



P.O. Box 560,
Waimanalo, Hawaii 96795

THE 'AINA INSTITUTE

Phone (808) 259-5042
www.ainainstitute.org

Transmittal

January 30, 2014

To:
HOUSE COMMITTEE ON FINANCE
State Capitol, Rm 306
Honolulu, HI 96813
Attn: Nandana Kalupahana

Regarding:
Grant-In-Aid Request -- Operating

Attachments:

1 copy of each:

- Cover Page
- Application for Grants and Subsidies – 13 pages
- Budget Request by Source of Funds – pg 4
- Budget Justification – Personnel –Salaries and Wages pg 5
- Budget Justification – Equipment and Motor Vehicles pg 6
- Declaration Statement – pg 8

By:

Robert Shleser, President
The Aina Institute
PO Box 560
Waimanalo, HI 96795

Comments

A copy of this submittal is being distributed to the Senate Committee on Ways and Means

Please contact me at [REDACTED] if you have any questions or comments.

Thank you.


[REDACTED]
Robert Shleser PhD

House District _____

Senate District _____

**THE TWENTY-SEVENTH LEGISLATURE
APPLICATION FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

Log No: _____

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

SUBSIDY REQUEST

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN): _____

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): _____

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:

'Aina Institute

Db:

Street Address:

Mailing Address:

PO Box 560

Waimanalo, Hawaii 96795

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name ROBERT SHLESER

Title President

Phone # (808) 259-5042

Fax # (808) 259-8049

e-mail shleser@aloha.net

3. TYPE OF BUSINESS ENTITY:

- 501 C 3 NON PROFIT CORPORATION
- FOR PROFIT CORPORATION
- LIMITED LIABILITY COMPANY
- SOLE PROPRIETORSHIP/INDIVIDUAL

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

"PRODUCTION OF FOOD, FUEL, AND ENERGY IN HAWAII"

A

A PROGRAM TO USE BIOMASS RESOURCES AND A COMBINATION OF TECHNOLOGY TO PRODUCE FOOD AND ENERGY PRODUCTS TO REDUCE HAWAII DEPENDENCY ON IMPORTS.

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$791,032.00

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
- EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST: FUNDS REQUESTED ARE

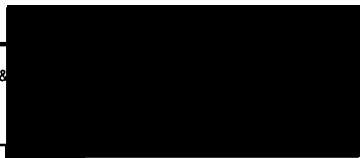
STATE \$ 791,032.00

FEDERAL \$ 189,231.00

COUNTY \$ 0

PRIVATE/OTHER \$ 40,391.00

TYPE NAME &



ROBERT SHLESER PRESIDENT
NAME & TITLE

1/30/14
DATE SIGNED

Application for Grants and Subsidies

If any item is not applicable to the request, the applicant should enter "not applicable".

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

A brief description of the applicant's background;

Applicant's Background: The 'Aina Institute, (Aina) is the applicant. The 'Aina Institute, a 501(c)(3) Non-Profit Organization, was established in November 1990 by individuals from the research, business, and academic communities. They share the common objectives of meeting local needs for food, water and energy while maintaining or improving the quality of the environment. 'Aina has a long history in bringing an understanding of the issues related to sustaining our food water energy issues. This is achieved by sponsoring meetings, presenting talks, assisting government and the community by providing technical assistance. Examples include: assisting the Waimanalo community to resolve issues related to expansion of the sewer system. 'Aina team members have participated and contributed to the Hawaii Clean Energy Initiative (HCEI), and Important Agricultural Lands. (IAL) programs. Other activities include providing technical assistance to companies proposing new businesses and assisting with technical issues and business plans. Much time has been spent teaching or mentoring young people.

The founding members of the 'Aina team are listed below::

