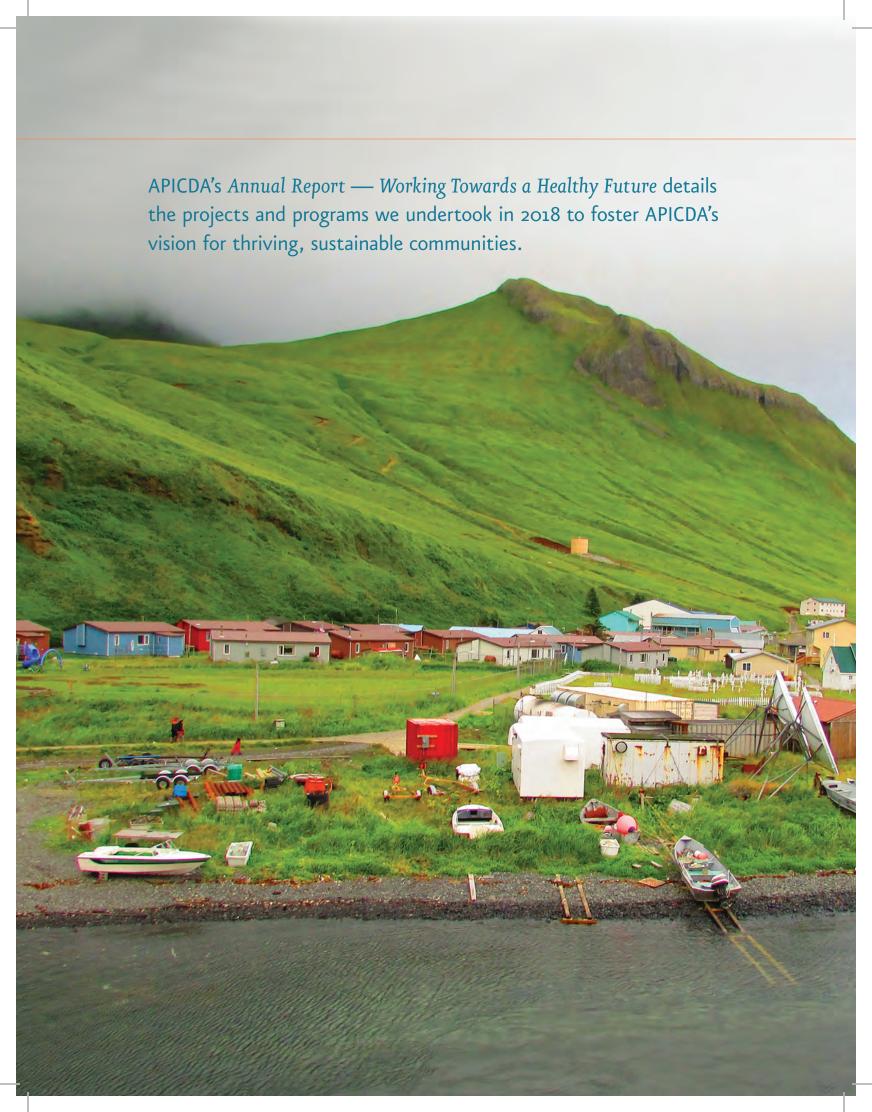


# 2018 ANNUAL REPORT

Working Towards a Healthy Future



APICDA MEMBER COMMUNITIES:
Akutan, Atka, False Pass, Nelson Lagoon, Nikolski and St. George





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Left: Akutan, photo by Bev Johansen

Cover: Humpback near Priest Rock, Unalaska, photo by Johanna Tellman

# LETTER from APICDA Board Chair



Aang!

I am delighted to share our 2018 annual report with our communities and colleagues. APICDA had a watershed year in 2018 with the strengthening of our financial position, the hiring of a dynamic new Chief Executive Officer in Luke Fanning, and the creation of our Programs department to support priority initiatives of our communities.

The CDQ program continues to provide western Alaska coastal communities with meaningful opportunities for economic self-sufficiency. In Atka, my home village, I have witnessed these positive impacts firsthand. Only with APICDA's operational support, have our fishermen been able to continue participating in our local halibut fishery, which is both culturally important

and economically critical in our village, where few other employment opportunities exist. APICDA has also funded, or provided matching dollars towards, infrastructure needs to support economic activity and increase the livability in our community, such as the development of a hydro plant, a new health clinic, and upgrades to the docks, water and sanitation systems. In addition, APICDA's training and education program provided funding this year for three residents to pursue their USCG six-pack license and supported internships for our youth with a focus on preserving our Unangam Tunuu language. These efforts are only a few examples of how APICDA is fulfilling the CDQ program's mandate to provide economic and social benefits in my community.

As many of you know, APICDA's founding leader, Larry Cotter retired in 2018. Larry's dedication and contributions to APICDA for the past two decades have been significant and our board is deeply grateful for his service and leadership on behalf of our communities and the CDQ program. During his time with APICDA, he developed strong foundational business partnerships for the organization and was instrumental in securing funding for critical infrastructure needs to support local economic development. The strong connections to the APICDA region and the fishing industry that Larry developed over the years were evident during his retirement celebration in a room packed with community members and colleagues and filled with colorful and heartfelt stories of his unwavering advocacy for APICDA's communities.

Our board is focused on continuing to ensure financial stability, supporting our new executive team and encouraging collaboration that supports the vision and purpose of APICDA and the CDQ program. This year we are proud to report on our strong financial performance, which will allow us to expand our programs to benefit the people of our region. The projects and programs highlighted in this report are examples of how we are leveraging our natural and human resources for positive community impact.

Special thanks to my home village of Atka, our member communities, my dedicated colleagues who serve with me on the Board of Directors, and the staff at APICDA for their hard work and devotion to healthy and sustainable communities.

Mark Snigaroff Chair, Board of Directors

Background photo by Josephine Shangin

# LETTER from APICDA CEO

Hello,

I am very pleased to present APICDA's 2018 annual report. This year marked a significant transitional period for APICDA, with the development of a new Programs department and some notable changes in our investments. In this report we are proud to share the results of our improved financial performance and information on our programs and operations that help advance the priorities of our communities.



In following our board's directive to evaluate and improve finances so that we can direct more resources to our communities, we set the stage

for divesting in some underperforming investments and entering into new strategic partnerships, allowing us to end the year with a net income of \$9.1 million. Our performance was the result of reduced operating expenses, realized gains on the sale of a majority ownership interest in Bering Pacific Seafoods, and an increased ownership interest in Prowler Fisheries (a freezer longline cod company).

Of these, the biggest change at APICDA in 2018 was the sale of a majority interest in Bering Pacific Seafoods and False Pass Fuel to Trident Seafoods. The development of the plant in False Pass has been a mainstay of APICDA's economic development efforts since the late 1990s, which began with a small-scale floating processor. In addition to building and operating the seafood plant, APICDA helped make possible other critical support infrastructure including a new fuel facility, dock and the small boat harbor. Today, False Pass is the site of not just one, but two modern seafood processing plants, and has attracted over \$100 million in private sector capital investment over the last two years. With non-CDQ seafood processing operators now established in False Pass, APICDA is focusing on building new community programs to address the growing needs of our residents and communities.

