

MADE IN ALASKA

MARICULTURE

ALASKA DIVISION of
ECONOMIC DEVELOPMENT

ALASKA
TO OPPORTUNITY

ALASKA
DEPARTMENT OF
COMMERCE,
COMMUNITY
AND ECONOMIC
DEVELOPMENT

Alaska Mariculture Task Force
Meeting Minutes

Friday, June 26, 2020 @ 9:00am – 1:00pm AST

DUE TO COVID-19: ONLINE MEETING ONLY

1) Roll call (Chair Decker calls meeting to order at 9:02 am AST)

MTF Members Present:

Julie Decker (Chair) – AFDF, Heather McCarty – Central Bering Sea Fishermen’s Association, Angel Drobnica – APICDA, Jeff Hettrick - Alutiiq Pride Shellfish Hatchery, Sam Rabung – ADFG, Ginny Eckert – ASG, Eric Wyatt – Blue Starr Oyster Co., OceansAlaska and ASGA (late), Mike Stekoll – UAS/UAF (late), Ed Douville (late). Ex-officio MTF Members: Kimberly Stryker - ADEC, Andrew Miller – ADNR.

Public Participants Present:

Riley Smith – AFDF, Michelle Morris – ADFG, Flip Pryor - ADFG, Schery Umanzor - UAS, Julie Scheurer - NOAA, Melissa Good - ASG, Hannah Wilson – ASG Fellow, Alicia Bishop - NOAA, Kristen Ciciel - NOAA, Tommy Sheridan - Prince William Sound Aquaculture Corporation, Tomi Marsh – OceansAlaska, ASMI.

2) Conflicts of Interest Declared

- McCarty (Co-Chair) – ruling made during 05/28/20 MTF meeting that Decker’s aquatic farm application is not a conflict of interest. With no concerns, ruling stands from last meeting.

3) Review and approve agenda (5 mins)

Motion (Rabung/Eckert) to approve agenda. Agenda approved with no objections.

4) Review and approve minutes: May 28, 2020 (5 mins)

Motion (McCarty/Hetrick) to approve May 28, 2020 minutes. Minutes approved with no objections.

5) Public introductions & comments (5 mins)

- Umanzor – new hire at UAS as mariculture faculty. Looking forward to working with the MTF and defining role and responsibilities with focus on MTF and industry needs.
- Decker - Schery has been part of the Alaska ARPA-E project team.

6) Updates by MTF members (45 mins):

- a. COVID-19 updates – PPP changes, [AK CARES Grant](#) (biz & NP), [\\$50 M](#), [SBA EIDL](#)

- Decker – application is still due June 30. PPP has expanded eligibility for payroll calculations to include independent contractors (those that file wages under form 1099- MISC) during application by small business or non-profits. Includes crewmembers and fishermen.
 - CARES – eligibility will be expanded next week to allow for businesses or non-profits who have up to \$5,000 in PPP or EIDL funding to apply for AK CARES funding.
 - SBA EIDL expanded to include aquaculture and agriculture. There is still available funding in both the EIDL and PPP, please pass on opportunity.
- Rabung – \$50 million for Alaska from COVID-19 relief update posted to [website](#) last Friday. Not much new information, still going through the process.

Task (Rabung) – will look further into \$50 million relief funding and update the MTF.

b. Meeting with Barings LLC, manager of Alaska Future Fund (Decker & McCarty)

- Decker – Barings LLC is an investment firm managing the Alaska Future Fund (a portion of the Alaska Permanent Fund), with a goal to further investments in Alaska companies or companies doing business in Alaska. Matt Fagnani connected Decker and McCarty with Barings on the MTF and potentials with the mariculture industry. Barings is looking to invest in medium and large companies with an opportunity for ROI. Barings LLC and McKinley Capital (Anchorage) both received \$100M each Permanent Fund for investments in AK.
- McCarty – Barings is looking for recommendations for potential investments. Will forward a list of all current mariculture operators in Alaska.
- Decker – Matt Fagnani is setting up a meeting with Barings and Oceanium (UK company interested in pilot seaweed processing plant for bio plastics in Alaska).

c. Alaska Sea Grant updates (Eckert) – Hatchery Demand Projections & ASG Fellow?

- Eckert – NSG opened up COVID-19 relief funding in regard to mariculture industry. ASG Fellow (Wilson) began in June. “Farm to Table Project” – will begin in Fall, media campaign, recipe cards (i.e. ASMI), etc. Goal is to increase market demand and awareness for shellfish and seaweed in Alaska.

Task (Eckert, Decker) – set up meeting to discuss ASG fellow’s role and duties in editing, updating and revising hatchery demand projection spreadsheet.

d. NOAA updates (Bishop)

- Bishop – FY21 SK grants announced. One-Stop-Shop web portal for aquatic farm lease applicants is moving forward (meetings with Bishop, ASG, AK State reps., Chris Schillaci – NOAA Atlantic Regional Aquaculture Coordinator – led development on MA portal). Another meeting will be held in early July ([MA example](#) pw: shellfish123).
 - Eckert – Permitting process in MA is as complicated and confusing as in Alaska. Does not circumvent the process, rather gathers common information
 - Bishop – First, we are gauging the state’s interest to define next steps.
 - Miller – ADNR is very interested and supportive of the one-stop shop. Beneficial for both agencies and interested farmers.

