents attended Refrigeration School, Inc.
- 6 residents were certified in Fisheries Safety Orientation Training under the EET Program
- GFC employed 3 residents on board *F/V Pacific Glacier & F/V Northern Glacier*
- NSEDC contributed \$115,000 to the City of Unalakleet for fuel tank disposal
- NSEDC contributed \$15,000 to the Native Village of Unalakleet for an Elders Lunch Program
- City of Unalakleet and Unalakleet Native Corporation were participants in the Consolidated Bulk Fuel Program
- NSFR&D Clean Waters program collected 107,000 pounds of debris
- NSEDC contributed \$119,027 to the Native Village of Unalakleet for Counting Tower project

Wales

- Frank Oxereok, Jr. 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 School for their Little Dribblers Program
- NSEDC contributed \$10,000 to the Native Village of Wales for trail staking
- NSEDC contributed \$21,600 to the Native Village of Wales for a Transportable Repeater System
- NSEDC contributed \$14,616 to the Wales Volunteer Fire Department for start-up equipment costs
- City of Wales was a participant in the Consolidated Bulk Fuel Program
- City of Wales received a 2005 Caterpillar 420D Backhoe Loader for \$93,435 in lieu of the Boat Ramp Project

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
- 20 residents completed internships sponsored by NSEDC
- 1 resident was certified in Fisheries Safety Orientation Training under the EET Program
- NSEDC contributed \$3,000 to the White Mountain School for their Little Dribblers Program
- NSEDC contributed \$100,000 to the City of White Mountain for a Fire Safety Building
- NSEDC contributed \$39,132 to the City of White Mountain for Fish & Meat Processing Equipment
- NSEDC contributed \$6,930 to the Native Village of White Mountain for CampFire USA
- NSEDC contributed \$42,876 to the Native Village of White Mountain for the Elders Lunch Program
- City of White Mountain was a participant in the Consolidated Bulk Fuel Program
- NSEDC hosted a Fishermen's Fair in honor of local commercial and subsistence fishermen
- NSFR&D Clean Waters program collected 51,000 pounds of debris

Norton Sound Economic Development Corporation

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