Throughout its history, APICDA has effectuated its mission under the CDQ program by building and managing shoreside projects like those in False Pass. These efforts consume significant financial and staff resources and in executing them, we have worked hard to maintain our financial stability while balancing our obligations to our other investments, programs and operations across our communities. The initial processing investments in False Pass were only made possible because of the CDQ program, and the expansive economic growth the community has witnessed over the past two years underscores the important role that private industry partnerships can play in the success of the program's efforts.

In 2018, our staff also directed a lot of focus on in-person community outreach. Between myself and our executive team, we traveled to every one of our communities to host meetings to better understand the current priorities of our fishermen's associations, municipalities, tribes and village corporations to inform our new program development and efforts. We received common feedback from our communities about continued challenges with access to affordable energy, aging infrastructure, school funding and job opportunities. In response, we formed a committee of local representatives to design a new funding program, the Community Development Grant Program, to help direct financial support towards priority initiatives.

We look back on 2018 as a year of important directional change and growth for APICDA. We are proud of the accomplishments we have made with the guidance from our communities, while recognizing that there is still a lot of work to do to address the needs that remain. Our passionate staff and board are working diligently to strengthen communications with our communities, maintain financial strength, build mission driven programs and ensure a stable CDQ program into the future.

I want to thank our board of directors, community residents, industry partners, CDQ leadership and staff for their support and dedication to our purpose during this year of transition at APICDA.

Luke Fanning APICDA CEO

# PURPOSE

APICDA is structured as a 501(c)(3), Western Alaska Community Development Quota (CDQ) organization, dedicated to strengthening local fisheries-based economies through increasing direct fisheries participation in the Bering Sea and Aleutian Islands (BSAI), providing employment opportunities, building support infrastructure and offering programs to assist the advancement of priority initiatives in the communities of Akutan, Atka, False Pass, Nelson Lagoon, Nikolski and St. George.

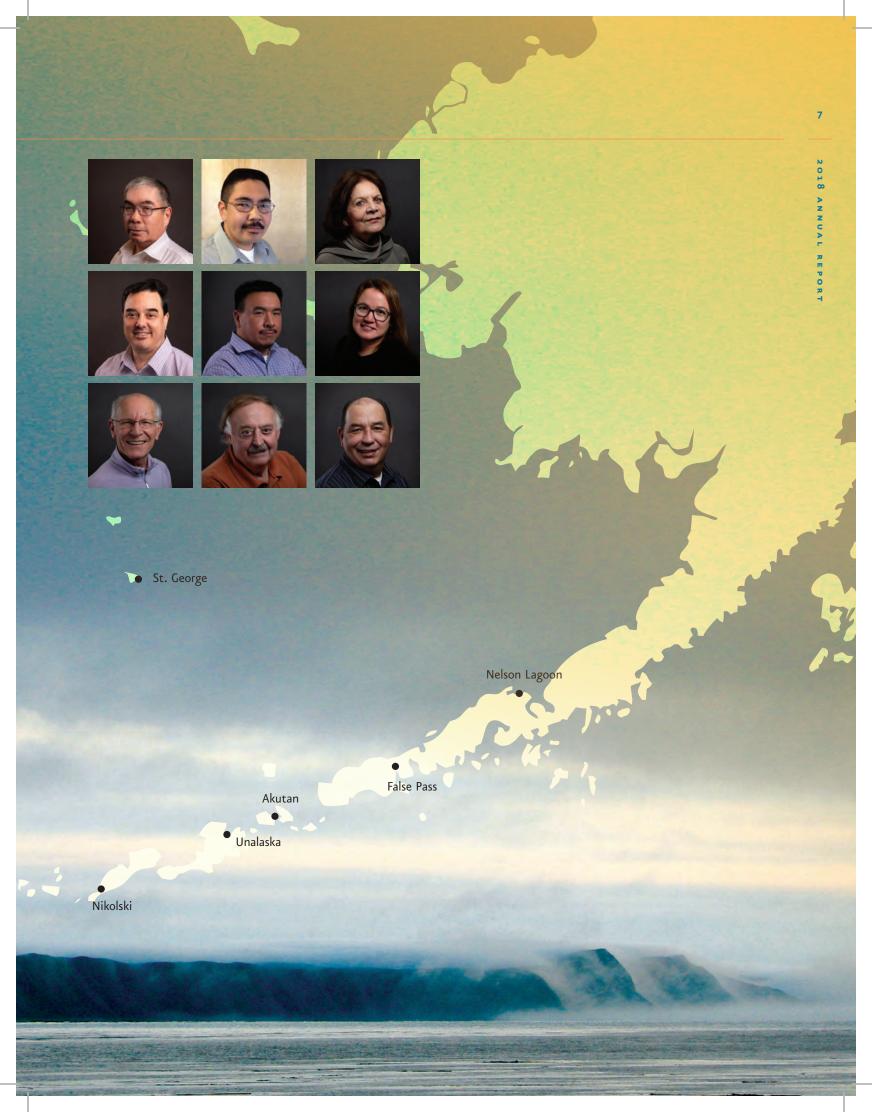
APICDA generates revenue through management of CDQ quota as well as investments in shore-based processing operations, at-sea catcher-processors in the BSAI, fuel operations, and tourism operations. Working closely with its board and staff, APICDA reinvests proceeds in its communities through a portfolio of regional education and training, public infrastructure development, community wellness, and cultural awareness initiatives.

# GOVERNANCE

APICDA's business and community investment decisions are guided by its board of directors, which has nine members. Six directors each represent one of APICDA's communities; with the three additional seats designated to a director from the fishing industry, the financial industry and a director from Unalaska.

The APICDA board exercises broad oversight of its management team through board and committee meetings. The board meets at least four times per year to review the financial health of APICDA, to receive reports on current operations and to review plans for future programmatic changes. The board appoints several committees to oversee specific corporate functions.

APICDA BOARD MEMBERS Mark Snigaroff, Atka Board Chair 2017-19, E/F/T/B/I Andrew Lestenkof Jr., Nikolski Vice Chair 2017-18, E Justine Gundersen, Nelson Lagoon Secretary/Treasurer 2018-20, E/P/B Harvey McGlashan, Akutan Director 2018-20, P/T Mark Merculief, St. George Director 2017-19, т Nikki Hoblet, False Pass Director 2017-19 Robert Nickinovich, Fishing Industry Director 2018-20, 1 Pete Crandall, Financial Industry Ex-Officio 2017-19, B/F/I Bill Shaishnikoff, Unalaska Director, Ex-Officio 2017-19, F/B Committee Memberships E - Executive Committee F - Financial Investment Committee т - Training & Education Committee P - Policy & Procedures Committee в - Budget & Audit Committee - Business Investments Committee Atka



# 2018 HIGHLIGHTS

# COMMUNITY SUPPORT

Contributed over \$349,000 in grants for community infrastructure, energy assistance and associated donations.

Contributed over \$636,000 in community dividends to support critical municipal and tribal functions in APICDA's six communities.

