

APICDA

2019

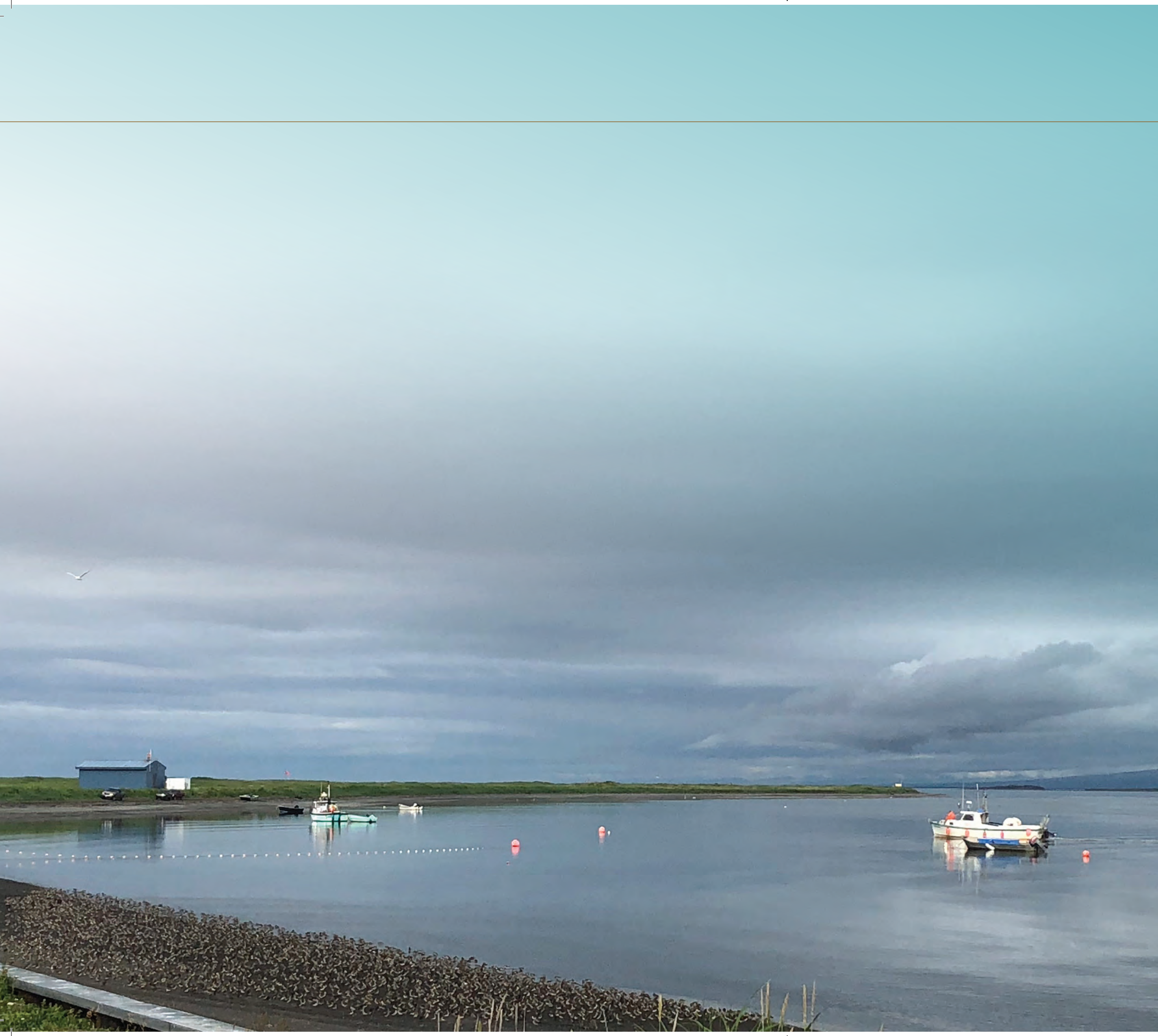
ANNUAL REPORT



APICDA COMMUNITIES:

*Akutan, Atka, False Pass, Nelson Lagoon, Nikolski and St. George*





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Cover: The F/V Tazimna with the F/V Ellen Lori crew in Nelson Lagoon.  
Left to Right: Mark McNeley, Herbert Johnson, Samantha McNeley, Jaylen Lestenkof, and Sherman McNeley, photo by Angela Johnson  
Back cover: Akun Island, Richard Stepetin's gillnet set for reds at Surf Beach, photo by Jacob Mark Stepetin



## LETTER *from* APICDA BOARD CHAIR

Aang!

While we reflect on our work and successes of 2019, we are facing some unprecedented challenges in 2020 in rural Alaska and around the globe with the COVID 19 pandemic. These are incredibly trying times, but I have been very proud of the resiliency of our communities in the CDQ region and of the work of our staff to continue supporting our mission. I am also very thankful for the CDQ program, the support of which will be increasingly important to our region as we work through this together.

APICDA's 2019 Annual Report provides many details about our projects, program expansion efforts and the strong financial health we experienced last year resulting from our communities' engagement, our hard-working staff and my fellow board members' emphasis on APICDA's core mission.

Our organization continues to grow and evolve and after many years of operations-heavy shoreside investments, we have redirected our strategy to address growing and immediate needs through a community-driven program model. Particularly notable is our new Community Development Grant Program (CDGP) that we piloted in 2019. In the first year of the program, we had 100% participation from our member communities. This flexible grant funded essential community projects ranging from a water supply infrastructure upgrade in Nikolski to a residential housing project in False Pass.

APICDA also continues to provide and expand critical support for our small boat local fisheries. In 2019, with the tender and logistical support provided by APICDA, St. George had another successful CDQ halibut fishery and in my home of Atka, APICDA has helped manage

an important walk-on program that allowed quota holders the opportunity to fully harvest their halibut and provided us access to a market. This program successfully alleviated operational barriers for our fishermen and was essential to allowing us access to our halibut fishery. Last year, all of our resident quota holders had the chance to fully harvest their IFQ shares by participating in this program.