THE 'AINA TEAM

TEAM MEMBERS	SPECIALTY
Alan Kennett	President Gay & Robinson Sugar Plantation, Retired
Al Harrington	Communications and Presentations
Anthonie Schuur	Design Planning and Construction
David Robichaux, MS	Agricultural Engineering Resource Management
Dennis Furukawa, MS	Architect, Waste Water Reclamation Specialist
Glenn Pueppke	Corn Grower from North Dakota -Retired
Jim Brewbaker, Ph.D.	Plant Breeding/ Genetics, UH
John Goetzinger	Projects Coordinator
Jim McElvaney	Energy Production from Organic Wastes
Kirsten Baumgart Turner, MA	Program Development and Management
Leon Sollenberger	Production Crop & Soil Management Specialist
Larry Higdon	Business Development Specialist Ohio
Michael Gustafson	CEO of a North Dakota Electric Cooperative -Retired
Pete Bunn, CPAg	Soil and Plant Nutrient Management. Specialist
Robert Shleser, Ph.D.	'Aina Institute Founder & Program Developer
Stanley Baronett	Technical Specialist
Vernon Sato	Alage Production Specialist
Warren Dominy, Ph.D.	Feeds Development Specialist
Wayne Barrier, Ph.D.	Manager Biomass Energy Program TVA, Retired

The goals and objectives related to the request;

GOALS

The primary goal of the Aina program is to identify, evaluate, and foster the development of businesses in Hawaii that use a combination of crops, biomass, and technologies to produce substitutes for food and petroleum products that are now imported.

One of the understated goals is to improve the quality of life in rural locations by creating jobs that are consistent with local values and lifestyles in these communities.

The completed work will identify the crops, sources of biomass and technology-based production systems that have the greatest potential to become profitable businesses that will produce food, fuels, and energy products. This work will provide the foundations to establish profitable new businesses and rebuild our agriculture sector.

The successful work will conclusively demonstrate the economic benefits of using the wastes and byproducts that are generated when a crop is grown and used for a single purpose. When these materials are used to produce new products additional revenues result

The public purpose and need to be served;

The primary public purpose is to improve food and energy security for the people of Hawaii. This will be achieved when the opportunities identified through this work are brought to the attention of the public.

Needs

Rebuild the farming sector
Stimulate rural employment
Utilize wastes by using materials now going to landfills
Reducing costs of transportation fuels
Keeping cash in Hawaii
Keeping Hawaii Green
Reduce burdens on potable water supplies.

Describe the target population to be served:

The target is the people of Hawaii and communities throughout the world who are faced with the same problems that jeopardize their future well-being.

Describe the geographic coverage

The area of coverage are the remaining rural lands in the state of Hawaii that may have land areas that are suitable to produce crops that can be processed to produce food and energy products and that will reduce our dependence on imported food and petroleum

II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request. The applicant shall:

Describe the scope of work, tasks and responsibilities;

SCOPE of WORK

The product of this work is the identification of investment ready businesses that will reduce Hawaii's imports of food and energy.

Identify and evaluate locally available resources and technologies that can be used to produce the desired products with the quality that is required for the market,

Use the 'Aina Institute Decision Analysis System (DAS), to perform economic evaluations, laying out the costs of procuring and operating processing equipment, acquiring materials and wastes that can be processed to produce substitutes, products that are now imported. .When potentially profitable business opportunities are validated potential investors will be contacted.

SPECIFIC TASKS

Identification of crops that are most appropriate to achieving our goals

Identification of technologies that are most appropriate for Hawaii and similar locations

Validation and Improvement of the performance of these systems at appropriate scale

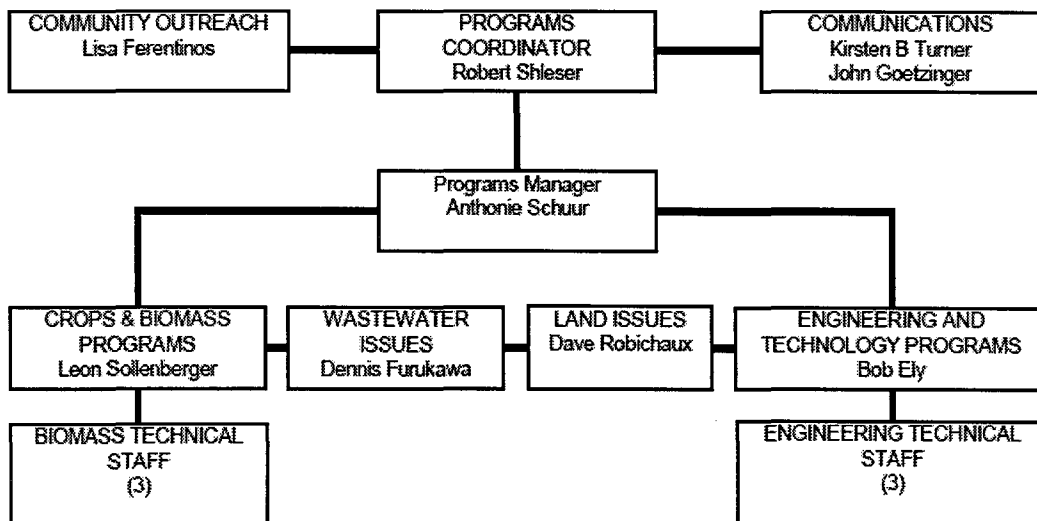
Demonstration of the performance of the integrated subsystems to produce food, fuel, energy and other value-added products

