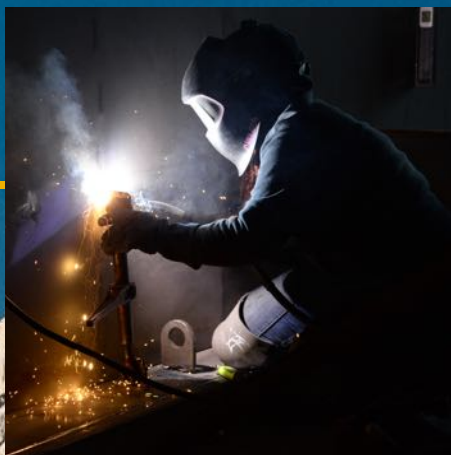


Goal: Implement the **Alaska Maritime Workforce Development Plan** in Southeast to upgrade the workforce pool and local skills applicable to maritime jobs. Not enough Southeast Alaskans have the skills to fill regional Marine Industrial Support sector job openings. **Progress:** At the end of 2017 Vigor employed 227 Alaskans in ship repair and shipbuilding, up from 169 in 2016, with an average annual wage of \$61,933. Vigor created an innovative Registered Apprenticeship in the occupation of Fitter/Welder as a part of the Maritime Works Advancing Alaska Workers demonstration project. Innovations include a competency based advancement strategy using quarterly evaluations to track the apprentice's improvements. Vigor's apprenticeship program, supported by the Alaska Dept. of Labor, administered Alaska Construction Academy for the 4th consecutive year. Maritime Works, an employer led maritime careers partnership, is now housed in the Alaska Process Industry Careers Consortium (APICC) to train Alaskans to fill skilled jobs in their industry as identified in the Alaska Maritime Workforce Plan. In October Vigor hosted the 5th consecutive Marine Construction Career Days at the Ketchikan shipyard where 200 Southeast Alaska high school students experienced shipboard and shipbuilding careers. **Project Champion:** Doug Ward, Vigor Alaska Shipyard Development Director.



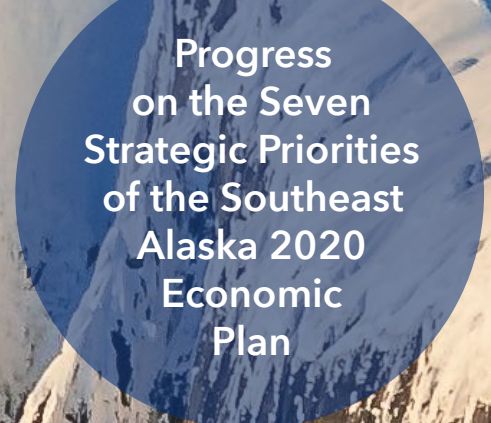
Goal: Grow a \$1 billion mariculture industry in Alaska in 30 years, including enhancement, farming, and restoration of shellfish and aquatic plants. **Progress:** In 2017, 15 new aquatic farm applications were submitted to the State. If permitted, these sites would increase the # of farms by 50% and the # of acreages by 400%. Sites range from Ketchikan to Kodiak. It is also the first time the state has seen applications for large sites (over 100 acres) and one application from a seafood processing company in Southeast Alaska. Two pieces of legislation were introduced which would allow for shellfish enhancement and allow shellfish and seaweed hatcheries to apply for loans through the Mariculture Revolving Loan Fund. The bills moved through all committees of referral and are in the last committee at this time. Four new research projects were awarded in Alaska, including the development of a Mariculture Map to facilitate expansion of the industry, the development of geoduck seed for farming in Southeast Alaska, and a project to increase efficiency of growing and harvesting seaweed. The second phase of an economic analysis was completed by McDowell Group **Project Champion:** Julie Decker Executive