In addition to significant program accomplishments, our executive team did a wonderful job building on the financial successes of 2018 by generating net income of over \$37 million, bringing APICDA's total net equity to over \$100 million. While our income this year was influenced by several one-time events, it is also a major milestone that reflects the hard work of our staff to control expenses and restructure underperforming investments so that APICDA can ensure a sustainable amount of resources to our communities well into the future.

The board is very pleased to see the progress from our staff in such a short period of time and we look forward to seeing the development of more community-led program initiatives in 2020. 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*



## LETTER *from* APICDA CEO

Dear Friends and Colleagues,

This annual report reflects APICDA's accomplishments from 2019, however, I feel it is important to recognize the challenges that we and so many others are facing as this publication is released. The COVID-19 pandemic has posed unprecedented challenges on our communities, stakeholders, staff and financial investments. While we have yet to fully understand its long-term implications, we know that there is a long road of recovery ahead for all of us. During this time, we have remained focused on identifying ways to increase and adapt our program offerings and direct CDQ resources to address growing needs in our communities. I am very grateful for our employees who have navigated uncharted work-life territory while remaining committed to our mission and serving our communities and I am very hopeful that we will emerge from this a stronger and more adaptive organization due to our team's hard work and dedication. I would like to express my appreciation for the guidance we have received from our residents and board and to our partners and decision-makers in their efforts to protect Alaska communities and the seafood industry.

I am very proud to share APICDA's Annual Report and the significant progress we made in 2019. For the second year in a row, we are reporting very strong financial performance, ending the year with net income of more than \$37 million, a record for our organization. While our team did a commendable job implementing the strategy developed by our board, the income generated from our non-recurring events had a substantial impact on our financial performance overall. Two of our biggest projects of the year were the sale of Cannon Fish Company and our acquisition of a 100% interest in Prowler Fisheries, which were one-time events. By acquiring Prowler in 2019, we were in a strong position to merge with another longline company, which ultimately led to the formation of Aleutian Longline Company in 2020, in partnership with our longtime partner Aleutian Spray Fisheries.

These efforts and our growth over the last few years allowed APICDA to significantly increase contributions to our communities and make new investments to generate positive cash flow to fuel APICDA's growing community-based programs.

APICDA's core strategy over the past two years has been based on our board's directive to improve our finances so that we can direct consistent and meaningful resources to our communities. A major example of this in 2019 included the launching of our new Community Development Grant program, which was spearheaded during our annual community conference and designed to support locally driven priority initiatives. In the first year of the program, we awarded over \$1.5 million to support critical infrastructure projects, local essential services and job creation in our communities. We are also very proud to note a significant increase in the amount of vocational scholarship funding awarded from 2018 to 2019, which was the result of directing more training opportunities to our home communities, reducing the time and logistical challenges associated with travel.

The results and numerous efforts detailed in this year's Annual Report reflect APICDA's deep commitment to fulfilling the CDQ program mission and helping support thriving, sustainable communities. I want to thank our board of directors, community residents, industry partners, and our executive team and staff for their dedication to our mission. Please stay healthy and be safe.

Luke Fanning  
*APICDA CEO*





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 and investments in at-sea catcher-processors in the BSAI 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, economic development initiatives, job creation, community wellness, and cultural awareness initiatives.

## GOVERNANCE

APICDA's business and community investment decisions are guided by its APICDA & AJV board of directors, which has 10 members. Six directors each represent one of APICDA's communities; with the four additional seats designated to a director from the fishing industry, the financial industry, the legal community, and a director from Unalaska. The APICDA & AJV boards exercise broad oversight of its management team through board and committee meetings. The boards meet 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 APICDA board appoints several committees to oversee specific corporate functions.

### APICDA & APICDA JOINT VENTURES BOARD MEMBERS

Mark Snigaroff, Atka  
*Board Chair 2018-20, E/F/T/B/I*  
*AJV Board Vice Chair*

Nikki Hoblet, False Pass  
*Vice Chair 2017-19*

Justine Gundersen, Nelson Lagoon  
*Secretary/Treasurer 2017-19, E/P/B*  
*AJV Board Chair*

Tanya Lestenkof, Nikolski  
*Director 2019*

Harvey McGlashan, Akutan  
*Director 2017-19, P/T*

Mark Merculief, St. George  
*Director 2018-20, T*

Leslie Longenbaugh, Legal Community  
*Director, Ex-Officio 2019-21, T*

Robert Nickinovich, Fishing Industry  
*Director 2017-19, I/E*

Pete Crandall, Financial Industry  
*Director, Ex-Officio 2018-20, B/F/I*

Bill Shaishnikoff, Unalaska  
*Director, Ex-Officio 2018-20, F/B/I*



### Committee Memberships

- E - Executive Committee
- F - Financial Investment Committee
- T - Programs Committee (formerly Training & Education)
- P - Policy & Procedures Committee
- B - Budget & Audit Committee
- I - Business Investment Committee



Right: Nelson Lagoon, stake-net fishing, photo by Angela Johnson



## COMMUNITY SUPPORT

- APICDA provided employment opportunities that resulted in \$1,775,670 in wages for 88 individuals through direct jobs and internships, regional fisheries programs, community programs that provide funding to local entities, and partnerships with seafood industry organizations and companies.
- Contributed over \$1,503,000 in Community Development Grant Program (CDGP) funding to support priority projects identified in Community Development Plans created by our member communities.
- Contributed over \$600,000 in Community Dividends to support critical municipal and tribal functions in APICDA's six communities.
- Community Liaison Officers (CLO) earned \$69,000 in stipends by facilitating community wellness gatherings and playing a key role in our training and education efforts.
- APICDA's Bereavement Fund provided \$18,000 to support family travel and funeral expenses for grieving families in our member communities.