Financial Analysis to validate the assumptions and identify the combination of subsystems that will become the basis of profitable businesses in Hawai`i

Promote Profitable Businesses (contact companies who have expressed an interest in the products produced and possible investment opportunities and identified business opportunities.

RESPONSIBILITIES

LIST KEY PEOPLE & JOBS



KEY PERSONNEL

Detailed credentials of the key participating members are presented in Appendix 1

This group and professional associates represent the expertise and experience required to successfully complete the proposed program.

It has always been the intent of 'Aina to train individuals who have the basic skills to become leaders in the technical areas in which they will be working. When this work is completed it is very likely that these trained individuals will be hired by investors or start their own companies.

The participants in this proposal are shown in the organization diagram and the participant list

Robert Shleser – Ph.D. Overall Program Coordinator

1962 BS in Agriculture,

1963 MS in Genetics

1966 Ph.D. in Biophysics and Molecular Genetics from Purdue University

1990 Founder, President and CEO of-The 'Aina Institute, Waimanalo, Hawaii, A 501 (C) 3 dedicated to creating sustainable food and energy systems for Hawaii.

1970 -76. Developed and created funding and managed the Aquaculture Program, University of California, Bodega Marine Laboratory, Bodega Bay, California . Created and obtained funding and managed a UC California program to develop technology and evaluate economics for farming the Maine Lobster in California -\$2.0M including building and staff of 31

1975 Disney World –EPCOT Orlando Florida

Developed a plan for the Land Pavilion and Agriculture Research and Development Center at Disney Worlds Experimental Prototype City of Tomorrow (EPCOT) , Orlando Florida

Designed the system of using plants to produce clean Wastewater

1976-1977 Consultant to the Department of Business and Economic Development of the State of Hawaii to develop “A plan and a Program to Establish Aquaculture Businesses in Hawaii”

1978-84. Director and Vice President, The Oceanic Institute, Waimanalo, Hawaii

Established a stable funding base and built the organization to become the largest aquaculture research organization in the United States at that time.

Coordinated activities of a team solving technical and economic problems as a basis for commercial shrimp farming business world wide. It worked well and is the foundation of the commercial shrimp businesses world wide.

1992-1995 Developed funding for, coordinated, and managed the Sustainable Biomass Energy Program of the Pacific International Center for High Technology Research, (PICHTR)

2002 Founder. ClearFuels Technology, Chief Technical Officer

1995-1996 Executive Director Natural Energy Laboratory Authority of Hawaii

1986-1988 Adjunct Professor, School of Applied Biology Georgia Institute of Technology. Awarded a grant by the SBIR program of the National Science Foundation (NSF) for Development of A 2 stage immobilized cell bioreactor for conversion of organic waste to biogas (methane) . This technology is used in many anaerobic digestion systems in use today

1989-90 Consultant -UNISYN Hawaii –Anaerobic waste conversion technology

1990-Present, Founder, President and CEO of-The 'Aina Institute, Waimanalo, Hawaii, A 501 (C) 3 dedicated to creating sustainable food and energy systems for Hawaii

1991-1992 Consultant - Biomass /Ethanol State of Hawaii- Department of Business and Economic Development

1992-1995 Developed funding for, coordinated, and managed the Sustainable Biomass Energy Program of the Pacific International Center for High Technology Research, (PICHTR) Hawaii. This comprehensive program supported by the US Department of Energy evaluated technologies that might contribute to the economic performance of sugar production in Hawaii. The Project sponsors and participants were; The National Renewable Energy Laboratory (NREL), Amoco Corporation, Cargill Corporation, AMFAC/JMB Corporation, Maui Electric Company, Hawaii Electric Company, DBEDT Hawaii , The Electric and Power Research Institute (EPRI) The Hawaii Sugar Planters Association (HSPA) and The Hawaii Natural Energy Institute (HNEI) of University of Hawaii.

