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December 6, 2023

Martha Barberio
Economic Development Director
City of Valdez
212 Chenega Ave.
P.O. Box 307
Valdez, AK 99686

Dear Martha,

Thank you for the opportunity to serve the City of Valdez and its interests over the past year. We are grateful for the opportunity to work with you and your staff and are proud of our accomplishments in 2023. Listed below please find Alaska Blue Economy Center's (ABEC) annual update to you and the City of Valdez as discussed in recent communications. Please feel free to use this information as you see fit. Using our contract as a guide, I believe that we delivered strong results in all areas of our Basic Services during the 2023 calendar year, with highlights provided below:

TASK 1: SERVICE TO AND/OR REPRESENTATION ON ALASKA MARICULTURE ALLIANCE, AND RELATED ACTIVITIES.

- ABEC Associate Director Sheridan is currently serving as a member of the AMA Board of Directors' Executive Committee as its Secretary, and frequently participates in its Outreach Committee meetings;
- ABEC has advocated for and supported COV's role and interests at AMA, including Jeremy Talbott's valuable contributions to the organization's Governance Committee.

TASK 2: SERVICE TO AND/OR REPRESENTATION ON THE ALASKA MARICULTURE CLUSTER (AMC), AND RELATED ACTIVITIES:

- ABEC has pursued continued engagement with AMC in a variety of capacities, with mutual benefit for The City of Valdez, ABEC, local, regional, and statewide partners;
- ABEC attended the January 12 AMC kickoff meeting in Anchorage, with City of Valdez staff in attendance;
- ABEC submitted a proposal to the AMC in June in response to its call for consultation as it relates to the AMC's equipment-related RFPs (proposal was unsuccessful);
- Sheridan assisted with preparations for the August AMC visits to Cordova and Valdez, presenting on ABEC and City of Valdez interests at both meetings;
- ABEC submitted a proposal to the AMC in December in response to its call for feasibility studies, with support from the City of Valdez, Valdez Fisheries Development Foundation (VFDA), Prince William Sound College (PWSC), Chugach Alaska Corporation, Chugach Regional Resources Commission, Native Village of Eyak, Calypso Farm and Ecology Center, and others (deadline is/was December 11).

TASK 3: SERVICE TO AND/OR COLLABORATION WITH RELEVANT ACADEMIC INSTITUTIONS (AND ESPECIALLY PRINCE WILLIAM SOUND COLLEGE) AND VALDEZ STAKEHOLDERS (VFDA, PETER PAN, SILVER BAY, ET CETERA) ON THE DEVELOPMENT OF A RELEVANT FISHERIES/MARICULTURE WORKFORCE TRAINING PROGRAM:

- ABEC serves on and actively participates in the AMC's "Mariculture Workforce Development Committee," which has authored a Workforce Development Plan to support the development of



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mariculture-related curriculum and programs throughout the state; participants include ABEC and other City of Valdez partners such as PWSC, Teaching Through Technology (T3) Alliance, and Alaska Sea Grant, among other University of Alaska partners;

- ABEC continues to work with PWSC Assistant Professor Amanda Glazier on the development of mariculture curriculum for integration into the Teaching Through Technology (T3) program (see below);
- PWSC has received \$1.6 million through the AMC to support mariculture-related curriculum development, and to develop capacity at PWSC in this area;
- ABEC continues to engage visitors to Valdez with local partners, including PWSC, VFDA, Peter Pan Seafoods, Silver Bay Seafoods, and others.

TASK 4: CONTINUING OUTREACH AND ENGAGEMENT WITH LOCAL AND REGIONAL STAKEHOLDERS TO EDUCATE AND DEVELOP OPPORTUNITIES:

- ABEC presented on its mariculture work to the City of Valdez Ports and Harbor Commission on March 21;
- ABEC presented on its mariculture work to the City of Valdez City Council on March 22;
- ABEC coordinated and hosted a mariculture-related symposium at the American Fisheries Society's annual Alaska chapter meeting in Fairbanks on March 29; PWSC Assistant Professor Amanda Glazier was an invited participant in a panel at this symposium where Valdez mariculture interests and opportunities were discussed with the audience;
- ABEC collaborated with City of Valdez staff to produce the March 2023 "UAF, Valdez form partnership to boost the blue economy" news release available at <https://www.uaf.edu/news/uaf-valdez-form-partnership-to-boost-blue-economy.php>;
- ABEC Associate Director Sheridan visited Valdez in early April to support the commencement of water sampling at Galena, Jack, and Sawmill bays; during said visit, Sheridan engaged with PWSC faculty, local mariculture enthusiasts, and with Peter Pan Seafoods executive leadership (PPSF President Hickman and CEO Bixler);
- ABEC coordinated a visit to Valdez on April 19 and 20 by Sandia National Laboratory staff in support of their DOE Boost program: <https://www.boostplatform.org/>; Sandia National Laboratory is interested in supporting mariculture-related innovation in Alaska;
- Sheridan organized a June visit to Valdez by UAF Associate Vice Chancellor for Research, Innovation & Industry Partnerships Gwen Holdmann, and other visitors, which included tours of the following locations and/or businesses of interest: Valdez Fisheries Development Association and its Cold Storage facility, Fisheries Business Incubator, and Solomon Gulch Hatchery; City of Valdez and its Sea Otter Park and Valdez Container Terminal; and Copper Valley Electric Association;
- Sheridan presented on Valdez interests to AMC staff in Cordova and Valdez (August tour of PWS);
- Sheridan attended and presented on local and regional mariculture activities and opportunities at the September Pacific Coast Congress of Harbormasters and Port Managers' 49th Semi-Annual Fall Conference in Valdez;
- During all visits to Valdez, ABEC staff have gone out of their way to engage with City of Valdez staff, City Council members, and other community members who have shown an interest in mariculture development.