- APICDA hosted its 21st annual Community Conference with leaders and youth from our member communities. The event focused on updating Community Development Plans, sharing information about resources, and soliciting feedback on APICDA's program development and operational efforts.
- Provided \$18,000 in startup funds and training for three new in-region businesses through the Aleutian Marketplace Fellowship Competition.
- Contributed \$20,000 in miscellaneous grants to communities for special events and other community directed enrichment activities.

## REGIONAL FISHERIES SUPPORT

- Our St. George fishermen and crew had another successful halibut season, with AJV paying \$189,000 to harvesters for 56,000 pounds of landed CDQ.
- Contributed \$120,000 in grants to local Fishermen's Associations to support gear and equipment purchases.
- Provided \$62,000 in financial support for a walk-on program for Atka fishermen, allowing them to fully harvest their halibut quota and gain access to a market.
- Provided \$70,000 to extend the fall coho fishery for Nelson Lagoon fishermen, supporting access to a market in the silver fishery, which would have otherwise closed earlier in the season.

## GROWTH AND PROGRESS

- APICDA generated net income of \$37,458,000, increasing our consolidated equity to \$109,002,000, which represents the largest net worth in the organization's history. Our income this year was affected by several non-recurring events related to our acquisition of Prowler Fisheries, our investment in False Pass Seafoods and the sale of Cannon Fish Company. If those one-time events were excluded, our net income would have been approximately \$7.5 million.
- APICDA's gross revenue increased by 83% in comparison to 2018, bringing total gross revenues to \$59,776,000 for 2019. Our acquisition of a 100% interest in Prowler Fisheries was a key driver in the revenue increase this year.
- Our tourism companies, Aleutian Adventures and the Ugludax Lodge, generated \$1,278,000 in gross revenue, attracting over 200 clients to the region and employing 11 APICDA residents in guiding and support service jobs.
- APICDA's board of directors developed a strategy to improve our finances in order to direct more resources and program support to our communities. That strategy included reassessing our investments, which ultimately led to the sale of Cannon Fish Company to E&E foods in 2019. We were pleased to announce that nearly all of Cannon Fish Company's employees successfully transitioned to E&E during the sale.

## STUDENT SUCCESS

- Awarded \$141,000 in post-secondary and vocational education training scholarships.
- Maintained a robust internship program with 13 positions in the APICDA region and Anchorage, representing \$66,000 in wage compensation.
- Provided \$58,000 in grants to regional schools to foster interest in fisheries biology, management, and career opportunities in the fishing industry through student experiential education.
- Supported students by providing student care packages, back to school backpacks and supplies, and publishing a student newsletter to share timely, relevant and inspirational information.



COMMUNITY DEVELOPMENT GRANT PROGRAM (CDGP)

In 2019, APICDA was excited to announce the development of a new grant program for our member communities to help support priority initiatives identified in their Community Development Plans (CDPs). This funding program is accessible to the municipality, tribe or village corporation to advance community projects and programs or help leverage state and federal funding opportunities. The eligible governing entities are requested to coordinate and seek concurrence with one another as part of the application process to ensure that the funded project will have community-wide benefits.

The idea for this program was spurred during APICDA's annual Community Conference, where representatives from each of our six communities provided feedback about continued challenges with access to affordable energy, aging infrastructure, school funding and job opportunities. In response, a committee of local representatives was formed and designed the Community Development Grant Program (CDGP) to help direct financial support towards these needs.

APICDA's board approved \$300,000 in funding for each community in 2019, awarding over \$1.5 million dollars for 11 projects to support critical infrastructure, job creation, housing, and health and safety needs. Below is a list of the projects funded during our successful pilot year.

2019 COMMUNITY DEVELOPMENT GRANT PROGRAM AWARDS

Akutan \$300,000

- City of Akutan: Used funds for the design of a community center/tsunami shelter facility for emergency preparedness and fellowship gatherings.

Atka \$300,000

- Atka IRA: Created two new local job opportunities focused on environmental cleanup.
- City of Atka: Supported matching funds for the construction of a new health clinic facility.

The Atka IRA Council used CDGP funds to create two new positions focused on environmental cleanup that attracted a new family with school-age children to the community. In addition to providing needed support for the proper disposal and management of hazardous materials, this tribe-led initiative had a secondary benefit of helping Atka meet their student count for the 2019-2020 school year, allowing them to keep their school fully funded and staffed.

False Pass \$300,000

- City of False Pass: Used funds towards residential housing construction to address the local housing shortage.

Nelson Lagoon \$110,762

- NLG Tribal Council: Developed an Emergency Community Assistance Fund in response to the critically low salmon run in 2019.
- NLG Tribal Council: Improved the local emergency response system by repairing and replacing fire hydrants.

Nikolski \$300,000

- Nikolski IRA: Improved the existing utility infrastructure system by supporting a potable water supply, storage and distribution modernization project.

St. George \$204,400

- City of St. George: Used funding to support bulk fuel purchases.
- City of St. George: Supported operational expenses for St. George school to ensure continued facility access for students taking distance learning courses.
- City of St. George: Repaired heavy equipment used to provide essential services, snow removal and road maintenance.
- St. George Traditional Council: Assisted the tribe with audit related accounting services.



Top to Bottom:  
False Pass housing project under construction.  
Joey Winters, Vincent Lestenkof, Greg Krukoff Jr. and Greg Krukoff Sr. connect the 3-inch water distribution line for the Nikolski infrastructure improvement project with Ivon Krukoff in the background.

Background: St. George, Birds, photo by Nikita Bereskin

APICDA PROGRAM DEPARTMENT OFFERINGS

APICDA's Program Department offerings in our member communities is reflected below. We support a broad range of community and economic development initiatives and programs to increase local fisheries access for our residents. The table below does not include our operations, employment, or educational support categories.