These evaluations provided background and perspective on technology selection and opportunities for commercial ethanol production in Hawaii that provided the foundations for establishing the company ClearFuels Technology Inc.

1995-2002- Director of Research-Aquatic Farms Ltd Hawaii .Developed proposals and funding from the National Science Foundation and the US Department of Agriculture and managed activities to develop technology for the use of DNA markers to manage selective breeding of marine shrimp. This program provided the technology that is now used worldwide for shrimp domestication and selective breeding

2002-, Founder and Chief Technical Officer-ClearFuels Technology Inc Aiea, Hawaii Raised \$ 1.0 million for a start up venture developing technology to process biomass to Diesel , Jet Fuel Alcohols etc capital to obtained \$22,6M grant from USDOE and matching funds of \$23 M private funding to build and operate a 20 million tons per day commercial demonstration plant in Colorado

Dennis Furukawa -- *Manages Waste and Wastewater reclamation Programs*

1983 University of California, Berkeley, BS Architecture

Commercialize anaerobic digestion technology for wastewater treatment and develop solutions to the spreading scarcity of water.

Over 30 years of professional experience in designing and developing projects involving the engineering of waste handling and treatment systems with structural, electrical, plumbing, solar and wind energy systems; water and power infrastructure development
Licensed Architect # CA 25201

Anthonie M. Schuur – *All Programs Manager*,

Coordinates the interphase between the biomass production evaluation and the process performance evaluations

Assists in over all program management

B.S. Biological Science, University of California, Irvine, 1969; Graduate Studies in Agricultural Economics, University of California, Davis.

Co-author of Bioeconomics of Aquaculture, a monograph. Author or co-author of the following academic papers and more than 60 technical reports, system designs, and financial plans

Leon Sollenberger – Responsible for all data acquisition modeling and farm activities evaluations Crops and biomass evaluation

1978-1982 Bachelor of Science in Dairy Production Pennsylvania State University State College, PA

Crop production for 500 acres This was his family's operation. He worked primarily with crops, but did some of every job, including all aspects of the livestock operation

Crop production for 500 acres

Ration formulation and feeding 90 cow herd plus replacements

Material handling and machinery repairs and maintenance

Ration formulation and feeding 90 cow herd plus replacements

Material handling and machinery repairs and maintenance

1996-1997 Island Forage, Inc Vice President

Secured \$450,000 Federal RETA grant

Installed irrigation system and directed company start-

1997-1998 Garst Seed Company Operator/mechanic

Field preparation, spraying

Specialized equipment fabrication

Mechanic--

(This employment was concurrent with my initial work on establishing Agricultural Enterprises, Inc. Garst is now owned by Syngenta)

1997-Present General Manager

- Cattle feed production (corn silage and hay)
- Custom tillage for seed corn production (Pioneer Hi-Bred International, Inc. and contract growers)
- Field preparation for DelMonte Fresh Produce Hawaii, Inc

2008- Present Owner/Operator Sharon Atwood, Inc

Sharon Atwood, Inc. is a custom farming operation. Provide field preparation, soil amendment application, infrastructure installation, as well as selling hay. Sharon Atwood, Inc. purchased the assets of Agricultural Enterprises, Inc. in August 2008.

Present Consultant

Consult for two bioenergy companies and for an environmental engineer working throughout Hawaii.

1998 -Present Consulting for bioenergy projects

Robert Ely, P.E. – Coordinates all 'Aina team activities on management of engineering and processing

B.S. Chemical Engineering, Purdue University – 1963 M.S. Environmental Engineering Northeastern University – 1971

Registration: Professional Engineer, Hawaii # 10197, (Washington

Currently mentoring a group of young entrepreneurs who are building a business producing and marketing sustainable agricultural inputs based on biochar (see: hawaiiibiocharproducts.com). Received a USDA/BIRC&D grant to design and construct a batch biochar retort with 8 cubic meter capacity.