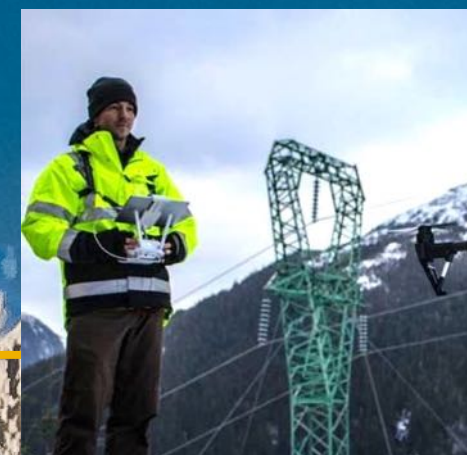
Goal: Support the development of **specialty seafood products** that utilize harvested resources and create new value-added products that provide economic benefits to local economies. Approximately 350 million pounds of seafood are harvested in Southeast Alaska each year, but the majority leaves with only primary processing, while secondary processing is conducted in other states or countries. **Progress:** The document, "Analyses of Specialty Alaska Seafood Products", was completed. The winner of the 2017 Alaska Symphony of Seafood – a competition for new products made from Alaska seafood - was a local company with its Candied Salmon Ice Cream. AFDF organized the 25th annual Symphony (2018) with some changes and improvements. For the first time, a kelp entry was submitted by a local company. A special sponsorship and collaboration between National Fishermen & Diversified Communications was developed. For the first time, winners of the Symphony will be automatically entered into the international Seafood Excellence Awards – a national new products contest and receive additional exposure for their products. Alaska Sea Grant is also working with seaweed farmers to develop new products from seaweed. **Project Champion:** Julie Decker Executive Director Alaska Fisheries Development Foundation.



Goal: Southeast Conference has spent more than 50 years advocating for the ferry system and is working on a multi-phase approach that will identify structural changes to improve the sustainability and financial health of the state ferry system. **Progress:** In 2016, Governor Walker signed a MOU with Southeast Conference in support of these goals and tasked the Conference with leading this initiative. This statewide effort is guided by a 12-member steering committee. **Phase I:** Mission goals and governance recommendations was completed in 2016. **Phase II,** completed in 2017, recommends establishing the Alaska Marine Highway System as a public corporation with its own staff and a seven-member board appointed by the governor. It would be modeled, in part, on Alaska Railroad Corporation governance. The new corporation would continue to receive state and federal funds, empower the management to control costs, create partnerships for new revenue streams and provide a buffer between the ferry system and shifting political priorities. Full information about the Initiative can be read at: www.amhsreform.com. Southeast Conference meetings on AMHS transportation in 2017: **21**. Numbers of letter and support for AMHS Reform initiative 2017: **26**. **Project Champion:** Robert Venables, Southeast Conference Executive Director.



Southeast Conference released a regional economic plan in 2016. This is a report on our progress.



Goal: Partner with state and federal agencies to advocate for renewable energy development and advanced energy technologies and provide diesel displacement through improved conservation and efficiency measures. **Progress:** Southeast Conference is working with USDA Rural Development to promote and conduct energy audits for businesses in Southeast Alaska. To date this program has benefited over 50 businesses. Southeast Conference and REAP have completed level 1 energy audits throughout the region covering over 400,000 sq. ' of facilities. The projected costs of all energy efficiency measures total \$1.8 million with estimated savings of over \$400,000 annually. The Home Energy Leadership Program has been developed to train local energy champions to implement energy efficiency measures in residential and community buildings in their hometowns. Southeast Conference is also providing assistance to Metlakatla, Kake and Angoon to displace diesel through development of hydroelectric facilities and interties to dispatch nearby hydro resources. AEL&P has provided leadership in promoting electric vehicles in Juneau and Southeast Alaska. Southeast Conference worked with the Alaska Energy Authority to develop the Biomass Greenhouse Handbook. Feasibility and pre-feasibility studies for biomass heating systems are underway or completed this year in Hoonah, Kake, Klukwan and Gustavus. Southeast Conference is working on biomass operator training, implementation of biomass projects, and workforce development in the region. **Selected 2017 Evaluation Measures:** Number of projects in development: **19** (3 solar, 7 hydro, 6 biomass, 3 intertie). % of wages increased post training: **15%** wage increase for the people in the biomass training. Federal dollars invested in region for energy: **\$347,176**. Installed BTU capacity for renewables: **3,200 MBTUs**. Number of efficiency initiatives for utilities and consumers: **25**. **Project Champions:** Karen Petersen, Southeast Alaska Energy and Biomass Coordinator. Alec Mesdag, Director of Energy Service for AEL&P.