PROGRAMNON-WAGES INVESTMENT

Community Development Grant (Pilot Program)	\$1,503,217
Direct financial support for community-led priority initiatives.	
St. George Tender	\$114,960
Operations and quota management support for resident fishermen from St. George. APICDA operates a tendering and lightering program with our company-owned vessel.	
Atka Walk-On	\$61,818
Provides logistical support for a walk-on opportunity and market access for Atka fishermen, allowing them to fully harvest their individual quota shares and generate income from their halibut fishery.	
Revolving Loan Program	\$106,345
Gives resident halibut fishermen in St. George the ability to charge fishing related gear and equipment in advance of the upcoming season.	
Fishermen's Association Grant	\$120,000
Funds provided to our community Fishermen Associations to support efforts to increase fishing participation.	
Nelson Lagoon Coho Fishery (Pilot Program)	\$70,000
A cooperative project to provide additional weeks of fall coho fishing for resident fishermen in Nelson Lagoon.	
Atka Test Fishery (Pilot Program)	\$21,724
Funds used for a shellfish resource assessment project to explore diversification opportunities for Atka's small boat fishermen.	
Community Dividend	\$600,000
Funds to support critical municipal and tribal functions in our member communities.	
Miscellaneous Grant	\$20,000
Funding to support cultural and other enrichment activities at the community-wide level that are outside the scope of APICDA's established program offerings.	
Community Activities	\$5,278
Funds to host educational activities and community events planned and implemented by APICDA's CLOs.	
Bereavement Support	\$18,370
Funeral related expenses for grieving families.	
School Grant	\$57,577
Supports hands-on educational activities that enhance students' knowledge of Alaska fisheries and the fishing industry.	
Donations	\$188,739
Support for philanthropic initiatives primarily focused on providing social benefits and economic development in our communities and region.	
Aleutian Marketplace Fellowship Competition	\$30,503
A cooperative program to foster small business development by providing training, mentorship and startup funds.	

Total Program Investment	\$2,918,529
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New Community Programs in 2020: Gear Reimbursement Grant | Revised Infrastructure Grant | Regional Expansion of APICDA's Scholarship Program



APICDA provides workforce training opportunities and employment for our residents and throughout the 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 2019, APICDA supported nearly \$2 million dollars in wages and additional contributions through affiliates and programs.

*Jimmy Prokopeuff, a resident of Atka, is APICDA's current longest-serving employee and has served in many capacities for the organization. He began his tenure in 1994 as a teenager working in the Atka Pride Seafoods (APS) plant and eventually worked his way up to Production Manager. He also spent eight seasons on the Starbound, a pollock trawl catcher/processor of which APICDA holds 20% interest. Jimmy currently works for our Operations department and has gained valuable job skills to supplement his hands-on work experience by taking advantage of vocational training opportunities. He has attended courses at the Alaska Nautical Training School and the Alaska Marine Safety Education Association (AMSEA), in addition to participating in Sea Grant's Alaska Seafood Processing Leadership Institute (ASPLI) and Northern Industrial Training's Heavy Equipment Course. Jimmy is skilled in many trades and is an integral part of the team. His duties have included working on vessel repair and facilities construction projects, serving as a deckhand on APICDA's tender, and helping to launch a small boat Dungeness crab and shrimp fishery by assisting with a shellfish resource assessment study in Atka in partnership with the local Fishermen's Association.*

IN-REGION EMPLOYMENT	Individuals	Wages	
Management/Administration	7	\$465,846	<i>*After many years of operations-heavy shoreside investments, APICDA's board has redirected our strategy to address growing and immediate needs through a community-driven program model. In 2019, we greatly expanded our programs to support community-identified priorities that both directly and indirectly create employment opportunities in the region.</i>
Board Members	9	\$131,600	
Community Liaison Officers (CLO)	7	\$69,000	
Other Fishing	22	\$901,074	
Internships	13	\$67,099	
Other Employment	29	\$190,401	
APICDA Programs *	17	\$151,250	
<b>Total</b>	<b>104</b>	<b>\$1,976,270</b>	



*Jimmy Prokopeuff of Atka working on APICDA's AP2 tender in St. George.*

APICDA provides essential operational and quota management support for resident fishermen from the communities of Atka and St. George who fish in regulatory areas 4B and 4C. Both communities have strong historical dependency on the halibut fishery, which represents one of the only private sector employment opportunities available to residents. APICDA has worked in close coordination with our local fishermen since the inception of the program to make sure that any interested resident has access to halibut quota and the support necessary to ensure a successful season.

In 2019 in Atka, APICDA helped facilitate a walk-on opportunity for resident fishermen that provided five quota holders access to a market and the ability to fully harvest their IFQ shares. The program afforded residents the only opportunity to harvest their quota in the absence of a local market for their small boat fleet. The arrangement had the additional benefit of allowing for a more efficient harvest with less time on the water on a larger platform. APICDA offered management and administrative support for the program and the equivalent of roughly \$60,000 in ex-value support.

Our resident skiff fishermen and crew from St. George had a productive 2019, harvesting their 4C CDQ allocation of 56,000 lbs. at an ex-vessel value of nearly \$228,500. APICDA provided additional support of \$150,000 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 fishermen to leverage earnings from CDQ shares to reinvest in their operations.



*Mark Mercurief offloading halibut in St. George*



*Background: Emil Lestenkof and Gary Mercurief on the F/V Cornelia Marie in St. George.*



APICDA's Tourism division offers world-class destination fishing and hunting 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. Tourism has provided purposeful and consistent employment for community residents and significant financial benefits to the region for over a decade. In 2019, Aleutian Adventures, APICDA Joint Ventures' wholly-owned subsidiary, employed 11 local residents to help host over 200 clients.