**Provided monthly stipend** for Community Liaison Officers (CLO) in each APICDA community. CLOs facilitated 57 community activity gatherings and play a key role in our training and education efforts.

Donated \$100,000 for a 12-week in-region outpatient substance abuse treatment pilot program created by the Aleutian Pribilof Islands Association (APIA) and Eastern Aleutian Tribes (EAT).

APICDA's Bereavement Fund provided \$12,000 in support.

**Provided support** for the 75th Anniversary Commemoration of the Battle of Attu. APICDA donated \$12,000 to fund travel for the Attu survivors and descendants to gather in Anchorage.

Hosted the 20th annual Community Conference that focused on identifying key priorities and creating Community Development plans for each village to guide APICDA's program development and operational support.

Provided startup funds for three new in-region businesses through the Aleutian Marketplace Business Plan Competition.

Contributed \$24,605 in miscellaneous grants to communities for special events and other community directed enrichment activities.

# FISH IN THE REGION

Contributed \$100,000 in grants to local fishermen's associations, which are locally managed to provide support for gear and equipment purchases.

St. George fishermen caught 100% of their 4C halibut quota. AJV paid \$255,000 to St. George fisherman for 58,000 pounds of fish.

Managed and operated a walk-on program for Atka halibut fishermen with matching CDQ with an equivalent ex-vessel value of \$125,000.

Partnered with Trident Seafoods in a minority interest for False Pass Seafoods and False Pass Fuel (previously Bering Pacific Seafood and False Pass Fuel Company), providing an important market for area M salmon fishermen, and increased job opportunities in the community.



Background: St. George Cliffs, photo by William Tyler Lekanof

#### GROWTH AND PROGRESS

APICDA experienced a 36% growth in gross revenue over 2017, bringing total gross revenues to \$32,613,000 for 2018.

Overall net worth of APICDA increased by \$7,917,000 to \$71,543,000.

APICDA recognized a growth in the value of its outside investments of \$10,018,000.

Tourism generated \$1,212,000 in gross revenue, attracting over 200 clients to the region and employing 12 APICDA residents in guiding and support service jobs.

Cannon Fish Company had \$32,588,000 in gross sales.

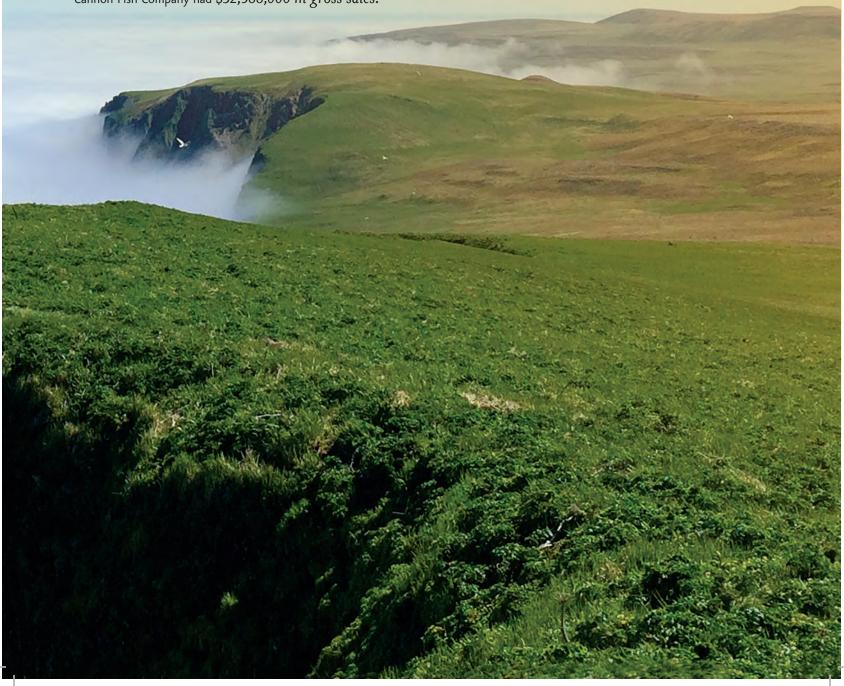
# STUDENT SUCCESS

Awarded \$141,000 in post-secondary and vocational education training scholarships.

Provided grants to regional schools totaling \$48,000.

Supported scholarship students by providing student care packages, publishing a newsletter and updating a dedicated Facebook page to share relevant, timely and inspirational information.

Maintained a robust internship program with 11 internship positions in the region and in Anchorage representing \$44,000 in compensation.



# IN-REGION EMPLOYMENT

APICDA provides important employment and training opportunities for our residents and throughout our region. These include direct jobs and internships with APICDA and its subsidiary companies, regional programs that provide fisheries access, community programs that provide funding to local entities and through partnerships with seafood industry organizations and companies. In 2018, APICDA supported over 2 million dollars in wages and significant additional contributions through affiliates and programs.

IN-REGION EMPLOYMENT	Individuals	Wages
Management/Administration	14	\$577,719
Board Members	8	\$163,200
Community Liason Officers (CLO)	9	\$62,700
Other Fishing	27	\$906,564
Internships	11	\$44,244
Other Employment	20	\$110,488
APICDA Programs *	7	\$136,416
TOTAL	96	\$2,001,332



#### HIGHLIGHTS:

Atka Halibut Walk-On Program: In 2018, APICDA managed a walk-on program that allowed Atka quota holders the opportunity to fully harvest their halibut with the support of a harvesting partner. The program provided a one-to-one CDQ match to cover the overhead of the program which would have otherwise been captured through lease fees, allowing our Atka residents to fully capture the value of their quota.

St. George Halibut Program: The St. George halibut fleet had a successful 2018 fishing season, catching 100% of their CDQ quota. The program provides tender support for delivery to St. Paul and logistical support with fuel, bait and other supplies. The fishery provided \$255,000 in direct fishing wages and supported six local fishermen and five crew throughout the summer.

Aleutian Adventures: AJV's tourism program offers world-class destination fishing opportunities to Alaskans and out of state visitors, and meaningful job opportunities for residents from Nikolski and Nelson Lagoon who act as hunting and fishing guides and provide managerial support. In 2018, the program paid \$82,605 in wages to twelve local residents.

False Pass Seafoods and False Pass Fuels: Under a new partnership with Trident Seafoods, the expanded plant, previously known as Bering Pacific Seafoods, retained key positions for residents, which represented \$77,213 in total wages and fish payments. The facilities also provide critical support to local harvesters and important indirect economic activity to the community of False Pass through landing taxes, land use fees and local merchant sales contributing a meaningful economic stimulus for the village economy.

\* Category reflects 2018 program expansion to help more community members gain direct access to their local fisheries.

Above: Nikolski trophyhunting guides Danny Snigaroff, Vincent Lestenkof and Kevin Atkins with an Aleutian Adventures client.

Background photo courtesy of APICDA.