Goal: Provide an adequate, economic and dependable supply of timber from the Tongass National Forest to regional timber operators. **Progress:** Southeast Conference has joined the State in appealing the Roadless Rule decision to the DC Circuit Court. Southeast Conference supports the State's Petition to USDA for rulemaking to exempt the Tongass from application of the Roadless Rule and other actions [meaning the 2016 Tongass Transition Plan]. The Southeast Conference thanked Senator Murkowski for including Sections 508 and 509 in the 2018 Interior Appropriations Bill. Section 508 sets aside the 2016 Tongass Transition Plan and Section 509 exempts both National Forest in Alaska from the 2001 Roadless Rule. The Southeast Conference letter to Senator Murkowski also asks that revisions be made to the 2016 Tongass Forest Plan to assure road access for mining, a realistic Plan that authorizes road access to all forms of Renewable Energy, and restoration of the Transportation and Utility System Land to maintain transportation corridors. **Project Champion:** Bryce Dahlstrom Vice President Viking Timber.



Goal: Develop a collaborative **regional visitor marketing effort** to provide more marketing opportunities, improve brand awareness, strengthen the marketing reach, widen regional coverage of information, and leverage limited resources. **Progress:** Because of the reduction in state support for statewide marketing efforts regional cooperative marketing efforts are playing even more important role than previously imagined. Cooperative efforts increasing on-line marketing have been ramped up and additional on-line resources are being explored. New partners of the Southeast Alaska Tourism Council (SATC), including Petersburg, Gustavus and Alaska Seaplanes joined the regional effort and will work together to entice travel writers to the region for valuable coverage. **Project Champion:** Carol Rushmore, SATC Board Member and Wrangell Economic Development Director



Southeast Conference In Review

Member Communities and Organizations

201

- Community of the Year Award: Wrangell
- Business of the Year Award: Alaska Electric Light & Power
- Person of the Year Award: Kathie Wasserman, Alaska Municipal League
- Annual Meeting Community Host: Haines

Economic Plan Initiatives

46

- 7 priority objectives

Scholarship Money Raised

\$16K

Publications

4

- AMHS Reform Phase One Final Report
- Draft AMHS Reform Phase Two Report
- Southeast Alaska by the Numbers 2017
- Biomass Greenhouse Handbook

Committees

8

- Transportation, Energy, Maritime/Seafood, Visitors, Timber, Mining, Economic Development, Solid Waste

Total Revenue

\$522K



**SOUTHEAST
CONFERENCE**

Southeast Conference 612 West Willoughby Avenue, Suite B Juneau, AK 99801
(907) 586-4360 www.seconference.org

Southeast Conference and our Board of Directors

Southeast Conference Mission

The mission of Southeast Conference is to undertake and support activities that promote strong economies, healthy communities, and a quality environment in Southeast Alaska.



About Southeast Conference

Southeast Conference was incorporated in 1958 to lobby for a regional transportation system that eventually became the Alaska Marine Highway System. After that success, we stayed together to continue to advocate for issues that are key to the southeast region as a whole. Our goal is to help develop strong economies, healthy communities, and a quality environment in Southeast Alaska. We look for consensus and areas where we can work together for the betterment of the region. Our key areas of focus include economic development, transportation, energy, maritime, seafood, tourism, timber, and mining.

We have more than 200 members from nearly every community, chamber of commerce, and economic development organization in the region. Our membership also represents many regional transportation organizations, Alaska Native organizations, local and regional utilities, and other businesses. We help support the Southeast Conference of Mayors and the Marine Transportation Advisory Board. Southeast Conference is the federally designated Regional Economic Development District and the State-designated Alaska Regional Development Organization.