The 2019 hunting and fishing seasons were very successful. The program's four distinctive lodges and camps, the Sandy River Lodge, the Ugludax Lodge, the Sapsuk River camp and the Steelhead Creek camp, were booked at full capacity with additional weeks added for king and steelhead fishing.

In addition to hunting and fishing, the tourism division has created and promoted adventure activities to extend the employment season for residents. At the end of the 2019 reindeer hunting season, APICDA Joint Ventures' Ugludax Lodge hosted professional surfers for the third time. The surfers were able to enjoy riding in the cold November water, spending over a week surfing in the uniquely beautiful and remote location, capturing promotional action images and video.

*"With no roads to the ocean, we relied on rented ATVs to travel the distance from the village to the coast. As we crested the final hill we were treated not only with a view of the distant snow-covered volcano, but a point with waves peeling down its right side. It was a moment I had hoped for but didn't expect to see — clean waves and a clear day in a place known as the 'cradle of storms.'" — Surfer magazine photographer Chris Burkard describing an experience from his trip to Nikolski.*



The total economic impact of APICDA's Tourism 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.



Left to Right:  
Sapsuk River Camp.  
Nikolski trophy hunting guides Danny Snigaroff, Vincent Lestenkov and Kevin Atkins with an Aleutian Adventures client.



## FISHERMEN'S ASSOCIATIONS

APICDA's six communities and the ex-officio community of Unalaska have independent organized Fishermen Associations (FAs) dedicated to advancing fisheries in their communities through advocacy, long-term sustainable management of the resource, reducing harvesting barriers and increasing fisheries access. In 2019, APICDA awarded \$120,000 in grants to FAs to support their work.

APICDA requires that board members be active members of their local FAs, which means that they are active participants in their commercial or subsistence fishery or have historically participated in their fisheries, they pay dues as outlined in their association's bylaws and they attend annual meetings. Each association elects a representative from their membership to serve on APICDA's board for a two-year term.

APICDA works closely with the FAs in our region to develop programs and work on regulatory issues to advance fisheries access. In 2019 our operations team worked with the Atka Fishermen's Association and the Alaska Department of Fish and Game (ADF&G) to help facilitate a shellfish resource assessment to investigate the potential to develop a small boat Dungeness crab and shrimp fishery. Through the program, APICDA provided gear, fuel, logistical support, and stipends for captains and crew to explore the viability of new pot fisheries near Atka. APICDA's Operations team and the Atka Fishermen's Association plan to continue to monitor and collect data on the abundance and quality of the fisheries from this pilot program to inform future harvesting opportunities.

In Nelson Lagoon, our Operations team led a cooperative project with guidance from the Fishermen's Association, Peter Pan Port Moller and ADF&G to provide additional weeks of fall fishing in 2019. The thorough planning and cooperation that went into developing this initiative is intended to help increase fisheries access for our small boat fishermen in Nelson Lagoon.



Left to Right:

Preparing the pots for the shellfish resource assessment project in Atka.

Fishermen's Association meeting in Atka with APICDA staff.

APICDA staff visited Atka in September to provide logistical support on a new experimental pot fishery initiative. During the visit, staff worked with fishermen and crew to review regulatory requirements, assess potential fishing grounds and assist with setting up gear. During a roundtable FA meeting, staff shared information on Board of Fish and North Pacific Fisheries Management Council issues and discussed the potential for a new study for a small boat harbor. Their week-long visit also provided the opportunity to host a community meet and greet and decommission a wind test tower.



Background: Craig Rysewyk pulling net in Nelson Lagoon



## ANNUAL COMMUNITY OUTREACH CONFERENCE

APICDA hosts a two-day community conference each year that includes wide participation from local entities including the tribe, village corporation, municipalities, community leaders, regional organizations, youth representatives, community liaison officers, board of directors and staff.

The event provides a forum for collaboration and planning where community members discuss priorities, share information, and update Community Development Plans. At the conference, participants address accomplishments and challenges with other villages in the region, promoting a meaningful exchange of ideas and guiding APICDA on how best to focus our resources on community needs.

The annual conference offers a unique opportunity to bring wide representation from all communities together and provides a great venue for networking and information sharing.



Conference participants Marii Swetzof, Lawrence Prokpeuff, Teresa Prokpeuff and Mark Snigaroff working at the Atka table with the Nikolski table in the background. The Community Outreach Conference was held in Anchorage in May of 2019.

## COMMUNICATIONS ASSESSMENT PROJECT

During 2019's leadership transition year, APICDA spearheaded a communication's project focused on understanding the effectiveness of our existing outreach efforts and identifying ways to enhance two-way communications with communities. APICDA strongly believes that to be successful, program initiatives and operations need to be developed and refined in close coordination, and with frequent feedback and collaboration with community members.

We worked with PhD student Haliehana Stepetin, who took the lead on the project. She is Unangañ; and was born and raised on Akutan. She has also lived in Unalaska, Nikolski and Atka, and has many long-standing relationships in the region.

The thoughtful feedback received during stakeholder interviews with Haliehana has informed important changes to our outreach efforts, program development and how we offer workforce and employment training to our residents. We look forward to building off these efforts and continuing to work with APICDA's board and community members on strengthening our two-way information sharing with our communities.

## COMMUNITY LIAISON OFFICERS

APICDA has operated the Community Liaison Officer (CLO) program for the past 15 years. In 2019, we employed CLOs in each of our six communities and one in Unalaska (ex-officio), to serve as a critically important channel between APICDA and community members. CLOs provide information about our employment and scholarship offerings, promote existing and new programs and host educational activities and community events.

In 2019, APICDA invested over \$85,000 in the CLO program. Wages, materials, and the opportunity to participate in an annual meeting to foster cross community collaboration are all part of this structured initiative to forward instructional, educational and cultural programs.