- Morris – as is ADFG. Need to figure out who will house and maintain website.
- e. ADNR report on new aquatic farm lease applications submitted in 2020
 - Miller – 18 applications (17 new and 1 amended application). Cordova is a hot spot - entire group of applicants from Cordova worked together to ensure complete applications (similar, complete information across Cordova applications).
 - Decker – great to see that a 2020 application is already out for public comment in Cordova.

Task (Miller) – will update the application status notes on 2017-2020 aquatic farm lease application summary and send back to MTF.

f. Other updates - none

g. Legislative Workgroup – none (McCarty, Rabung, Drobznica, Decker, Hetrick)

h. Regulatory Workgroup – none (Rabung, McCarty, Wyatt, Decker, Sullivan, Stryker, Smith)

i. Research Workgroup / EVOS Proposal Workgroup (Eckert, Stekoll, Wyatt, Foy, Decker, Sternberg) / (Drobznica, Douville, McCarty, Decker, Hetrick, Eckert, Stekoll) – under old business

j. AMDC Workgroup (Decker, Wyatt, Stekoll, Sheridan, Scheer, Marsh, Figus, Sternberg) – under old business

7) Presentations (20 mins @ 12:30pm time certain):

a. Mariculture Map – demo of improvements since January (Axiom Data Science)
Mariculture Map demo postponed to next meeting, due to meeting adjourning early.

8) Old Business (45 mins):

- a. MRC – discussion of workgroup meeting
 - Eckert – industry stakeholders must be connected to MRC via feedback (AMA), director of MRC and specialist (with strong connection to industry). Director identifies funding sources and connects to industry needs.
 - Stekoll – AMA should be doing more than just overseeing MRC, specific responsibilities need to be fleshed out. Industry coalition necessary.
 - Decker – it would be helpful to have AMA and MRC fleshed out on separate page. Also, further exploration of what is needed for ASG and UA to lead and house the MRC is necessary. What are the next steps?
 - Eckert – the whitepaper needs to be reviewed and polished up by the MTF. Approval and support of the whitepaper and concepts by the MTF is the next step. ASG and UA would look into who could fill these rolls, then, as developed further, ASG would look into finding funding to hire new staff to fill roles.
 - Hetrick – I do not see Alutiiq Pride Shellfish Hatchery, Mariculture Technical Center and Alaska Pacific University in the AMA diagram. Hatchery and Technical Center do not fit in

under another agency. No acknowledgment of what has been done already here - Technical Center was created by the state for mariculture industry. Where is the funding (does UA or ASG have the funding to hire the MRC Director)?

- Eckert – MRC facilitates funding opportunities for research and development, does not funnel existing funding. Much of NOAA’s mariculture funding comes through Sea Grant opportunities.
- Decker – I do not see UA having funds to hire a new position related to the MRC in the near future. ASG’s partnership with NOAA and UA will be helpful in securing funds.
- Rabung – makes sense to utilize tools and agencies that have built-in funding.
- Bishop – NOAA fisheries supports the whitepaper and concept. NOAA would like clarification on the MRC, AMA and a “Mariculture Advisory Panel” (i.e. where are they housed, roles, etc. through a definition sheet). Support ASG leading this.

Task (Research workgroup) – will continue meeting to explore structure of UA/ASG partnership, flesh out concepts and provide further clarity on roles and definitions of all entities (focus on defining purpose and role of AMA and MRC). Entire MTF will be CC’ed on meeting emails for full participation. MRC workgroup will present whitepaper and concepts for MTF approval at next meeting.

b. AMDC (now AMA) – discussion of workgroup notes

- Decker – workgroup met and discussed the following:
 - 1) Name (replace the use of Council – confusion with NPMC):
 - Decker – Alaska Mariculture Alliance was targeted as potential replacement.

Motion (McCarty/Eckert) to adopt Alaska Mariculture Alliance (AMA) for name of new entity to succeed the MTF. Motion passes with no objection.

2) Mission statement:

- Decker – workgroup discussed the existing elements of the mission statement and principles for Alaska Mariculture Development Plan developed by the MTF, and how they applied to the new group.

Motion (Stekoll/Rabung) to adopt the mission statement for the Alaska Mariculture Alliance, “Develop and support a robust and sustainable mariculture industry producing shellfish and aquatic plants for the long-term benefit of Alaska’s economy, environment and communities.” Motion passes with no objections.

3) Guiding principles:

- Decker/McCarty – these were updated to reflect relevance in bylaws; Alaska Native participation was edited to reflect more positive language and avoid any unintended negative connotations.
- Decker – Research and innovation – in the second sentence, word “Marine” needs to be changed to “Mariculture”.

