

NORTHERN VICTOR FLEET COOPERATIVE

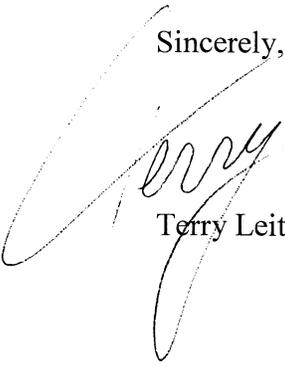
C/O Terry L. Leitzell
Icicle Seafoods, Inc.
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January 30, 2004

Mr. Chris Oliver
Executive Director
North Pacific Fishery Management Council
605 West 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Dear Chris:

Enclosed is the final 2003 report from the Northern Victor Fleet Cooperative. I am also enclosing a copy of the addendum to the Coop's Membership Agreement that extends the Cooperative through 2004.

Sincerely,



Terry Leitzell

FINAL

NORTHERN VICTOR
FLEET COOPERATIVE

2003 REPORT TO THE
NORTH PACIFIC FISHERY MANAGEMENT
COUNCIL

January 30, 2004

I. COOPERATIVE ORGANIZATION.

A. Legal Obligations.

The Northern Victor Fleet Cooperative was formed on December 20, 1999 with ten member vessels and an Agreement to Process with Icicle Seafoods, Inc., the owner of the P/V NORTHERN VICTOR (Members are listed at Exhibit A). The Membership Agreement was extended for the year 2003, effective December 1, 2002 (copy attached). Icicle Seafoods, Inc. signed the 2003 Agreement to Process on November 18, 2002 (copy attached).

B. Member Obligations.

In the Membership Agreement, each Member agrees not to exceed its allocation of pollock or its allocation of cap amounts for species in sideboard fisheries. It agrees to base allocations on pro rata catch history that each Member brings to the Cooperative, to recognize exemptions and the authorization for vessels under 99 feet to fish inside the Steller sea lion critical habitat forage area, and to recognize the right of each Member to deliver up to 10% of its annual pollock allocation to a pollock processor other than Icicle Seafoods. Each Member agrees that transfers of allocations between Members are authorized so long as notification is given to the Cooperative President, Icicle Seafoods, the Intercooperative Manager, and Sea State, the monitoring service for the Intercooperative Group.

C. Member and Board Meetings.

The Members met on November 15, 2002, in Seattle and elected the following five directors to serve as the Board of Directors for 2003: John Woodruff and Terry Leitzell of Icicle Seafoods (owner of five trawlers in the Cooperative), Norman Johannessen (an owner of the F/Vs POSEIDON and ROYAL ATLANTIC), Bert Ashley (an owner of the F/V GOLD RUSH), and Mike Stone (representing the owner of the F/Vs NORDIC FURY and PACIFIC FURY). During 2003, the Members approved the extension of and changes to the Intercooperative Agreement, the Intercooperative agreement on allocations of P. cod and halibut PSC, and the two Intercooperative agreements on salmon bycatch reduction.

The Board of Directors met on November 15, 2002. The Board elected the following officers: Terry L. Leitzell as President, Norman Johannessen as Vice President, and John Woodruff as Secretary/Treasurer. The Board selected Terry L. Leitzell as the Cooperative's designated representative, approved the selection of Judy Sisco as the on-board manager, and approved the retention of Joseph Sullivan as counsel.

D. Cooperative Operations.

Prior to each of the A and B Seasons, the President prepared spreadsheets for pollock allocations to each vessel, divided into allocations inside and outside the critical habitat forage area as appropriate, and divided into the A and B Seasons. At various times during the year, the President also prepared spreadsheets allocating the Bering Sea and Aleutian Islands Pacific cod fishery to each vessel and revised both pollock and cod spreadsheets as reserves were released. The President also prepared a spreadsheet allocating to each vessel a cap for halibut PSC in the P. cod fishery.

On board the P/V NORTHERN VICTOR, the on-board manager worked with each of the Member vessels, providing them with information about the allocations and changes of allocations, and about the amount remaining in each vessel's allocations. The manager entered all landings into a spreadsheet that contained each vessel's quota allocation for pollock and cod, each vessel's quota subdivision into inside and outside critical habitat, and the landed pounds for each vessel. The spreadsheet was always available to vessel skippers and was e-mailed to the Cooperative President weekly. The manager also reported all landings to the National Marine Fisheries Service and to Sea State, the Intercooperative Group's monitoring service.