## VISITS TO THE REGION

Regular community visits foster communication, relationship building and a deeper understanding of the unique challenges and attributes of each village. Board members and staff made several community visits in 2019 to meet with individual governing entities, host community-wide meetings, promote programs and share information, tour APICDA facilities and interview residents.



Board members Pete Crandall and Bob Nickinovich visited Nelson Lagoon in September and were accompanied by Luke Fanning and COO Grant Mirick. Our visiting board members participated in a meeting on the feasibility of a fall coho fishery project and visited our nearby tourism operations out of the Sapsuk River camp, Steelhead Creek camp and the Sandy River Lodge. Theo Chesley, Luke Fanning, Justine Gundersen, Pete Crandall, Grant Mirick and Bob Nickinovich in Nelson Lagoon during the board visit to the community.

Below Left to Right:

Community Liaison Officers with APICDA program staff May 2019; back row: Celeste Kukahiko, Katie Johnson, Vincent Lestenkof, April Pelkey, Harriet Berikoff and Sarah Mercurief; front row: Chantae Kochuten, Marii Swetzof and Laura Delgado.

Sophie Randall and Isabella Bereskin working together on a Perler Bead art activity in Akutan, photo by APICDA CLO April Pelkey.

Background: Atka sunset



APICDA is dedicated to offering a variety of scholarship opportunities to support students in reaching their educational goals and helping them develop the tools and skills for a successful life and career path.

The Emil Berikoff, Sr. Memorial Scholarship (EBMS) program supports community residents pursuing educational opportunities by assisting them with scholarship funds to pay for tuition, supplies, and living expenses associated with attaining a degree. Emil Berikoff, Sr. was from Unalaska and served on the APICDA board for 15 years prior to passing away. His contributions as a trusted board member and to the region were invaluable. APICDA's scholarship program is named in his honor. In 2019, 44 post-secondary education scholarships were awarded for a total of \$160,434 from APICDA's (EBMS) program and seven students earned a degree.

In addition to the EBMS program, APICDA is pleased to offer other support to enrolled students including a GPA-based scholarship, an internship-based scholarship, a student loan repayment program, student care packages and a student-centered newsletter. In total, APICDA awarded \$243,057 in scholarships throughout the year.

TRAINING & EDUCATION	Individuals	Awards
Post-Secondary Education	44	\$160,434
Voc-Tech	25	\$82,623
School Grants		\$57,577
<b>Total</b>	<b>69</b>	<b>\$300,634</b>



Students who participated in the Emil Berikoff, Sr. Memorial Scholarship (EBMS) program received a care package from APICDA in the fall to provide a little extra support while they attend college. Care packages are mailed out to each student during their midterms to cheer them on in the successful completion of their coursework.

Top: Intern Thea Chesley and Laura Delgado assemble care packages with Robin Stepetin, Loren Abbey and Sean Hislop.



Left to Right: Proud 2019 Graduates!

Rachael Yatchmeneff of False Pass, University of Alaska Anchorage, Business Management.

Cameron Samuelson of False Pass, Pacific University, Oregon, Accounting.

April Pelkey of Akutan, University of Alaska Fairbanks, Applied Business.

APICDA's Supplemental Education Scholarship Program seeks to advance workforce development in our region by supporting residents in attending vocational schools or training programs. This program also provides opportunities for individuals to initiate training offerings in their home community, which was identified as a priority from our residents in 2019 to reduce the logistical barriers associated with travel and allow for increased participation. Staff works closely with community representatives and instructors to customize these trainings.

Throughout 2019, APICDA awarded \$82,623 in vocational scholarships to 24 individuals and partnered with the following organizations to support individual and group trainings: State of Alaska RUBA; Knik Aviation School; Alaska Marine Safety Education Association (AMSEA); Central Bering Sea Fishermen's Association (CBSFA); Northern Industrial Training (NIT); Alaska Vocational Technical Center (AVTEC); and Alaska Consulting & Training.



Vincent Golodoff at Northern Industrial Training's Heavy Equipment Course in Atka. Training participants received certification in basic safety, operations, and maintenance of heavy equipment (backhoe, excavator, bulldozer, and dump truck), photo by Jimmy Prokopeuff.

In 2019, APICDA partnered with the City of Atka to sponsor a two-week heavy equipment training course with Northern Industrial Training (NIT) in the community. NIT is a vocational training center in Palmer, AK that specializes in professional truck driving, heavy equipment, hazardous materials and mine safety training programs. Participants included City employees and APICDA staff, who earned their 72-hour National Center for Construction Education and Research (NCCER) Heavy Equipment certification in backhoe, bulldozer, dump truck and excavator operation in addition to basic safety and maintenance. The participants were also certified for compaction, trenching and shoring. During the training, students assisted with a road maintenance project by stockpiling and transporting red scoria, a material that is used for foundation and road maintenance.

Background: Atka, Korovins Bay, photo by Nikita Bereskin



APICDA provides meaningful internship opportunities to youth, enrolled college students and community members interested in gaining 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. Several internships have resulted in full-time employment opportunities at APICDA or with other organizations. APICDA supported 13 internships in 2019, representing \$67,099 in total compensation. The internship program strives to customize positions to meet the partner organization's needs and the development interests of the intern. APICDA staff work one-on-one with each entity and the applicant to tailor an opportunity that will meet the goals of the employer and the employee.

#### YOUTH INTERNSHIP PROGRAM

This program introduces youth, ages 14-17, to employment opportunities. Youth partner with a mentor and gain valuable work experience, helping to bridge the gap between school and landing a great job.

#### 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 complement 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. Internships are available within the APICDA family, subsidiaries, partnerships and other organizations affiliated with the region.

