



STAFF REPORT
MAY 16, 2016

ADMINISTRATIVE/FINANCE:

Account Balances as of March 31, 2016 (April 30, 2016 to be delivered):

Key Bank (SSL --Restricted):	\$143, 765
Key Bank Savings -- AMLIP	\$160,594
Wells Fargo Checking	\$ 56,243
Wells Fargo Savings	\$100,728
Charles Schwab Investment Account	\$500,404
Petty Cash	\$ 100
Deferred revenue	\$ 42,518
Total	\$1,004,352

PROJECTS/OLD BUSINESS:

Regional Energy Planning: Any energy planning work in mid-March involved follow-up to Aleutian and Bristol Bay Energy Meetings. Most of Vaught’s time in April was spent on SWAMC’s application for a US Department of Energy grant. This federal funding opportunity, if SWAMC is awarded, would extend the current regional energy planning work for another three years. The grant application was submitted on April 14. Vaught and Griffin attended the Rural Energy Conference April 25-28 and networked with energy planning partners.

- **Aleutian/Pribilofs:** Any energy planning work in mid-March involved follow-up to the Aleutian Energy Meeting. No energy planning work was done in April as work was focused on completing an application for a Department of Energy grant; which fulfills a SWAMC deliverable to scope an energy work plan for the year ahead.
- **Bristol Bay:** Any energy planning work in mid-March involved follow-up to Bristol Bay Energy Meeting. No energy planning work was done in April as work has been focused on completing an application for a Department of Energy grant; which fulfills a SWAMC deliverable to scope an energy work plan for the year ahead.
- **Kodiak:** No energy planning work was done in March or April as work has been focused on Bristol Bay and the Aleutians or on completing an application for a Department of Energy grant. Pending outcome of DOE Grant, SWAMC will transition the energy lead to KANA.

Department of Energy RACEE Grants

Four SWAMC communities were announced at the Alaska Rural Energy Conference in Fairbanks to have moved to Phase II of RACEE funding, making them all eligible to receive \$4,000 each in technical assistance from SWAMC. These communities – Akutan, False Pass, Port Lions, and Sand Point – are currently working with SWAMC and RACEE partners to move forward as winners of the RACEE funding. Leading up to this announcement, SWAMC provided most assistance over the telephone to False Pass and Port Lions. The deadline for Round 2 submissions was March 31. RACEE work in May has involved meeting with project managers for each community and scoping out project plans and timelines, to include a site visit, to comply with the DOE schedule.

Business Retention & Expansion

The State of Alaska made available online BRE surveys for distribution. However, the surveys need a certain amount of revisions on a programming level before they are ready to be mailed out. Once they are in working order, staff plan to distribute online surveys to businesses primarily in the Kodiak region, where SWAMC has collected the least amount of respondents. Dym also prepared the third of four BRE reports outlined in ARDOR deliverables for FY16.

Membership & Network

SWAMC has begun preparation for FY17 Membership recruitment. The Glacier View Community Council has joined SWAMC as a non-profit organization.

Absorption Chilling

SWAMC staff finished work on the Absorption Chilling Feasibility Study with a trip to Dillingham on March 22. AEA confirmed payment for this effort, initiated in 2013. Staff followed up with Bristol Bay stakeholders to wrap up loose ends, and considers this project complete. Payment arrived and was deposited May 11, 2016. Contractor Walt Kallenberg has been issued a check.

Economic Geography

Northern Economics has billed SWAMC for the final phase of the Economic Geography Study. Payment will be made upon delivery of final report. Griffin and Obrien met with Northern Economics Principal David Weiss to discuss draft report and design concepts for a one-page brochure/leave behind document for 2016 Economic Geography report. This one-pager is now available for printing and distribution to Southwest Alaska communities.

Manufacture Alaska Extension – MAKE Partnership

March was an important month for outlining a framework for sustaining the MAKE Partnership as a long-term program for MEP in Alaska. Previous Alaska MEPs faced challenges and ultimately closure because: 1) they were independently housed, internalizing the entire program, which had the effect of raising overhead and limiting specialty services; and 2) a lack of focus on Alaska's core competitive strengths for value-added economic diversification. SWAMC's strategy for avoiding these ailments is to establish partnerships to expand service capacity and geographic reach, while maintaining focus on southwest Alaska and coastal economies. That effort became clear in March.

Initially, MAKE would provide services to a single sector, seafood processing, through a single service provider, Alaska Sea Grant. This partnership focuses on our most important manufactured sector and allows us to deliver services immediately. The original MAKE budget did not fully utilize the Alaska allocation, so the SWAMC office began to investigate synergetic relationships to build on the Sea Grant effort for developing coastal economies. This research led us to closer investigation of projects to support small-scale seafood manufacturing, marketing, new marine products (kelp), a process to help launch new manufactured business and new freezing technology. These diverse set of ideas, are closely affiliated with Sea Grant and development of marine economies, and aligned focus on core strengths. Not all of these projects will move forward, but understanding the process for advancing projects was the critical component.

MAKE's first task was to develop a spreadsheet outlining financial flows for partners, clients, service providers, NIST and SWAMC. This document allowed us to outline an overhead rate for SWAMC, which is critical for long-term sustainability of the program and outline a starting point for reaching out to potential partners. Next, we needed contracting documentation outlining expectations between the various partnership structures, to include scheduled deliverables, scopes of work and monetary flows. This process also includes a process for the SWAMC Board to review projects and make a decision about moving forward.