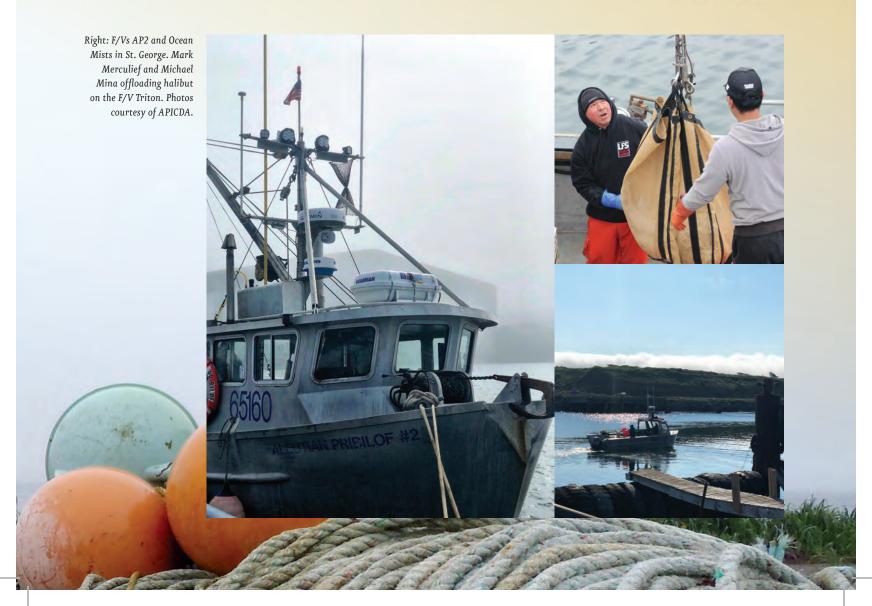


# COMMUNITY HALIBUT FISHERIES

During the summer halibut fisheries in area 4B and 4C, APICDA provides essential operational and quota management support for resident fishermen from the communities of Atka and St. George. Both communities have very strong historical dependency on the halibut fishery, which often represents the only private sector employment opportunity available to residents. APICDA works hard to make sure that any interested fisherman has access to halibut quota and the support necessary to ensure a successful season.

In 2018, our resident skiff fishermen and crew from St. George had a very productive year, fully harvesting their 4C CDQ allocation of 55,011 lbs. at ex-vessel wages of nearly \$250,000. APICDA provided additional support of \$153,169 for tendering and lightering from its company owned vessel, the AP2, to nearby St. Paul for processing. The local halibut program has provided important income and allowed some residents to leverage earnings from CDQ shares to purchase additional IFQ shares in the past.

In Atka, APICDA helped facilitate a walk-on opportunity for resident fishermen that leveraged a portion of their 4B CDQ halibut to provide six quota holders access to a market and the ability to fully harvest their shares. By matching quota pound for pound, our fisherman received 100% of the revenue for their shares with no lease fees. In addition to the increased financial return, the program also afforded residents the opportunity to harvest their quota more efficiently with less time on the water on the larger platform. APICDA offered management and administrative support for the program and the equivalent of roughly \$130,000 in ex-value support from matching CDQ on the vessel.



APICDA Joint Ventures' wholly owned subsidiary, Aleutian Adventures, is a tourism program that offers extraordinary hunting and fishing opportunities in some of the most scenic and remote locations in the world. In 2018 Aleutian Adventures employed 26 people, filling 12 positions with local residents, to manage APICDA's tourism division. The operation provided service to over 200 clients from around the world for trophy-hunting, sport-fishing, and adventure travel activities in the communities of Nikolski, Nelson Lagoon, and other remote areas of the Alaska Peninsula and Aleutians.

The program operates four distinctive lodges and camps: the Sandy River Lodge, the Ugludax Lodge, the Sapsuk River camp and the Steelhead Creek camp. The regional economic impact of these operations is significant; in addition to local job creation, goods and support services are sourced by locally-owned businesses, including, fuel, lodging and local air and ground transportation services. This indirect economic activity translated into thousands of dollars from the tourism program to regional private sector operators.

APICDA provides extensive professional development opportunities, equipping employees with resources and skills to ensure successful and safe guiding operations. Residents receive training from a State of Alaska licensed registered guide on how to safely and efficiently lead a hunting trip, focusing on topics such as client care, animal judging, taxidermy and field dressing. APICDA also supports required U.S. Merchant Mariner's credentials and safety certifications for its boat operators.



Top to bottom, left to right: King salmon caught from the Sandy River. Grizzly bear near Sandy River Lodge. Wild horses near Nikolski on Umnak Island. Steelhead Creek Camp near Nelson Lagoon. All photos courtesy APICDA Archive.

Background: photo by Charlene Gould.

# COMMUNITY ACTIVITIES

APICDA supports community activities through our Community Liaison Officer (CLO) program. Our six CLOs are local positions hired by APICDA who serve as an important conduit between APICDA and our community members, providing information on our program and scholarship offerings and hosting community activities. The original program began with a focus on youth activities during the school months with fun and constructive extracurricular activities for kids and over the years has evolved to offerings for all ages to encourage and support group gatherings and healthy community activities. In 2018, APICDA sponsored 57 total community events from strategic planning meetings to seasonal and holiday themed craft making.



Tie Dye activity in Nikolski with DJ Lake and Kiira Stamm; photo by Vincent Lestenkof.

Top to bottom, left to right: Akutan students posing with the blankets they made from left to right: Riley Lind, Brandon Tcheripanoff, William Tcheripanoff, Emma Shangin, Skylar Fratus, Natsha Bereskin, Devin Randall, Mia Bereskin; in front: Isabella Bereskin, Veronika Tcheripanoff and Sophie Randall; photo by April Pelkey. Atka Bird House Activity by Mikayla Prokopeuff; photo by Marii Swetzof. St. George Jellyfish Suncatcher Activity with Cordell Merculief, Tristen Merculief and Bianca Lestenkof; photo by Sarah Merculief. Natasha Bereskin, Caiden Francis, Sophie Randall and Isabella Bereskin making Halloween spider webs using white yarn, Elmer's glue and balloons; photo by April Pelkey.



# FALSE PASS, a successful model of CDQ investment

In carrying out our mission under the CDQ program to help build sustainable and diversified local economies in Western Alaska, APICDA invested significant resources over the period of a decade developing and operating shoreside processing and support infrastructure in the community of False Pass. The dedication and vision of our community, board and staff over this period culminated in substantial new private investment and unprecedented economic growth in 2018.

After seeding initial investments to develop a processing and fuel facility from the ground up, APICDA helped put False Pass on the

map as a strategic location for salmon processing in the region, attracting two new seafood companies to the community and over 100 million dollars in private investments in 2018. This interest allowed APICDA to enter into a partnership to transfer a majority ownership of Bering Pacific Seafoods (now False Pass Seafoods) to Trident Seafoods, a world leader in the industry and community-focused operator in rural Alaska. Under Trident's new management, the plant more than tripled its capacity, increasing its daily production of 250,000 lbs. per day to almost 1 million lbs. per day. At the same time, Silver Bay Seafoods started construction of a new plant, that is now operating with a daily capacity of over





1974-1976 – Peter Pan Cannery temporarily closed due to low salmon runs.

1981-2004 – Peter Pan maintained the store, mess hall, fuel farm and bunkhouses as a "Fish Camp" to help support the fishing fleet.