**Kirsten Turner – Assists with program management and Communications and funding
Responsible for briefings public contributors**

1979-1983 Yale University, New Haven, CT B.A. Diplomacy and World Affairs,
1977-1979 Occidental College, Los Angeles, CA International Baccalaureate (
2003 – 2007 Vice President, Planning, Waimana Enterprises, Honolulu, HI
2003 – 2007 Executive Vice President, Development, Mano Wai Corp., Honolulu, HI
Financed, planned and developed community-based infrastructure projects.
1992-1993 Economic Recovery Consultant, Department of Business, Economic
Development and Tourism (DBEDT), Honolulu, HI
Provided liaison between the County of Kauai and the State of Hawaii to identify and
develop economic recovery projects following hurricane Iniki;
Wrote and received more than \$9 million in grant approvals from the Economic
Development Administration (EDA), US Department of Commerce for nine recovery
projects on Kauai and development of the Kauai Economic Recovery Strategy.
1985-1986 Consultant, UNICEF/Program Department and Planning Division NY, NY
Summer 1985 Intern, UN Department of Public Information, NY, NY
1991-1992 Consultant/Project Manager, Kauai County, Kauai, HI
Co-wrote the Overall Economic Development Plan (OEDP) for the County of Kauai;
Organized and operated the community-based OEDP Steering Committee, and
conducted focus groups representing all economic sectors.
1988-1991 Director, Office of Economic Development, Kauai County, Kauai, HI
1987-1988 Consultant/Rapporteur for the Subcommittee on Trade, International
Commission for Central American Recovery and Development, Center for International
Development Research, Duke University, NC
1987-1988 International Economist/Caribbean Desk Officer, International Trade
Administration, Washington, DC
Developed and managed the Caribbean Basin Renewable Energy Project

David Robichaux –Manages environmental issue tasks

Identifies evaluates and provide solution required for project and business development
M.S., Agricultural Engineering, University of Hawai'i, Honolulu, 1987
M.S., Marine and Estuarine Environmental Sciences, University of Maryland, 1983
B.A., Biological Sciences with Minor in Chemistry, University of Texas, 1976
Key Skills: Planning and Permitting, Environmental Assessment / Regulatory
Compliance

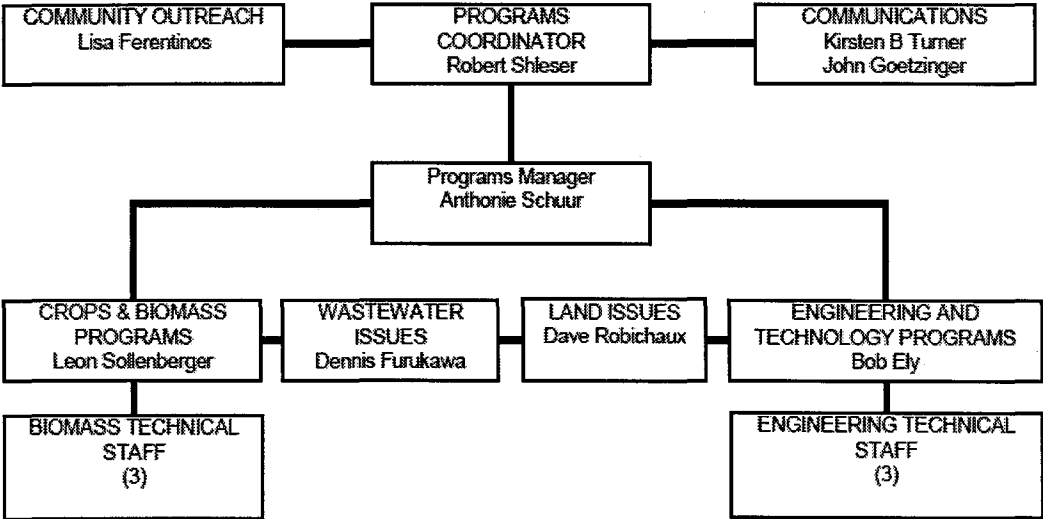
John Goetzinger Assists in engineering evaluations

Assists in education and training programs and activities
1958 – BS in physics & mathematics
1960 – BS in electrical engineering, Iowa State University
Communicates to public on 'Aina achievements and needs

References upon Request

B. Organization Chart

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request.