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TASK 5: FUND DEVELOPMENT:

- In 2022, ABEC received \$2M from the Alaska Legislature to support mariculture research and development in Alaska, and to date has funded ~\$800K in collaborative industry-oriented research projects throughout the state, several of which occur in PWS or are relevant to Valdez interests;
- With input from and advocacy by ABEC, and with the support of The City of Valdez and Valdez Native Tribe, Valdez was chosen as a community of focus for the Alaska EPSCOR Interface of Change (IoC) project;
- This project “...partners extensively with communities, industry, and agencies to co-produce research to determine the impacts of climate change on marine species important to Gulf of Alaska (GOA) coastal communities using research questions co-developed with the impacted groups;”
- If funded (decision is pending on EPSCOR IoC), ABEC and partners will receive ~\$1.4M to support workforce and economic development funding to support the six focus communities, which include Valdez and Cordova;
- If successful (EPSCOR IoC), ABEC staff would be funded for ~935 hours per year to support partnering communities for a total of 5 years;
- ABEC also applied for and was successful in obtaining \$115K from UAF’s Alaska Regional Collaboration for Technology Innovation and Commercialization (ARCTIC) program to support T3 site establishment in Valdez, along with other mariculture-related activities (see below);
- ABEC developed a grant proposal with Native Village of Eyak, Prince William Sound college, and others, which serves as the basis for a December 11 application with AMC for a project titled “A technical feasibility study on developing biostimulants and soil amendments through the combination of macroalgae and fish processing co-products;”
- ABEC submitted a proposal in support of the aforementioned “...technical feasibility study...” for \$150K in partnership with City of Valdez, VFDA, PWSC, Calypso Farm and Ecology Center, and others;
- ABEC will lead/submit a pre-proposal for the purchase of equipment to support a variety of mariculture operations including processing, nursery, and hatchery development, which is due January 8, 2024;

TASK 6: TEACHING THROUGH TECHNOLOGY (T3):

- Throughout 2023, ABEC has advocated for the development of a T3 site in Valdez, and the establishment of a Mariculture Club as part of T3’s state- and nationwide club programs;
- In spring 2023, ABEC advocated for Valdez’s inclusion in T3’s summer 2023 program rotation;
- Valdez was selected for and hosted 12 high school students from throughout Alaska, 6 instructors/staff, and 2 UAF students (paid for by UAF) from June 5–8 as part of T3’s summer program (other locations included Anchorage, Kotzebue, Juneau, and Cordova);
- While in Valdez, this T3 summer cohort stayed at PWSC, kayaked Port Valdez, visited the Valdez Native Tribe oyster research site, conducted mariculture (water) sampling in the Port, toured VFDA’s Solomon Gulch Hatchery, and toured Silver Bay Seafoods’ processing plant (this visit will be duplicated in 2024);
- T3 summer 2023 participants received lectures from UAF, PWSC, and ABEC experts, in addition to attending the June 6 Valdez City Council meeting;
- T3 is currently purchasing “Makerspace” equipment for installation at Valdez High School, with an anticipated delivery in early January 2024;
- T3 is in the process of hiring PWSC’s Dr. Amanda Glazier to serve as the dedicated Valdez T3 Coordinator in addition to her responsibilities at PWSC; T3 is in the process of finalizing an MOU with



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Valdez City Schools, and will hire a local T3 Coach in the coming weeks to lead T3 site implementation in Valdez with support from Dr. Glazier, ABEC, and T3 staff in Fairbanks and beyond;

- Glazier, T3 curriculum specialists, and others, are working to develop a mariculture curriculum that is compatible with and relevant to subsequent opportunities within UA and with prospective employers in the mariculture industry;
- The Valdez T3 site will be developed throughout the spring semester of 2024, and will engage with T3 activities elsewhere throughout the state, with an anticipated T3 gathering taking place in Valdez in April, TBD;
- Valdez will again host a summer cohort in Valdez as part of its 2024 program, with details TBD.

TASK 7: START UP MARICULTURE INCUBATOR WITH PERMITTING IN PWS:

- ABEC, PWSC, and UAF experts developed a plan in spring 2023 to identify a mariculture site in the vicinity of Valdez, settling on locations for sampling in Galena, Jack, and Sawmill bays, with sampling commencing in April using best practices as developed by UAF experts in this area;
- PWSC is currently taking the local lead on these sampling activities with support from ABEC; sampling will continue into spring of 2024, at which point processed samples will be analyzed to inform an aquatic farm (mariculture) site permit application to be submitted by April 30;
- ABEC continues to engage with local and regional stakeholders in this space, and hopes to reduce uncertainties surrounding mariculture farming in these locations through this sampling;

TASK 8: WORK WITH THE VALDEZ NATIVE TRIBE ON THEIR MARICULTURE EFFORTS:

- ABEC is committed to seeking out opportunities to partner with VNT on their mariculture interests;
- Recent collaboration with VNT staff and initiatives includes integrating VNT initiatives into T3 activities, and inclusion on fund development (grant proposal...) activities;
- ABEC is especially hopeful for opportunities to work with VNT through the EPSCOR IoC program, if it is funded, and T3;
- If successful, the EPSCOR IoC project will seek to engage The City of Valdez and the Valdez Native Tribe to establish a local Innovation Hub like that which is under development in Kotzebue and Cordova;

TASK 9: EXPLORE OPTIONS FOR DEVELOPMENT OF SEA OTTER PARK:

- No progress to report; this action item will be revisited in the future depending on City priorities.

Thank you for the opportunity to be of service to the City of Valdez.

Sincerely,

Tommy Sheridan
Associate Director
Alaska Blue Economy Center