1920

1920 – Sockeye Salmon Co. moved their cannery from Morzhovoi Bay to False Pass and leased it to Peter Pan Seafoods, at the time known as P.E. Harris & Co. Peter Pan canned 51,659 cases of salmon during their first season and eventually purchased the cannery from Sockeye Salmon Co. 1959 – Salmon traps were outlawed when Alaska became a state. Peter Pan started purchasing more salmon from independent salmon seiners and gillnetters.

1973 – Salmon Limited Entry system becomes law and salmon permits are issued for seining, drift gillnetting and setnetting. Peter Pan sells its company boats to salmon permit holders, ending ownership of fishing vessels by the company.

1981 – Peter Pan cannery buildings burned down. Shore-side support facilities remained intact. 1993 – APICDA provides funding for city dock improvements.

starts to rebuild the processing capacity in False Pass by purchasing and operating a processing barge called The Dipper.

1999 – APICDA

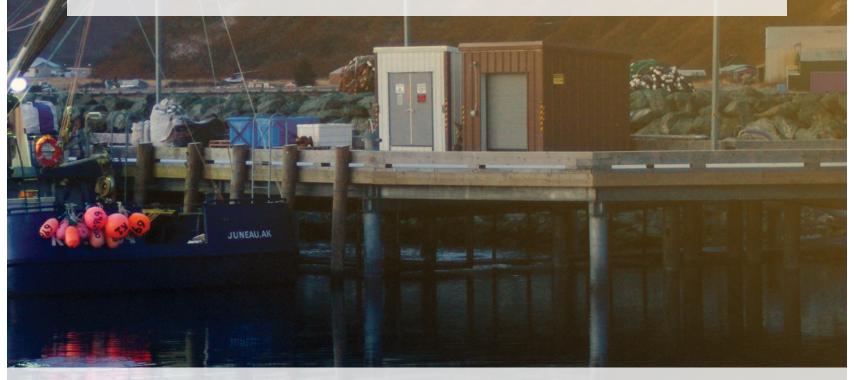
2000 – APICDA starts building up infrastructure to support a shoreside plant, including a bunkhouse, dock, sewer improvements, storage yard, etc. 1 million lbs. per day with intentions to process year-round and expand to whitefish production.

This increased activity occurring in False Pass has resulted in meaningful benefits for the community in the form of additional employment opportunities, improved support for local harvesters and substantial increases in tax revenue and indirect revenue flow to local businesses.

After many years of building up and managing the plant and support facilities in False Pass, transferring operations to a strong industry leader has allowed APICDA to redirect more focus and

resources on the development of new programs to further benefit our communities and address priority needs. We are very proud of the role that the community, APICDA, the CDQ program and our industry partners have played in growing False Pass' fisheries economy.

False Pass has a long-standing history with fish processing dating back to 1920 with Peter Pan Seafoods. The village has witnessed tremendous economic growth with the new fisheries-related construction activity in the recent years. The timeline below illustrates False Pass' 100-year seafood processing journey.



2008 – 2017 – APICDA invests a significant amount of funding to build the plant up to process a meaningful amount of Area M salmon, while increasing service and support for harvesters, job opportunities and city tax revenue.

2008 – The shoreside Bering Pacific Seafoods (BPS) plant opened in June. Approximately 500,000 pounds of salmon is processed in the first season. 2014 – APICDA opens a fuel facility, False Pass Fuels, after Peter Pan closes their fuel farm. 2016 – Containerization system was successfully launched in False Pass.
Each container can hold 48,000 pounds of frozen product which significantly streamlines shipping. The collaborative project with BPS, the city of False Pass, American President Lines (APL) and Samson Tug & Barge results in significant operational improvements.

2017 – BPS purchases and processes 7.5 million pounds of salmon; a 288 percent increase from the previous year. 2018 – The success of BPS attracts commercial interest. Trident becomes a majority investor and expands plant.

2018 – Silver Bay Seafoods begins construction of a new processing plant in False Pass. 2019 – Two large seafood companies operating in False Pass providing jobs, tax revenue to the city and support to Area M harvesters.

2020

# APICDA INTERNSHIPS

APICDA strives to provide meaningful internship opportunities to youth, enrolled college students and community members interested in gaining general employment experience in new fields. APICDA's internship program offers a wide variety of employment opportunities both in-house and in partnership with regional organizations that are geared towards fostering career and educational goals through exposure to hands-on work experience in a learning-based environment. Many of these internships have resulted in full-time employment opportunities at APICDA or with other organizations. APICDA supported 11 internships in 2018, representing \$44,244 in total compensation.

#### YOUTH INTERNSHIP PROGRAM:

This program was created to introduce youth, ages 14-17, to employment opportunities. This is an opportunity to gain valuable work experience, bridging the gap between school and landing a great job. Youth partner with a mentor to help navigate their work experience and maximize their internship.

#### COLLEGE INTERNSHIP PROGRAM:

The APICDA College Internship Program provides employment opportunities for residents who receive the Emil Berikoff, Sr. Memorial Scholarship (EBMS). The program assists in placing students in summer internships that compliment and support their educational goals. This internship is available during the summer for three months.

#### **EMPLOYMENT INTERNSHIP PROGRAM:**

APICDA offers the Employment Internship Program to residents interested in gaining work experience. Participants must meet the minimum employment qualifications for positions advertised. Duration of placement is three months. Internships are available within the APICDA family, subsidiaries, partnerships and other organizations affiliated with the region.

# WORK INVEST NOW SCHOLARSHIP PROGRAM (WIN)

College and Youth interns who successfully complete their internship are eligible for the WIN scholarship. This scholarship was created to support students academically while encouraging employment through APICDA and regional organizations. Since 2006, this program has introduced career pathways to students for employment after college. College students in good standing are eligible for \$2,000 in addition to the EBMS scholarship award. Youth are eligible to bank \$500 toward college or trade school each year they participate up to \$2,000.

Contact the Training & Education department at education@apicda.com or visit our website at www.apicda.com/programs for more information.

Below, left to right: Arnold Golodoff Jr., Kayla Nalam, Haliehana Stepetin, Laresa Syverson, Nichole Whittern



# SUMMER 2018 INTERN HIGHLIGHTS



Shayla Shaishnikoff Qawalangin Tribe College Intern

Shayla Shaishnikoff, 25, from Unalaska, was the lead intern at the Qawalangin Tribe of Unalaska, where she coordinated environmental projects and worked with professionals in the field. Her goal was to study issues influencing the ocean and to customize her degree in environmental science

and marine ecology to better address the needs of her home in the Aleutians. "Being Unangan means that I am a seasider, and my desire to always be near water is an instinct passed down from my Unanĝax ancestors," Shaishnikoff said. She spent the summer of 2018 doing something she's passionate about and was also able to spend evenings fishing and whale watching with her family. "Having worked in APICDA's Anchorage office for two years, I would not be where I am today without the mentorship of staff that I worked with," she said.