C. Compensation

The applicant shall provide the

Provide a projected annual timeline for accomplishing the results or outcomes of the service;

The chart below provides a visual representation of the tasks and time line. The chart shows the timetable and tasks to be completed that identifies the most promising business opportunities

TASKS	JAN/20 2014	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec
Program Organization												
Funding Documents and strategy												
Admin Center HARC												
Funding Activities												
Add Staff												
Biomass Sources Evaluation												
Crop Evaluaion												
Technology Evaluation												
Primary Production models												
Secondary-Tirtary Production Modules												
Mass Balance by System												
Mass Balance Integrated												
Economic Analysis by Unit												
Economic analysis by system												
Optimization of system units												
Proforma Business Plans												
Identify Key Business Opportunities												
Contact business about demonstration												
Begin Business Develop												
Crop Performance Validation												

3. Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results;

The Aina Institute is dedicated to producing a credible product. We will periodically engage professional colleagues and community members to evaluate the quality of the work product. The Aina Institute will submit quarterly progress reports to contacts at the State of Hawaii Dept of Ag and the DBEDT Energy Coordinator to solicit remarks and critiques of works in progress.

Work conducted by the 'Aina Institute over a period of dozens of years has resulted in the development of a "Decision Analysis System"(DAS.) that can be used to evaluate and compare sources of raw materials, product yields and processing costs to determine the best materials to process and use in the production process. The results can be compared with each other by using spreadsheets that are designed to make comparisons of performance and costs as the basis to select the best combinations of feedstock and processing methods to produce the desired products.

List the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

Effectiveness of the work done under this grant will be measured by observing DAS results. An especially valuable result will be the insight that this analytical tool will provide regarding how sensitive production results are to changes in input variables. Of great importance to the objective is the documentation of the additional revenues that will be generated when wastes and byproducts from the primary production pathway are sold.

One measure of effectiveness will be the numbers of profitable investment worthy business that are identified and documented

III. Financial

The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.

CONSULTANTS				
POSITION	PERSON	MONTHLY RATE	MONTHS CHARGED	ACTUAL COSTS
Program Coordinator	Shieser	2,000	5	10,000
Programs Manager	Schuur	7,500	12	90,000
Communications Team 1	Turner	9,167	6	55,000
Communications Team 2	Goetzinger	8,333	7	58,333
Biomass & Crops Work Coordinator	Sollenberger	10,000	11	110,000
Environmental Issues	Robichaux	10,833	6	65,000
Waste Water Systems	Furukawa	10,000	6	60,000
Technology Activities Coordinator	Ely	9,167	12	110,000
Tech Acquisition	Sollenberger	10,000	1	10,000
				-
Biomass Tech Staff 1	tbd	5,000	7	35,000
Biomass Tech Staff 2	tbd	5,000	9	45,000
Biomass Tech Staff 3	tbd	5,000	12	60,000
Systems Technology Staff 1	tbd	5,833	10	58,333
SystemsTechnology Staff 2	tbd	5,833	10	58,333
SystemsTechnology Staff 3	tbd	5,833	12	70,000
			TOTAL	\$ 895,000
Expenses				
1. Airfare, Inter-Island		6,000	12	72,000
2. Insurance		833	12	10,000
3. Lease/Rental of Equipment		-	12	-
4. Lease/Rental of Space		2,500	12	30,000
5. Staff Training		1,667	12	20,000
6. Supplies		417	12	5,000
7. Telecommunication		833	12	10,000
8. Utilities		-	12	-
9. Accounting		2,800	12	33,600
10. IT Services		2,500	12	30,000
11. Data Acquisition		2,000	12	24,000
12. Operations and Admin		3,400	12	40,800
			TOTAL	\$ 275,400
TOTAL COSTS				\$ 1,170,400

The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2015.

NEED

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$ 222,146	\$ 194,322	\$ 177,651	\$ 196,913	791,032

The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2015.

Federal grants and in-kind funding are being sought.

The applicant shall provide a listing of all state and federal tax credits it has been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.

The applicant shall provide the balance of its unrestricted current assets as of December 31, 2013.

IV. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

Below are the credentials of the primacy participants. We believe that their experience and performance record through out the world, more than matches the credentials of people conducting similar work in academic environment s

The applicant shall demonstrate that it has the necessary skills

THE PROJECT TEAM

The Members of the entire Aina Team (shown preceding) provide the full range of technical training and on the job experience needed to assist with all aspects of the work to be done.. Their capabilities will be available as needed to assist with activities

B. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities. The applicant shall also describe how the facilities meet ADA requirements, as applicable.

Aina intends to rent about 1000 sq ft as project Headquarters and meeting rooms for technical assistants at the Hawaii Agricultural Research Center (HARC).