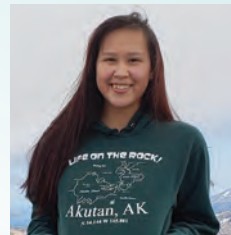
#### WORK INVEST NOW SCHOLARSHIP PROGRAM (WIN)

College and Youth interns who successfully complete their internship are eligible for the WIN scholarship. This scholarship supports students academically while encouraging employment through APICDA and regional organizations. 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 and can earn up to \$2,000 total.

#### 2019 INTERN HIGHLIGHTS

##### Nikita Shangin - Akutan Corporation

APICDA sponsored the internship of Akutan resident, Nikita Shangin, with the Akutan Corporation. In 2019 she was a senior in high school and served as an office assistant where she learned about financial software and accounting. Nikita's youth internship experience provided a window into the world of the Corporation and a greater understanding of the importance of financial management that will translate into many future disciplines and jobs.



##### Kiara Villamor - Iliuliuk Family and Health Services Clinic

Kiara, from Unalaska, is enrolled as a Pre-Conditional Nursing major at Shoreline Community College. As a future nurse, she was delighted to secure a college internship at the health clinic where she helped with patients and completed support level tasks. The internship afforded Kiara the opportunity to gain valuable experience with patients and medical equipment that will help her throughout her studies and career.



##### Nadine Kochuten - Aleut International Association

Nadine, from False Pass, found tremendous meaning in her employment internship at AIA because it complimented her service as a volunteer delegate with the Arctic Council. Nadine is the lead permanent participant delegate to the Council's Conservation of Arctic Flora and Fauna working group. AIA represents Aleuts at the Arctic Council on many important issues such as sustainable development, healthy environments, cultural preservation, connectivity, indigenous traditional and local knowledge, and emergency preparedness. AIA was a new internship partner for APICDA in 2019 and we are delighted that Nadine's internship led to full-time employment.



#### 2019 INTERNS

##### Youth Interns

Nikita Shangin, Akutan  
*Akutan Corporation*

Nathanial Williams, Atka  
*APIA-Aleutian Pribilof Island Association*

Thomas Lekanof, St. George  
*Seabird Youth Network*

##### College Interns

Thea Chesley, Nelson Lagoon  
*APICDA Operations/Programs*

Nikka Dirks, Atka  
*APICDA Media/Tourism*

Nicole Whittern, Unalaska  
*Qawalangin Tribe*

Kiara Villamor, Unalaska  
*Iliuliuk Family & Health Services Clinic*

##### Employee Interns

Arnold Golodoff, Jr., Atka  
*APIA - Aleutian Pribilof Island Association*

Nadine Kochuten, False Pass  
*Aleut International Association*

Nikkita Shellikoff, False Pass  
*APIA - Aleutian Pribilof Island Association*

Haliehana Stepetin, Akutan  
*APICDA*

Lindsey Escalante, Unalaska  
*Museum of the Aleutians*

Shayla Shaishnikoff, Unalaska  
*Qawalangin Tribe*

APICDA supports hands-on educational activities that enhance students' knowledge of Alaska fisheries and the fishing industry through our school grants program. Our goal is to encourage and foster interest in fisheries biology, management, and career opportunities in the field through student experiential education. In 2019, APICDA awarded \$57,577 in school grants.

#### The following schools were awarded grants in 2019:

**AKUTAN** The Akutan School used its school grant to organize a trip for students to visit Seattle to explore and learn about shoreside fishing operations outside of their home community. Students toured two fish processing plants, visited the Ballard Locks fish ladder in action and visited the Seattle Aquarium and Zoo, where they benefited from participatory learning activities. On their way back to Akutan, the group took a water safety course to practice their swimming skills.

**ATKA** The Yakov E. Netsvetov School used their school grant to send students to Dutch Harbor to participate in a course that introduced them to water safety skills. In addition, students got the opportunity to tour the US Coast Guard Cutter Alex Haley and took a boat tour around Unalaska on the M/V Aftermath.

**FALSE PASS** The False Pass School used its school grant to send students to Homer to participate in the three-day Coastal Ecology curriculum curated by the Center for Alaska Coastal Studies. Students participated in hands-on learning experiences focused on the interdependence of the ocean, intertidal, and terrestrial ecosystems of the coastal region.

**ST. GEORGE** Each year the Pribilof Island School District uses school grant funds to support St. George student participation in the ECO science camp in St. Paul. The camp is focused on the principles of STEAM — science, technology, engineering, art, and math. They used a portion of the funds to also support student participation in the Bering Sea Days Camp, where students explore region-specific environmental science topics like oceanography, ocean acidification, weather, and food web dynamics.

**UNALASKA** The Unalaska school grant was used to purchase a new salmon seine net and replace obsolete equipment for the Unalaska City School District Fisheries Science / Salmon Hatchery Program. The brood seine net arrived just in time to be used in harvesting the brood stock of coho salmon in late-September/early-October.



St. George & St. Paul students learning how to prepare salmon to be smoked at the St. Paul ECO camp.



## SUPPORT FOR REGIONAL ACTIVITIES & ENTITIES

APICDA supports philanthropic initiatives and programs that are strategically aligned with our mission. We evaluate the many requests we receive using a criterion primarily focused on providing social benefits and economic development in our CDQ member communities. In 2019, donations were made to many organizations who perform important work to support the region. Some of these initiatives included hunger relief efforts in the region and state, 4th of July celebrations, and travel scholarships for the Alaska Federal of Natives (AFN) Conference.

APICDA also had the honor to support three culture camps with significant financial contributions and transportation assistance in 2019. Atka and Akutan co-hosted the Tanasxangin: Living our Values camp in Atka, the Qawalangin Tribe of Unalaska held Camp Qungaayux, and the Urban Unangax Culture Camp was held by the Aleutian Pribilof Islands Association (APIA) in Anchorage.