Nathaniel Williams APIA Unangam Tunuu Youth Intern

Nathaniel Williams, 18, is from Atka. He first became involved with the Summer Language Intensive (SLI) in Atka during the summer of 2015. Williams' goal for the summer of 2018 was to become intermediate or advanced in his level of fluency

in Unangam Tunuu. In addition to becoming more fluent, he gained experience facilitating language learning at community events. "The most fulfilling part of my internship was teaching Unangam Tunuu to help increase fluency and pass on that knowledge," he said.

#### 2018 INTERNS

Arnold Golodoff Jr., Atka APIA Unangam Tunuu

Maurice Lekanof, St. George Seabird Research Project

Thomas Lekanof, St. George Seabird Research Project

Kayla Nalam, Unlaska Qawalangin Tribe

Phoebe Sevilla, Unalaska KUCB Unalaska Community Broadcasting Shayla Shaishnikoff, Unalaska Qawalangin Tribe

Haliehana Stepetin, Akutan APICDA Communications Department

Laresa Syverson, Unalaska APIA Unangam Tunuu

Nichole Whittern, Unalaska Qawalangin Tribe

Nathaniel Williams, Atka APIA Unangam Tunuu

Timothy Zaochney, Atka APIA Unangam Tunuu

In 2018, APICDA sponsored two youth interns on St. George Island with the Seabird Youth Network — Thomas and Maurice Lekanof. The Seabird Youth Network is a partnership between the Pribilof School District, the St. George Traditional Council, St. George Island Institute, the Aleut Community of St. Paul Island, the City of St. Paul, Tanadgusix Corporation (TDX), the Alaska Maritime National Wildlife Refuge, and the wider scientific community. The network creates opportunities for youth to learn about seabirds with the aim of building local capacity for the collection of long-term monitoring data on the Pribilof Islands.

Maurice and Thomas learned how to conduct research and collect data. Throughout the internship, Maurice and Thomas (1) performed Coastal Observation and Seabird Survey Team (COASST) surveys, where they monitored beaches and recorded dead birds, (2) maintained and checked rodent traps as a preventative measure (St. George Island is a rat-free island), (3) looked for banded seabirds from previous years to assess winter survival rates, and (4) helped reposition nesting boxes for easier access for breeding birds. The end of their internship concluded with a community presentation about their experience.

The St. George Seabird Youth Network program creates opportunities for Pribilof youth in four key areas:

- » Career development in science and natural resource management.
- » Increases sense of ownership and understanding of local resources.
- » Provides training in marketable multimedia skills.
- » Provides education in seabird ecology, research and conservation.

Top to bottom:
Thomas and
Maurice
Lekanof. Thomas
and Maurice
measuring a bird.





18

APICDA believes in the importance of supporting educational opportunities at higher learning institutions and through vocational programs and trainings. Our scholarship program is designed to help with the cost of education by assisting eligible students with tuition, supplies and living expenses associated with attaining a degree or vocational certificate. APICDA is proud to assist in increasing access to educational opportunities that will help our community members develop the tools and skills for a successful life and career path.

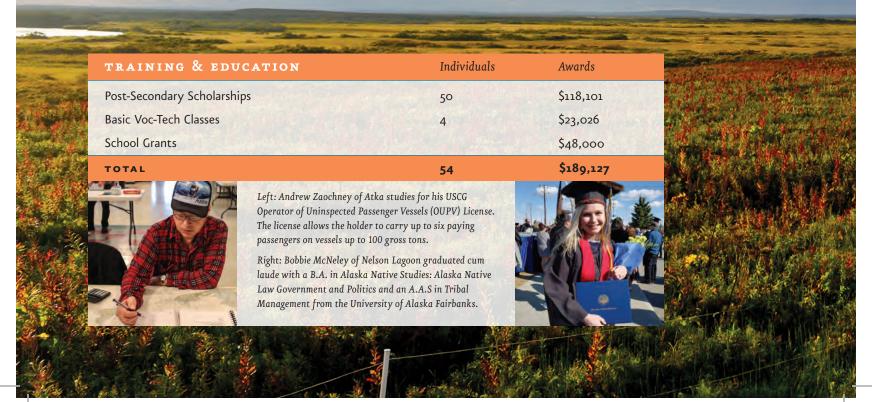
# POST-SECONDARY SCHOLARSHIPS

In 2018, 50 post-secondary education scholarships were awarded for a total of \$118,101 from APICDA's Emil Berikoff Sr. Memorial Scholarship (EBMS) program. APICDA offers various scholarships to residents of the region, including a GPA-based scholarship, an internship-based scholarship, a scholarship for vocational training and student loan repayment. APICDA supports its student residents in other ways, such as a student newsletter, the APICDA Scholar, to share relevant, timely and inspirational information, and sending out care packages to college students filled with treats and supplies to help mitigate midterm stress and encourage positive performance.

# **VOCATIONAL SCHOLARSHIPS**

In 2018, APICDA awarded vocational scholarships to four individuals for a total of \$23,026. Atka residents Jimmy Prokopeuff, David Zaochney and Andrew Zaochney attended a 6-pack license training at the Alaska Nautical School. Shauna Rudio, an Unalaska resident, received funding from APICDA to attend the Spanish Institute of Puebla's Spanish Language Immersion Program to become an English-as-a-Second-Language instructor in Unalaska.

APICDA offers yearly scholarships of up to \$4,000 to CDQ and Unalaska residents pursuing certified vocational training. These scholarships provide workforce training and supplemental education funding assistance.



# EROSION MITIGATION PROJECT

Nelson Lagoon sits on the north coast of the Alaska Peninsula on a narrow sand spit between the lagoon and the Bering Sea. The community has identified shoreline erosion, exacerbated in recent years by storms that have increased in intensity and strength, as a significant threat to the future of the village. Residents have been working on an erosion mitigation project in partnership with the Aleutians East Borough for the past three years to reinforce the eroding shoreline through the construction of a geotextile container revetment. The large engineered container sacks are built offsite using local labor and sand and require heavy machinery to place along the shoreline to create a barrier to protect homes and infrastructure. In 2018, APICDA purchased a front-end loader to assist with these critically important mitigation efforts and as a backup for fishing vessel haul-out needs.





In 2018, APICDA offered grants to public schools in its region to encourage and foster student education and awareness in fisheries biology, management and career opportunities. The funds are directed towards educational activities that enhance students' knowledge of Alaska fisheries and the fishing industry. APICDA partners with the head teachers and school districts to administer this grant each year.

Akutan — The Akutan School offered a fisheries science trip traveling to Unalaska, Anchorage, Girdwood and Seward touring the Museum of the Aleutians, the Alaska Conservation Center, the Indian Valley Mine and the Alaska Sea Life Center.

Atka — The Yakov E. Netsvetov School developed a program for student participation in a welding course, a field trip to the Northern Industrial Training Center and student participation in a hands-on marine science program led by scientists at the Center for Alaskan Coastal Studies.

False Pass — The False Pass School sent students on a fisheries science trip to the greater Seattle area, where they visited the community of Port Angeles, the Olympic National Park, Lincoln High School, Coastal Transportation and Cannon Fish Company in Kent, Washington.



Photos top to bottom:

Akutan students Mia Bereskin and Larissa Chitty, dissecting squid at the Alaska Sealife Center during a school trip.