During the year, transfers of pollock allocations and cod cap allocations occurred. At the end of each of the A and B Seasons, the manager, in consultation with the Cooperative President and the Fleet Manager, designated one vessel to make the last trip or trips to catch the remaining pollock quota amounts for all Cooperative vessels. This approach ensured that the Cooperative did not exceed its BSAI pollock allocations. All transfers were approved by the President and implemented by the on-board manager.

II. SIDEBOARD FISHERY CAPS AND CATCHES.

Tables 2, 3, 4, 5 and 6 provide details on the Cooperative vessels' activity in sideboard fisheries. The Cooperative's vessels did not participate in the yellowfin sole or other flatfish fisheries in the Bering Sea and Aleutians.

A. Bering Sea and Aleutian Islands Cod and PSC Halibut and Other PSC Species.

The Cooperative is a member of the Intercooperative Group which agreed upon the allocation of the AFA vessel P. cod sideboard cap on a cooperative by cooperative basis. Individual vessel catches are in Table 1. The Cooperative's aggregate cod cap allocation and catch by non-exempt vessels is as follows (the Cooperative received cap allocation transfers from other cooperatives in addition to the direct allocation shown):

<u>Cooperative cap allocation:</u>	5,070.00 metric tons
<u>Cooperative catch:</u>	5,571.33 metric tons

As a Member of the Intercooperative Group, the cooperative agreed to apportion the AFA halibut sideboard cap to each cooperative. The Cooperative allocated the halibut cap pro rata to

its Member vessels based on cod landings history, and monitored and enforced the cap. Table 3 shows the cod and associated halibut cap allocations for these vessels.

B. Gulf of Alaska Fisheries.

Four Cooperative vessels fished in the Gulf of Alaska fisheries at various times during the year: the F/V Excalibur II, F/V Collier Brothers, and the F/V Gold Rush, all of which are GOA-exempt, and the F/V Sunset Bay, which is non-exempt. The vessels' catches are shown in Tables 5 and 6.

C. Bristol Bay Red King Crab Catch.

The AFA vessels that were eligible for the Bristol Bay red king crab fishery worked together under the Intercooperative Group to ensure that the AFA vessels did not exceed the AFA cap. The Cooperative had two eligible vessels, the F/V STORM PETREL and the F/V COMMODORE, which had the following catches in the 2003 fishery.

STORM PETREL: 43,083 pounds.

COMMODORE: 41,469 pounds.

III. PENALTY STRUCTURES.

The Cooperative's Members recognized the critical importance of strong commitments by each Member to comply with pollock allocations, cod cap allocations, and limits in all sideboard fisheries for pollock in the Gulf of Alaska, non-pollock groundfish in the Bering Sea/Aleutian Islands and the Gulf of Alaska, and crab. The Cooperative took three approaches to ensuring compliance. First, each Member made a specific commitment in the Membership Agreement to comply with all allocations and limits. Second, the practical operation of the Cooperative and the constant availability of up-to-date data on landings minimized the possibility of error. Third, the Members set forfeiture amounts, for any catches that exceed an allocation of quota or a cap amount, of 150% of the ex-vessel value for pollock, \$1,000 per metric ton for P. cod, and \$300 per metric ton for other groundfish. No penalty actions were taken in 2003.

EXHIBIT A

F/V ANITA J

Evening Star, Inc.
C/O Icicle Seafoods, Inc.
4019 21st Avenue W.
Seattle, WA 98199
Attn: Terry Leitzell
Phone: 206-281-6372
Fax: 206-281-0329

F/V COMMODORE

Evening Star, Inc.

F/V EXCALIBUR II

Excalibur II LLC
PO Box 2243 Sisters, OR 97759
Attn: Bill Jacobson
Phone: 541-549-0296
Fax: 541-549-0297

F/V HALF MOON BAY

Evening Star, Inc.

