April 14, 2015

Chris Oliver, Executive Director

North Pacific Fishery Management Council

605 W. 4th Avenue, Suite 306

Anchorage, AK 99501-2252

Re: Agenda Item C-9 BSAI Crab Cooperative Reports

Dear Mr. Oliver:

During the February, 2013 meeting the Council passes the following motion:

"The Council requests that each of the BSAI crab rationalization cooperatives voluntarily provide an annual report detailing measures the cooperative is taking to facilitate the transfer of quota share to active participants, including crew members and vessel owners, and available measurers which affect high lease rates and crew compensation. The annual reports should convey to the Council the effectiveness of the measures implemented through the cooperatives and the estimated level of member participation in any voluntary measured and include supporting information and data. These reports are requested to be delivered for the October meeting each year."

Following is the report on behalf of Coastal Villages Crabbing Cooperative;

Coastal Villages Crabbing Cooperative has 8 member entities including one CDQ group. Our coop is made up of only 3 member vessels, all of which have participated in the BSAI Crab Fisheries.

Following are Coastal Villages Crabbing Cooperative’s answers to the specific questions from the Council’s February motion:

1. "What measures are the cooperative is taking to facilitate the transfer of quota share to active participants, including crew members and vessel owners?"

Coastal Villages Crab Cooperative is voluntarily complying fully to the Right of First Offer (RoFO) approach developed by Alaska Bering Sea Crabbers and governed by the Inter-Cooperative Exchange.

2. "What is the level of participation from cooperative members regarding these measures?"

All coop members in Coastal Villages Crab Cooperative follow the RoFO provisions.
3. How effective have these measures been?"

There have been no QS transfers during this period. Our coop has a significant amount of C shares based on historical participation.

4. “What measures are the cooperative utilizing to address the issue of high lease rates, as they affect crew compensation?”

We use a sliding scale that protects the crew in a declining market and also provides an upside in a rising market. Our crew members are compensated above industry standard due to this sliding scale.

5. “What is the level of participation from cooperative members regarding these measures?"

All of our members follow industry standards.

6. “How effective have these measures been?”

The crew that operates within the Coastal Villages Crab Cooperative is compensated at or above industry standards. There is insignificant turnover amongst the crew. What turnover there is has to do with factors other than compensations.

7. “What future measures does the cooperative plan to take to address the Council concerns over active participation and lease rates as they affect crew compensation?”

Coastal Villages Crab Cooperative will continue to use the RoFO protocol assist with the QS transfers for active crew members.

Sincerely,

Michael Coleman, President

Coastal Villages Crab Cooperative