4) Structure and membership:

- Decker – the workgroup proposed that AMA will be a private non-profit with a tax designation of 501(c)(3). Potential membership and funding mechanisms will be developed further in the next discussions.
- McCarty/Decker – should membership be associated with permits for aquatic farming? Look at a multitude of funding mechanisms – DIPAC, UFA, AFDF, ASGA, etc. PCSGA has an interesting model - annual dues as a percentage of sales.
- Rabung – having industry taxes, fees and assessments in the funding mechanism will ultimately show that the industry has “skin in the game”. Will be beneficial when asking for funding and support.
- Eckert – important to revisit how the AMA fits and connects with the MRC. Does the AMA set up an industry research committee? Might need to create AMA structure first and go from there.
- McCarty – once we have more certainty around the structure of the AMA is, then we are able to connect its role to the MRC.
- Eckert – important to consider MRC when thinking of potential AMA members.
- Decker – important to note that mariculture industry is very small at this juncture with individuals filling multiple rolls. The stakeholders (therefore membership) will be growing over time.

Task (AMA workgroup) –continue development of bylaws (membership and finances). Entire MTF will be CC’ed on meeting emails for full participation. Workgroup will present to MTF at next meeting.

Task (AMA and Research workgroups) – will hold a joint meeting to further develop connection and roles between AMA and MRC once AMA structure is more fully developed. Chairs of the AMA and MRC workgroups, Decker and Stekoll, respectively, will communicate on workgroup progress and coordinate joint meeting. Entire MTF will be CC’ed on meeting emails for full participation.

9) New Business (45 mins):

- a. Presidential Executive Order 1
 - Decker – key areas of the EO to review and consider (statement of and process for finalizing 2 Aquaculture Opportunity Sites, Army Corps nationwide permit expansion and review, etc.)
 - Bishop – EO is consistent with NOAA Fisheries and Office of Aquaculture policy and support for aquaculture. NOAA is lead agency for managing aquaculture in the EEZ. Concern for NOAA is that, as of now, there is no funding to support areas of this initiative, including timelines laid out in the EO.
 - Decker – section 6.4b – assessing nationwide Army Corps permits. Why this was sectioned out by species and types of waters? Does this apply to state waters?

- Bishop – already have an existing nationwide permit for shellfish. May be addressing what is noticed of existing permit program in order to focus development of other species. Nationwide permits can be applied to state waters. Corps are in the process of developing additional nationwide permits. Expected to be completed by August.

Task (Bishop) – notify MTF of developing Army Corps nationwide permits for all aquaculture species. Will explore connecting with Army Corps staff to speak with MTF.

b. AQUAA Act & request for support

- Decker – large bill (70+ pages). Important to note Stronger America Through Seafood (SATS) leading the charge on getting this draft passed. MTF needs to review a multitude of areas of the AQUAA Act and decide if we support as written or have any amendments. Letter of support from SATS advocacy group lists variety of stakeholders in support via signatures on the Letter of Support.
- Eckert – understanding is that the AQUAA Act applies to the EEZ. Important to understand the potential of Alaska’s EEZ for aquaculture. A mapping exercise would be beneficial for industry and other stakeholders to see potential sites.
- Rabung – there are “donut-holes” in inlets and other near-shore waters (potential mariculture sites). Finfish farming is illegal in Alaska. If finfish farming is allowed in the EEZ as a result of this bill, state opt-out is absolutely necessary in order to negate finfish farming in Alaska.
- Bishop – important to note that Alaska does not have an EEZ coastal zone management program. Maybe left out of state opt-out provision?
- Eckert – has anyone connected with our CODEL on this bill?
- Decker – 2018 we made comments on the version out then (Wicker Bill). This bill has some similar components, however, has been revised.

Tasks (Decker, McCarty, Rabung/Pryor, Bishop, Eckert) – small workgroup will complete the following: 1) check if NOAA has begun analysis of AQUAA Act, if not, conduct further analysis to summarize and identify areas needing MTF comments and revisions, 2) review previous 2018 letter on Wicker Bill, 3) coordinate with UFA and 4) draft a letter to the Congressional Delegation or state to begin discussion regarding the bill. Workgroup will present to MTF at next meeting.

c. NPRB request for RFP suggestions

- Decker – a small workgroup needs to work to draft comments and recommendations for NPRB suggestions. Research recommendation due July 17th.
- Scheurer – last year, a workgroup met to develop a list of recommendations then all parties submitted them separately to bombard NPRB with multiple suggestions.
- McCarty – last year’s recommendations may be mostly appropriate to resubmit this year. New recommendations should be in line with MTF research priorities as identified in the Plan.

Task (Bishop, Ciciel, Decker, McCarty, Eckert) – will review last year’s submission and coordinate to refine and update for this year. Will send final list to MTF before July 17th. MTF and others interested may submit these recommendations to NPRB.

10) Topics for next meeting (5 mins)

1) Progress reports from AMA and Research workgroups

11) Set next meeting date and time – July 20-24 (5 mins)

Next meeting date set for Tuesday, July 28th @ 9:00am-1:00pm AST.

12) Closing Comments & Adjournment (5 mins)

Motion (McCarty/Rabung) to adjourn meeting. Chair Decker adjourns meeting at 11:50 am AST.

DRAFT