Southeast Conference's 201 Members

AAA Moving; Alaska Airlines; Alaska Chamber of Commerce; Alaska Committee; Alaska Communications; Alaska Electric Light & Power; Alaska Energy Authority; Alaska Fisheries Development Foundation; Alaska Forest Association; Alaska Gasline Development Corporation; Alaska Glacier Seafoods; Alaska Industrial Development & Export Authority; Alaska Litho; Alaska Marine Lines; Alaska Mental Health Land Trust; Alaska Municipal League; Alaska Permanent Capital Management Co.; Alaska Power & Telephone; Alaska Power Association; Alaska Process Industry Careers; Alaska Rainforest Sanctuary; Alaska Sea Grant; Alaska Seafood Marketing Institute; Alaska Seaplanes; Alaska Waste; Alaskan Brewing Co.; Allen Marine Tours; ALPS Federal Credit Union; Anderson, Michael; Avista Corporation; Ballard & Associates; Bartlett Regional Hospital; Bousson, Dennis; Cape Fox Corporation; Central Council Tlingit & Haida; Chelan Produce Company; Chilkoot Indian Association; Chinook Futures Coalition; City & Borough of Juneau; City & Borough of Sitka; City & Borough of Wrangell; City & Borough of Yakutat; City of Angoon; City of Coffman Cove; City of Cordova; City of Craig; City of Gustavus; City of Hoonah; City of Hydaburg; City of Kake; City of Klawock; City of Kodiak; City of Kupreanof; City of Pelican; City of Prince Rupert; City of Saxman; City of Tenakee Springs; City of Thorne Bay; City of Unalaska; City of Whitehorse; Clark, Jim; Coastal Helicopters Inc.; Coeur Alaska, Inc.; Commonwealth Associates, Inc.; Community of Elfin Cove; Constantine Metal Resources; Cordova Chamber of Commerce; Cordova Electric Cooperative; CPD Alaska; Craig Tribal Association; Crowley Fuels; Cruise Lines International Association; Daniel G. Jones, PE, LLC; Denali Daniels & Associates, Inc.; District of Port Edward; Elgee Rehfeld Mertz; Elliot Bay Design Group Ltd.; Explorations, LLC; First Bank; First National Bank of Alaska; First Things First Foundation; Goldbelt, Inc.; Greater Ketchikan Chamber of Commerce; Greater Sitka Chamber of Commerce; Haida Corporation; Haines Borough; Haines Chamber of Commerce; Hames Corporation; Hammer & Wilan, Inc.; HansenGress; Harris Air; Heatherdale Resources; Hecla Greens Creek Mining; Hoffman & Blasco; Holland America Line, Inc.; Hoonah Indian Association; Howes, Joshua; Hughes, Andy; Huna Totem Corporation; Hydaburg Cooperative Association; Inlandboatmen's Union of the Pacific; Inside Passage Electric Cooperative, Inc.; Inside Passage Vacation Rentals; Inter-Island Ferry Authority; Int'l Brotherhood of Electric Workers; Int'l Union of Operating Engineers; Island Air Express; Johnsen, Paul; Juneau Chamber of Commerce; Juneau Economic Development Council; Juneau Hydropower; Kake Tribal Corporation; Ketchikan Gateway Borough; Ketchikan Indian Community; Ketchikan Visitors Bureau; Kimball, Nicole; Kootznowoo, Inc.; Kuhn, Jayson; Lynden Transport; Madison Lumber & Hardware; Marine Exchange of Alaska; Masters Mates Pilots; McDonald's of Southeast Alaska; McDowell Group, Inc.; Metlakatla Indian Community; Metlakatla Power & Light; Moffatt & Nichol; Municipality of Skagway; Nature Conservancy; Naukati Bay, Inc.; Northrim Bank; Ocean Beauty Seafoods, Inc.; Ocean Market Gardens; Organized Village of Kake; Organized Village of Kasaan; Pacific Fishing, Inc.; Pacific Salmon Treaty Coalition; Pacific Seafood Processors Association; PeaceHealth Ketchikan Medical Center; Petersburg Borough; Petersburg Economic Development Council; Petersburg Indian Association; Petersburg Pilot; PND Engineers, Inc.; Port of Bellingham; Power Systems & Supplies; Prince of Wales Chamber of Commerce; Prince Rupert Chamber of Commerce; Princess Cruise Lines; Rain Coast Data; Red Onion Saloon, Inc.; Regional District of Kitimat-Stikine; Renewable Energy Alaska Project; Resource Development Council; Rocky's Marine; Rolfe, Philip; Samson Tug & Barge; Schmucker, Dave; Sealaska Corporation; Shattuck & Grummett; Sitka Economic Development Association, Inc.; Sitka Hospital; Sitka Tribe of Alaska; Skinner, Rebecca; Southeast Alaska Fishermen's Alliance; Southeast Alaska Guides Organization; Southeast Alaska Power Agency; Southeast Alaska Regional Health Consortium; Southeast Alaska Solid Waste Authority; Southeast Road Builders; Stephens, Coleen; Szczatko, Kimberley; Tanaku Lodge; Taquan Air; Tatoosh School; Terra Verde, Inc.; The Landing Hotel; Thompson, Glen; Tlingit & Haida Regional Housing Authority; True North Federal Credit Union; TSS, Inc.; United Fishermen of Alaska; University of Alaska, Southeast; Vigor Alaska; Viking Lumber; Wells Fargo Bank N.A.; Whiddon, John; Williams Kastner; Westmann & Associates; Wrangell Chamber of Commerce; Wrangell Convention & Visitors Bureau.