F/V NORDIC FURY

F/V PACIFIC FURY

Fury Group, Inc.
Edmonds, WA
Attn: Mike Stone
Phone: 206-783-3844
Fax: 206-783-3871

F/V ROYAL ATLANTIC

Royal Atlantic LLC
Edmonds, WA
Attn: Lloyd Johannessen
Phone: 206-915-4892

F/V SUNSET BAY

Evening Star, Inc.

F/V COLLIER BROTHERS

9589 SE Birch
South Beach, OR 97366
Attn: Jim Schones
Phone: 541-867-6151
Fax: 541-867-7073

F/V GOLD RUSH

Golden Tide, Inc.
510 Main Street
Oregon City, OR 97046
Attn: Bert Ashley
Phone: 503-901-6004
Fax: 503-723-0077

F/V MISS BERDIE

Miss Berdie, Inc.
1483 Old River Road N.E.
Siletz, OR 97380
Attn: Stan Schones
Phone: 541-444-2620
Fax: 541-444-2620

F/V POSEIDON

Johannessen enterprises, Inc.
Edmonds, WA
Attn: Lloyd Johannessen
Phone: 206-915-4892

F/V STORM PETREL

Evening Star, Inc.

		2003		TABLE 1							
VESSEL ALLOCATIONS AND CATCHES OF BERING SEA AND ALEUTIAN ISLANDS POLLOCK AND COD IN METRIC TONS											
VESSEL	INITIAL POLLOCK	POLLOCK	TRANS-	COD	COD	TRANS-					
NAME	ALLOCATION	CATCH*	FERS	ALLOCATION	CATCH*	FERS					
ANITA J	3,558.35	6,808.08	3,249.72	84.15	230.90	146.75					
COLLIER BROTHERS	803.44	801.00	-2.44	0.00	40.85	40.85					
COMMODORE	8,190.13	5,471.00	-2,719.13	798.02	942.13	144.11					
EXCALIBUR II	3,542.44	3,459.00	-83.44	180.49	4.34	-176.15					
GOLD RUSH	2,782.54	2,760.00	-22.54	552.13	214.15	-337.98					
HALF MOON BAY	3,547.99	3,082.00	-465.99	582.03	1,497.61	915.58					
MISS BERDIE	3,922.93	4,137.00	214.07	255.03	228.97	-26.06					
NORDIC FURY	470.49	850.00	379.51	MOTHERSHIP COOPERATIVE							
PACIFIC FURY	377	0.00	-377.01	MOTHERSHIP COOPERATIVE							
POSEIDON	8,027.65	8,280.00	252.35	535.90	254.85	-281.05					
ROYAL ATLANTIC	8,529.34	8,505.00	-24.34	834.02	734.34	-99.68					
STORM PETREL	7,983.70	9,438.00	1,454.30	659.10	176.51	-482.59					
SUNSET BAY	3,284.30	1,399.00	-1,885.30	589.13	1,246.68	657.55					
TOTALS	55,020.31	54,990.08		5,070.00	5,571.33	501.33					

*The Cooperative received transfers of cod cap from other AFA Cooperatives.
Transfers within the Cooperative resulted in some vessels catching more or less than their original allocation, with the Cooperative as a whole remaining under its aggregate allocation.

PSC BYCATCH IN BSAI DIRECTED POLLOCK FISHERY(MT OR NUMBER)													
2003 TABLE 2													
Vessel	Landed Pollock MT	Landed Cod MT	Total Catch Weight	Halibut Bycatch	Halibut Mortality	Chinook (obs) N	Other Salmon (obs) N	Chinook (delivered) N	Other salmon (delivered) N	Red King crab N	Bairdi N	Other Tanner N	Herring Wt.
ANITA J	6,808.08	38.21	6,846.29	1	1	433	2,147	323	1,515	0	21	10	4
COLLIER BROTHERS	801.00	1.86	802.86	0	0	4	358	18	339	0	0	0	1
COMMODORE	5,471.00	32.07	5,503.07	1	1	158	1,730	206	2,094	0	8	3	5
EXCALIBUR II	3,459.00	26.28	3,485.28	0	0	134	1,085	96	839	0	7	2	4
GOLD RUSH	2,760.00	5.99	2,765.99	0	0	50	391	58	208	0	2	1	0
HALF MOON BAY	3,082.00	6.67	3,088.67	0	0	106	1,333	139	942	0	0	1	1
MISS BERTIE	4,137.00	21.75	4,158.75	0	0	191	1,520	156	1,584	0	11	2	3
NORDIC FURY	850.00	11.48	861.48	0	0	32	394	71	495	0	1	1	0
PACIFIC FURY	0.00	0.00	0.00	0	0	0	0	0	0	0	0	0	0
POSEIDON	8,280.00	34.12	8,314.12	1	1	321	2,475	331	1,505	0	18	4	7
ROYAL ATLANTIC	8,505.00	49.51	8,554.51	1	1	173	1,431	162	928	0	13	5	7
STORM PETREL	9,438.00	54.53	9,492.53	1	1	346	2,509	295	1,356	0	49	6	6
SUNSET BAY	1,399.00	14.66	1,413.66	1	1	86	7	83	5	0	17	2	0
TOTALS	54,990	297.13	55,287.21	7	6	2,034	15,382	1,938	11,810	2	147	36	38