False Pass Students Hazel Yatchmeneff and Ellie Hoblet visiting APICDA subsidiary, Cannon Fish Company in Kent, Washington during a school

Right: Fisheries Science teacher, Steven Gregory discussing catch of coho salmon with student Luke Shaishnikoff.



St. George — The Pribilof Island School District used grant funds to support St. George student participation in the Ecosystem Conservation Office, a department of the Aleut Community of St. Paul Island, science camp. The camp was centered on the principles of STEM—science, technology, engineering and math. The grant also supported participation in the Bering Sea Days camp, where students explore region-specific environmental science topics including oceanography, ocean acidification, weather and food web dynamics.

Unalaska — The Unalaska City Schools' grant was used to purchase a replacement aquarium and several other items needed to replace obsolete equipment for the UCSD Fisheries Science/Salmon Hatchery Program. This program brings hands-on experience to students, who can earn high school credit in science or Career and Technical Education (CTE) by participating in the program.



# ALEUTIAN MARKETPLACE BY THE NUMBERS

- » The Aleutian Marketplace Competition has been around since...2014
- » The number of eligible entries since the beginning of the program is...54
- » The number of residents awarded seed money prizes through this competition is...16
- » Independent judges and mentors recruited to provide small business expertise...23
- » Adak, Akutan, Atka, Cold Bay, King Cove, Nikolski, False Pass, Nelson Lagoon, Sand Point, St. George, St. Paul and Unalaska are the eligible communities for the competition, for a total of...12
- » The amount of investment the sponsors of the Aleutian Marketplace Competition have invested among the 16 different residents in this program is...\$80K



The Aleutian Marketplace Fellowship Competition (AMF) was developed in 2014 as a partnership between APICDA and The Aleut Corporation with the goal to provide support for small business development in the Aleutian-Pribilof region. The increasingly popular program allows participants to engage in established training and mentorship opportunities catered towards innovators and entrepreneurs and provides startup funds to top finalists. The AMF is offered to residents of the twelve collective Aleut Corporation and APICDA communities of Adak, Akutan, Atka, Cold Bay, King Cove, Nikolski, False Pass, Nelson Lagoon, Sand Point, St. George, St. Paul and Unalaska.

In 2018 the Aleutian Marketplace Competition received 10 business plan submissions, with three finalists moving forward to the presentation round of the competition based on their written plan scores.

APICDA and The Aleut Corporation have invested over \$80,000 since the beginning of the initiative. In 2018, GCI, Wells Fargo and TelAlaska joined amongst the sponsors dedicated to fostering economic growth and grass-roots commerce in the region.



Aleutian Marketplace
Winner Raven Bay
Seafoods. Left to right:
Laura Delgado, APICDA;
Jenifer Samuelson Nelson,
GCI; Dustan and Evie
Dickerson with grandson,
Emmet Ridinger, Raven
Bay Seafoods; Sharon
Guenther Lind, The Aleut
Corporation; and Dave
Goggins, TelAlaska.

# ANNUAL COMMUNITY OUTREACH CONFERENCE

Every year APICDA hosts a two-day community conference that includes wide participation from local entities including the tribe, village corporation, municipalities, youth, community leaders, regional organizations, and APICDA staff.

The event provides a direct forum for our community members to discuss their priorities and challenges and for staff to share information and receive feedback on APICDA's programs and efforts. The conference allows APICDA to better understand the progress on various projects in our communities and guides us on how best to focus our organizational resources to those that align with our directives under the CDQ program.

The 2018 community conference was the 20th annual conference and culminated in the development of individual plans that outlined widely agreed upon priorities from community representatives. A general theme was the need for funds to leverage federal, state and private resources for essential services such as housing, water, utilities and school programs to address aging infrastructure and support new job creation.

At the same meeting, APICDA announced a new grant program to be launched in 2019, the Community Development Grant Program (CDGP), to provide funding for the topics explicitly identified in the community plans. Staff worked closely with a committee of residents through last fall to develop program guidelines and application procedures. Through our community conferences and in the creation of this new grant program, APICDA recognizes that a coordinated approach with our community members will help provide the most effective returns from our CDQ resources.



Community Conference keynote speaker, five-time Olympian, Olympic and World Champion and Gold Medalist Kikkan Randall spoke to survival, struggle and motivation. Kikkan pictured with Samantha McNeley of Nelson Lagoon.

Background: Atka serene fishing, photo by Tim Malloy.

# SUPPORT FOR REGIONAL ACTIVITIES & ENTITIES

APICDA supports philanthropic initiatives and programs that are strategically aligned with our mission. We evaluate each request for support using a criterion primarily focused on social and economic development in our CDQ member communities. In 2018, we contributed to many organizations doing meaningful work to support the region. Initiatives included supporting continued education of the Unangam Tunuu language through an intensive language program focused on new speakers and teachers at the Aleutian Pribilof Islands Association (APIA); supporting scientific research relevant to resource management and policy at the Alaska Sealife Center; and providing matching funds for the Southwest Alaska Municipal Conference (SWAMC) regional broadband project to develop a business plan for broadband infrastructure financing.

We are proud to highlight three significant gifts we made in 2018: the Battle of Attu 75th Anniversary

Commemoration, the Coast Guard Foundation and the in-region Awakuxtxin substance abuse treatment program.

# BATTLE OF ATTU 75TH ANNIVERSARY COMMEMORATION

Elizabeth Golodoff Kudrin was a toddler living on Attu Island with her family on June 7, 1942, when the Japanese Army invaded her quiet village. The soldiers raised the Japanese flag and occupied the island throughout the summer. In September, the Attuans were taken to Otaru, Japan, where they were held prisoner until the war was over. Many of them died, including Elizabeth's father, brother and sister. After the war, the survivors were not permitted to return to Attu because of its remoteness and because the Americans had destroyed the village. Elizabeth, her mother and her remaining siblings were among those resettled in Atka. Today, Elizabeth and her brother Gregory Golodoff are the only surviving former residents of Attu.

To attend the 75th Anniversary Commemoration events, Attu descendants traveled from Atka, elsewhere in Alaska and the Lower 48. They were joined in the gathering at APIA by some 20 Attu descendants in Anchorage. In addition to the survivors and descendants of Attu, nine veterans of the Aleutian Campaign of World War II traveled to the gathering from across the United States, and five descendants of Japanese fallen soldiers traveled from Japan.

Each event held during the commemoration honored the suffering and sacrifices of the Battle of Attu from the perspectives of American and Japanese soldiers and those of the Unangax villagers whose lives were abruptly changed by invasion and imprisonment.



Top to bottom: Elizabeth Golodoff with prisoner number in 1942, photo courtesy APIA. Elizabeth Golodoff Kudrin at the 75th anniversary commemoration, by Lisa Hupp/USFWS.

Story content provided by Rachel Mason of the National Park Service.



#### COAST GUARD FOUNDATION

The United States Coast Guard (USCG) is critically important to our communities, region and state as America's maritime first responder. APICDA strongly supports their foundation's mandate to assist families in times of tragedy, strengthen morale, empower academy cadets, provide scholarships for service members' families, support auxiliary and reserve members and honor heroism and mission excellence.