Alec Mesdag - 2nd Vice President
Director of Energy Services for AEL&P Juneau



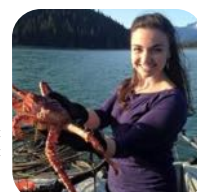
Dennis Gray Jr. - Director
City Administrator for City of Hoonah



Markos Scheer - Director
Attorney for Williams Kastner, Sitka



Maegan Bosak - Director
Community Affairs Director, City and Borough of Sitka



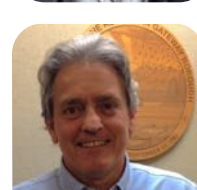
KC Hostetler - Director
Reg. Sales & Community Marketing Manager, Alaska Airlines



Bryce Dahlstrom - Director
Vice President, Viking Lumber, Klawock



Dennis Watson - 1st Vice President
General Manager, Interisland Ferry Authority



Stephen Bradford - Secretary
Assembly Member, Ketchikan Gateway Borough

Admiral Club Sponsors: Alaska Airlines, AEL&P, Avista, SEARHC, Central Council Tlingit & Haida Indian Tribes of Alaska.
Captain's Circle Sponsors: Alaska Marine Lines



Jan Hill - President
Mayor, Haines Borough



Rorie Watt - Treasurer
City Manager, City & Borough of Juneau



Henrich Kadake - Director
Chair, Kake Tribal Corp.



Cindi Lagoudakis - Director
Former Petersburg Mayor



Chelsea Goucher - Past President
Sales Representative, Alaska Marine Lines Ketchikan

SOUTHEAST CONFERENCE 2018



National Recognition for our Regional Economic Plan
The Southeast Conference five-year economic plan for the region has community-driven economic initiatives in the areas of transportation, energy, maritime, seafood, visitors, timber, mining, and more. Our Plan is being promoted nationally as an example of what a Comprehensive Economic Development Strategy (CEDS) document should look like and how it should be developed. Most notably the National Organization of Development Organizations has highlighted it as one of the 5 top CEDS in the nation, and has incorporated our work into their national training materials.

New Executive Director
Robert Venables was promoted to Executive Director in 2017. Robert's involvement with Southeast Conference began in 1997 through the Haines Chamber of Commerce. In 2001, he joined as a member of the SEC Board of Directors, including one year as president. In 2008 he took on the role of SEC Energy Coordinator. Robert was previously employed by the Haines Borough as their Economic Development Director and Borough Manager. Robert currently is a member of the state's Marine Transportation Advisory Board and the Municipal Gasline Project Advisory Board.

High Caliber Board
Southeast Conference is led by an all-star board of directors from nine communities across the region. Our board is made up of hard-working community leaders from industry and local governments who still find time to advocate for the betterment of the region as a whole.

Revitalized Committees
Southeast Conference began as a grass roots regional effort, and this year we are strongly reengaging our roots. We are refocusing our efforts on empowering our committees and are achieving amazing results. The committees are a place for advocacy, discussion, regional networking, and ultimately set the agenda for Southeast Conference as a whole. We have eight committees: Transportation, Energy, Marine Industry/Seafood, Visitor Industry, Timber, Mining, Economic Development, and Solid Waste—along with approximately 160 committee members.

Ferries Are Still Our Top Priority
The long-term health and prosperity of our ferry system continues to be the number-one priority of Southeast Conference, and has been the focus of many of our efforts. The Alaska Marine Highway System is a vital and integral part of the state's inter-modal transportation system. Transportation is the lifeblood of all economies and a strong ferry system is essential to local economic development, quality of life, and community well-being statewide, but especially in our coastal communities. Governor Bill Walker signed a Memorandum of Understanding with Southeast Conference to improve the long-term viability of AMHS. This statewide AMHS Reform project is being guided by a 12-member steering committee.



Southeast Conference 612 West Willoughby Avenue, Suite B Juneau, AK 99801
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