		2003 TABLE 3													
		BSAI COD AND HALIBUT PSC CATCHES													
VESSEL NAME	COD	ALLOCATION*	CATCH*	INITIAL HALIBUT ALLOCATION*	HALIBUT CATCH*	MORTALITY									
ANITA J	84.15	230.90	1.66	34.00	22.56										
COLLIER BROS.	0.00	40.85	0	1.00	0.73										
COMMODORE	798.02	942.13	15.74	9.00	5.70										
EXCALIBUR II	180.49	4.34	3.56	0.00	0.06										
GOLD RUSH	552.13	214.15	10.89	8.00	5.46										
HALF MOON BAY	582.03	1,497.61	11.48	70.00	46.42										
MISS BERDIE	285.03	228.97	5.03	16.00	10.49										
NORDIC FURY	MOTHERSHIP COOPERATIVE														
PACIFIC FURY	MOTHERSHIP COOPERATIVE														
POSEIDON	535.90	254.85	10.57	7.00	4.85										
ROYAL ATLANTIC	834.02	734.34	16.45	11.00	7.08										
STORM PETREL	659.10	176.51	13.00	6.00	4.26										
SUNSET BAY	589.13	1,246.68	11.62	103.00	68.07										
TOTALS	5,070.00	5,571.33	100.00	265.00	175.68										

*The Cooperative received transfers from other AFA Cooperatives. Transfers within the Cooperative resulted in some vessels catching more or less than their original allocations, with the Cooperative as a whole remaining under its aggregate allocations.

2003 TABLE 4

PSC BYCATCH IN BSAI DIRECTED COD FISHERY(MT OR NUMBER)													
Vessel	Landed Cod RWE	Landed Pollock	Total Groundfish Catch	Hailbut Bycatch	Hailbut Mortality	Chinook (obs) N	Other salmon (obs) N	Chinook N (delivered)	Other salmon N (delivered)	Red King crab N	Bairdi N	Other Tanner N	Herring Wt
ANITA J	230.90	13.07	243.97	34	23	6	44	4	0	0	5,578	1,415	0
COLLIER BROS.	40.85	0.25	41.10	1	1	2	0	0	0	0	20	2	0
COMMODORE	942.13	7.50	949.63	9	6	12	0	0	0	0	329	16	0
EXCALIBUR II	4.34	0.00	4.34	0	0	0	0	0	0	0	2	0	0
GOLD RUSH	214.15	1.23	215.38	8	5	9	29	0	0	0	320	60	0
HALF MOON BAY	1,497.61	66.53	1,564.14	70	46	58	137	5	4	0	7,739	1,864	0
MISS BERDIE	228.97	4.09	233.06	16	10	12	0	0	0	0	190	24	0
NORDIC FURY PACIFIC FURY	MOTHERSHIP COOPERATIVE												
POSEIDON	254.85	8.06	262.91	7	5	21	2	0	0	0	221	30	0
ROYAL ATLANTIC	734.34	7.20	741.54	11	7	11	0	0	1	0	357	28	0
STORM PETREL	176.51	3.37	179.88	6	4	18	0	0	0	0	269	24	0
SUNSET BAY	1,246.68	83.54	1,330.22	103	68	25	511	1	5	0	8,281	1,900	0
TOTALS	5,571.33	194.84	5,766.17	266	176	174	725	10	10	0	23,306	5,362	0