APICDA joined with our harvesting partners to sponsor the Coast Guard Foundation's biennial fundraiser banquet in 2018.

Keja Whiteman, CEO of Background: Unalaska,

APICDA Archive.



Prior to this program, residents from the Aleutian-Pribilof

region had to leave for recovery. "Now our residents have

something they can turn to, which they didn't have before. The idea is that folks can stay in the community, gain or

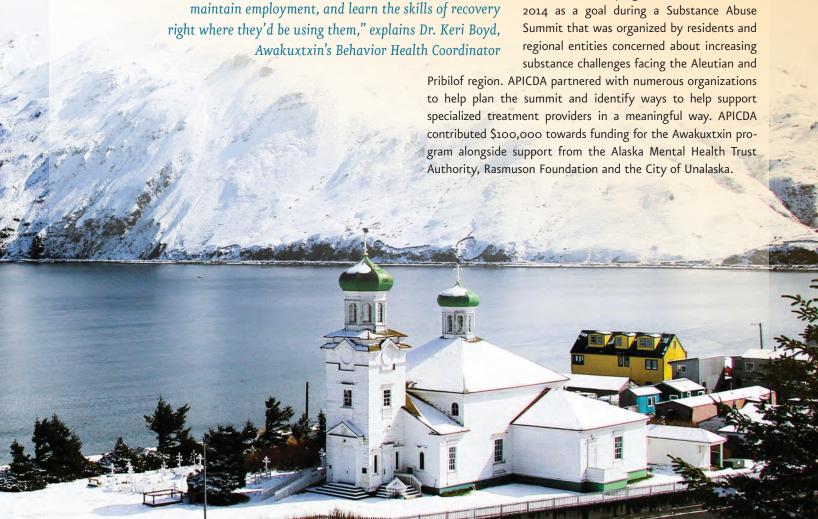
#### SUBSTANCE ABUSE TREATMENT

Awakuxtxin (working together) 9+You Intensive is a 12-week outpatient substance abuse treatment program developed by the Aleutian Pribilof Islands Association (APIA) and Eastern Aleutian Tribes (EAT), two tribally-operated health corporations. The innovative program supplements therapy with cultural and community activities and provides an alternative approach from the traditional full-time residential treatment or regular outpatient once-a-week counseling. The program launched as a pilot

> in 2018 in the communities of Sand Point, Unalaska and Anchorage and offers important in-region options for individuals seeking treatment.

> The Awakuxtxin program was identified in 2014 as a goal during a Substance Abuse

Eastern Aleutian Tribes, addresses stakeholders of the Awakuxtxin project at the one year milestone event held at APIA.



# SUBSIDIARIES

# APICDA JOINT VENTURES, INC.

A wholly-owned for-profit subsidiary of APICDA formed in 1994. The majority of companies are consolidated under APICDA Joint Ventures.

# ALEUTIAN ADVENTURES, LLC

A wholly-owned company within APICDA Joint Ventures. This company controls and operates the assets we need to support our sport hunting and fishing activities in the communities of Nikolski, Nelson Lagoon and other remote areas of the Alaska Peninsula and Aleutians. In its ninth year of activities, the company has built a solid client base and is expanding tourism opportunities in the region.

# APICDA VESSELS, INC.

A wholly-owned subsidiary of APICDA Joint Ventures. This company manages and operates our fishing and support vessels. Through Dec. 31, 2018 the company operated two vessels: AP1 and AP2.

# ATKA PRIDE SEAFOODS, INC.

A 50/50 partnership between APICDA Joint Ventures and the Atka Fishermen's Association, organized as a subchapter C corporation. The plant, located in Atka, did not operate in 2018.

#### BERING PACIFIC SEAFOODS, LLC

A wholly-owned and operated subsidiary of APICDA Joint Ventures. The plant and all other operating assets were transferred into False Pass Seafoods, LLC in April 2018.

# CANNON FISH COMPANY, LLC

A wholly-owned and operated subsidiary of APICDA Joint Ventures. Cannon Fish Company (CFC) is a value-added seafood processing and marketing company. CFC focuses on sourcing and marketing premium finfish from around the globe to complement the premium Alaska fish sustainably harvested by our Aleutian fishermen.

# F/V EXCELLER, LLC

A wholly-owned subsidiary of APICDA Joint Ventures that dissolved in April 2018.

# FALSE PASS FUEL COMPANY, LLC

A wholly-owned and operated subsidiary of APICDA. The company transferred its operating assets to False Pass Fuel Facility, LLC in April 2018.

# KAYUX DEVELOPMENT, LLC

A 50/50 partnership between APICDA Joint Ventures and the St. George Tanaq Corporation. This company is dedicated to upland development associated with commercial activities in Tract I, Zapadni Bay Harbor on St. George Island.



# NELSON LAGOON STORAGE COMPANY, LLC

A 50/50 partnership between APICDA Joint Ventures and the Nelson Lagoon Tribal Council. The company operates as a gear and vessel storage business in Nelson Lagoon to support the summer salmon fishery.

# PROWLER FISHERIES, LLC

A 33/33/33 partnership between APICDA Joint Ventures, Wrenchhead, LLC and Omega-3, Inc. AJV serves as the managing partner. The fleet of three vessels, inclusive of the F/LL Ocean Prowler, F/LL Bering Prowler, and F/LL Arctic Prowler, are longline catcher processors that harvest and process Pacific cod and sablefish in the Bering Sea and Gulf of Alaska.

#### STARBOUND, LLC

APICDA Joint Ventures owns 20 percent of this pollock trawl catcher/processor. Other partners include Aleutian Spray

Fisheries (75 percent), and Karl Bratvold (5 percent). Aleutian Spray serves as the managing partner. This vessel harvests and processes approximately 80 percent of APICDA's pollock CDQ quota.

# UGLUDAŶ LODGE, LLC

Owned by APICDA Joint Ventures and operated under the auspices of Aleutian Adventures. AJV operates the Ugludax Lodge in Nikolski on Umnak island as a world class reindeer trophy hunting destination and holds every current method class record for reindeer hunting.

# FALSE PASS FUEL FACILITY, LLC

A 75/25 partnership with Trident Seafoods and APICDA Joint Ventures. False Pass Fuel Facility supplies fuel for local heating and road vehicle needs, plant operations, the City of False Pass and the regional fishing fleet.

#### FALSE PASS SEAFOODS, LLC

A 75/25 partnership with Trident Seafoods and APICDA Joint Ventures. The plant, located in False Pass, operates seasonally, processing all species of salmon into frozen H&G product.

APICDA's joint ownership and long-term CDQ harvest commitment helped support the Starbound, a pollock catcher processor of which APICDA holds 20% interest, to become an industry leader in the pollock fishery. The vessel was recently lengthened by 60 feet and its plant expanded to increase utilization of waste streams during processing. The vessel's new meal and oil plant is now able to maximize the value of its harvest and increase market opportunities and potential profits. The impressive sponsoning project was completed on-time and on-budget and was a big success. APICDA is proud to have partnered on an effort that has resulted in increased value and returns from our pollock quota and investments that we will be able to use to continue to grow our community programs and efforts.