As Shayla Shaishnikoff, Camp Coordinator for Camp Qungaayux in Unalaska shares, “passing down traditional Unangax knowledge to the younger generation is one of the ways that we honor our ancestors. A week of intensive indigenous learning provides an environment for healing and growth to all involved, and we hope that our students will continue their Unangax practices throughout the year.”

Approximately 300 students, teachers, elders and interns attended the three camps teaching and receiving lessons in Unangam Tunuu, hunting and fishing, traditional foods, healing plants, weaving, song, dance, drum making, bentwood visors, mask carving, model iqyas, headdresses, volcanoes, skin and gut, archeology, Uluxtax (double hatch kayak building) and Ayaakux (dart making/dart game).

*“In this fast-paced modern world we live in, Culture Camps are vital to ensuring that our next generations have a real-life connection to our cultural heritage, to ground them in a solid sense of their identity as Unangax people.”*  
Crystal Dushkin, Director of Cultural Affairs, Atka IRA Council



Culture Campers gather around the fire for food and singing at the Atka/Akutan culture camp.



Clockwise from Top Left:

Drum-making instructor, Anesia Kudrin, and Makarius Swetzof working on drums at the 2019 Akutan/Atka Culture Camp, Tanasxangin: Living our Values.

Sally Swetzof showing how to fillet a red salmon at the camp in Atka with Akutan co-hosting the event.

Sosi Swetzof showing off progress of her beaded 'sun' at the Atka/Akutan Culture Camp.

Elder Moses Dirks teaching the halibut hook class at APIA's Urban Unangax Culture Camp in Anchorage.

Landen Shaishnikoff helps mentors Moses Dirks, Larry Dirks, and Helen Brown, clean the seal stomach after participating in the hunt at Camp Qungaayux in Unalaska.

Background: Alagumizux built at Camp Q, Unalaska, photo by Dustin Newman



The Aleutian Marketplace Fellowship (AMF) Competition is an annual contest and education initiative designed to promote small business development in communities located in the Aleutian Pribilof region. APICDA has managed the program since 2014, working closely with entrepreneurs and small business owners to identify ways to help grow local economies.

The AMF competition combines tiered cash prize startup funds to the top three contestants with widely offered training resources for all participants. Since its inception, the program has awarded 20 individuals \$98,000 in seed money and supported numerous workshops and training opportunities focused on business and financial planning.

The grand prize winners in 2019 were sisters Haliehana Stepetin and Robin Stepetin of Akutan, with their idea to start a family-owned and operated cafe called the Peanut and Bean Cafe. Their business plan included opening the first cafe in the community, selling coffee, baked goods, art and merchandise to fishermen, processing workers and local residents. The Stepetins won \$10,000 in seed money, a business planning software subscription, Kaladi Brothers Barista Academy tuition and Quickbooks training.

The AMF is offered to residents of the twelve Aleutian-Pribilof communities of Adak, Akutan, Atka, Cold Bay, King Cove, Nikolski, False Pass, Nelson Lagoon, Sand Point, St. George, St. Paul and Unalaska. Sponsors include the Aleut Corporation (TAC), GCI, Wells Fargo and TelAlaska. To find out more about the Peanut and the Bean Cafe, please visit [apicda.com](http://apicda.com).

*The 2020 program has been adapted in response to COVID-19 by expanding our webinar series and virtual mentorship opportunities, as the traditional fellowship model relied heavily upon travel, event attendance and in-person networking.*



Above: Logo for the winning 2019 business the Peanut & The Bean Cafe in Akutan.

Right, Top to Bottom:

Grand prize Aleutian Marketplace Fellowship winners posing with sponsors. Left to Right: Becky More, Wells Fargo; Jenifer Nelson, GCI; Luke Fanning, APICDA; Robin Stepetin, Peanut & The Bean; Haliehana Stepetin, Peanut & The Bean; Sharon Lind, Aleut Corporation; and Celine Kaplan, TelAlaska.

Aleutian Marketplace Fellowship Competition 2019 finalists. Carlos Tayag, Sea Glass Bakery, Unalaska; Haliehana Stepetin, Peanut & The Bean Café, Akutan; Luke Fanning, APICDA CEO; and Travis Swangel, Island Bike Rentals, Unalaska; in Juneau to attend the Juneau Economic Development Council's Innovation Summit, February 2019.



Background: Akutan, calm day on Akutan harbor, photo by Jacob Mark Stepetin



**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 subsidiary of 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 10th year of operations, 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, 2019, 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.

**CANNON FISH COMPANY, LLC**

A wholly-owned subsidiary of APICDA Joint Ventures. Cannon Fish Company's operating assets were sold and the company was formally dissolved in 2019.

**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 wholly-owned subsidiary of APICDA Joint Ventures as of Nov. 15, 2019. The fleet of three vessels, 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.

**UGLUDAX LODGE, LLC**

Owned by APICDA Joint Ventures and operated by 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 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. In 2019, APICDA JV exercised its right to sell its interest in False Pass Seafoods LLC to Trident Seafoods. A dispute has arisen over the price to be paid by Trident for that purchase and that dispute is ongoing.

**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. Trident Seafoods has agreed to purchase AJV's interest in False Pass Fuels along with its interest in False Pass Seafoods.

*In November of 2019, the APICDA board voted to buy out our long-term partners in Prowler Fisheries, after serving as the managing partner for many years. APICDA Joint Ventures owned 100% of the company for a brief time in 2019, which consisted of three cod freezer longline vessels and over 10% of the Freezer Longline Catcher Processor quota in the BSAI.*

*In June of 2020, Prowler Fisheries merged with Aleutian Spray Fisheries to form the Aleutian Longline Company (ALC). ALC's fleet of freezer longliners consist of the Arctic Prowler, Ocean Prowler, Siberian Sea and the U.S. Liberator.*



*Background: Arctic Prowler*





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