In addition to the partnership framework, SWAMC began scoping out what services we may provide. Prototyping Core Value software allowed staff to gain an understanding of how potential clients perceived that effort, and how we could approach outreach and client services. Based on this experience, staff is developing a suite of planning documents we will provide to compliment the Core Value software. We anticipate this effort will be fee for service, generating cash flow.

April was the first reporting month for MAKE. Obrien, Broecker, and Dym coordinated with NIST staff to successfully turn in the first of an ongoing series of quarterly reports on MAKE activities. MAKE staff continued to develop operational guidelines and standards in both April and May, assuring that MAKE has specifically established policies and routines to develop accountability including a draft for Guiding Principles for the Advisory Board. MAKE expects to finalize their first project this month. April was a successful month of project and partnership development using the infrastructure the program has developed in prior months.

NETWORKING/MEETINGS:

- March 10, 2016 – Obrien and Broecker speak with Cameron Poindexter with the Bristol Bay Development Fund and Izetta Chambers from Naknek Family Fisheries about partnering to support small manufacturers in the Bristol Bay region.
- March 11, 2016 – Staff attend the Launch Alaska Accelerator Program meeting and discuss new innovations in manufacturing.
- March 11, 2016 – Staff attend meeting with Kate Constantein of Rising Tide to discuss kelp and seafood marketing.

- March 15, 2016 – Staff meet with Ian Dutton, a foundation consultant with Nautilus Impact Investing.
- March 16, 2016 – Staff meet with George Roe from Alaska Energy Industrial Hub concerning the Alaska Center for Energy and Power.
- March 17, 2016 – Broecker and Obrien meet with Vertical Harvest Hydroponics and deliver a CoreValue performance measure.
- March 18, 2016 – Broecker and Obrien meet with John Bittner from AEDC to discuss BRE and Solar outreach.
- March 22, 2016 – Vaught and Obrien travel to Dillingham for a day trip to present the final Absorption Refrigeration Report to involved parties and gather feedback.
- March 23, 2016 – Dym meets with Robly representative to view alternative marketing software competing with Constant Contact. Robly representative does not follow up after.
- March 23, 2016 – Dym meets with Gemma Hawley from Alaska Airlines and re-establishes access to SWAMC's Easy Biz account.
- March 23, 2016 – Griffin testified in favor of HB 314 (extension of ARDOR) before House Labor and Commerce Committee.
- March 31, 2016 – Griffin met with Andy Varner and three telephone/internet cooperative managers (MTA, Copper Valley Telephone and TelAlaska) regarding Aleutian Fiber project.
- April 1, 2016 – Griffin attended Anchorage Chamber of Commerce Luncheon – Governor Walker spoke.
- April 7, 2016 – Griffin testified in favor of HB 314 before Senate Labor and Commerce Committee.
- April 12, 2016 – Dym meets with Stephen SueWing to discuss distributing online BRE surveys.
- April 12, 2016 – Obrien, Griffin, and Broecker meet with UAA Professor to discuss flash-freezing fish technologies.
- April 13, 2016 – Griffin testified in favor of CSHB 314 before Senate Finance Committee.
- April 14, 2016 – Obrien, Broecker, and Dym meet with Tab Wilkins and other NIST officials to receive training on NIST reporting practices.
- April 19, 2016 – Obrien and Broecker met with UAA Economics Professor Angie Zheng to discuss exploring the Chinese market of fish products.
- April 25-28 – Griffin and Vaught attend the Rural Energy Conference in Fairbanks.
- April 28, 2016 – Obrien and Broecker met with Zoi Maroudas-Tziolas, owner and operator of Bambino's Baby Food, to discuss gaining better access to a seafood supplier.
- April 30, 2016 – Obrien and Broecker met with Ed Davis of Haa Aani to discuss operational and marketing strategies surrounding Kelp.
- May 2, 2016 – SWAMC Staff met to discuss development of SWAMC services to expand revenue generation.
- May 4, 2015 – Broecker attends "Starting a Business" training at SBDC.
- May 6, 2016 – Obrien meets with Nicole Kimball to discuss targeting seafood markets alongside UAA service provider.
- May 6-7, 2016 – Broecker travels to Naknek and Dillingham, presenting on MAKE services as part of the Business of Fish event.
- May 9, 2016 – Broecker and Obrien meet with David Nichol to discuss manufacturing solar components in Alaska and supporting southwest solar projects.
- May 11-12, 2016 – Griffin attends an IEDC hosted training on "Managing Economic Development Organizations" at University of Alaska – Anchorage.
- May 11, 2016 – Broecker and Obrien meet with Andrea Tzioloas to discuss services for manufacturers through the Makerspace.

- May 12, 2016 – Vaught attends RACEE meeting at AEA to discuss False Pass and Sand Point project plans.
- May 12, 2016 – Vaught attends RACEE meeting at AHFC to discuss Akutan project plan.
- May 13, 2016 – Griffin and Obrien attend the annual ARDOR meeting.
- May 13, 2016 – Broecker and Obrien discuss Anchorage Makerspace as providing training and possible opportunity to become a sub recipient in the MAKE Partnership.
- May 16, 2016 – Broecker and Obrien meet with Dr. Steve Wang to review contracts for the CAS freezing project in which MAKE will contribute funds to create an operational manual for a Cells Alive System of freezing fish for a better quality product.