We believe we can adequately fill the communication needs using "SKYPE" and "Go to Meeting" technology. All team members are better equipped at home than they would be in a crowded office. Substantial savings will be achieved by reducing travel costs and eliminating the need to purchase costly equipment

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the

qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

KEY PERSONNEL

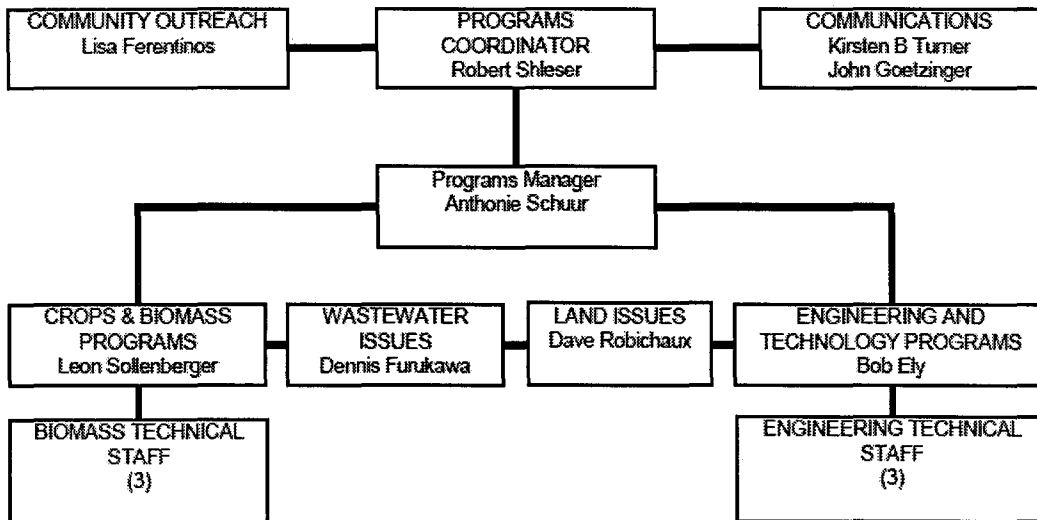
Detailed credentials of the key participating members are presented in Appendix 1 This group and professional associates represent the expertise and experience required to successfully complete the proposed program.

It has always been the intent of 'Aina to train individuals who have the basic skills to become leaders in the technical areas in which they will be working. When this work is completed it is very likely that these trained individuals will be hired by investors or start their own companies.

The participants in this proposal are shown in the organization diagram and the participant list

B. Organization Chart

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request.



C. Compensation

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position.

The current annual salaries

_____ was \$115,000]

_____ was \$90,000]

_____ was \$120,000]

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgment. If applicable, please explain.

N/A

B. Licensure or Accreditation

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

All members of the project team are licensed and accredited in their respective professions. The project team is comprised of persons who are uniquely qualified to achieve the project goals due to the depth of experience and range of disciplines possessed by the team.

BUDGET REQUEST BY SOURCE OF FUNDS

(Period: July 1, 2014 to June 30, 2015)

App

Aina Institute

BUDGET CATEGORIES	Total State Funds Requested (a)	Private and Federal Grants (b)	Aina-in-kind (c)	(d)
A. PERSONNEL COST				
1. Consultant Fees	596,070	149,165	149,765	
2. Payroll Taxes & Assessments	N/A	N/A	N/A	
3. Fringe Benefits	N/A	N/A	N/A	
TOTAL PERSONNEL COST	596,070	149,165	149,765	
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island	47,952	12,000	12,048	
2. Insurance	6,660	1,667	1,673	
3. Lease/Rental of Equipment	N/A	N/A	N/A	
4. Lease/Rental of Space	19,980	5,000	5,020	
5. Staff Training	20,000			
6. Supplies	5,000			
7. Telecommunication	10,000			
8. Utilities	0			
9. Accounting	22,378	5,600	5,622	
10. IT Services	19,980	5,000	5,020	
11. Data Acquisition	15,840	4,000	4,160	
12. Operations and Admin	27,173	6,800	6,827	
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	194,962	40,066	40,371	
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	791,032	189,231	190,136	
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	791,032	Robert Shleser	(808) 259-5042	
(b) Private and Federal Sources	189,231	Name (Please type or print)	Phone	
(c) Aina Institute	190,136		Date	
(d)				
TOTAL BUDGET	1,170,400	Robert Shleser, President		
		Name and Title (Please type or print)		

BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: Aina Institute

Period: July 1, 2014 to June 30, 2015

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Program Coordinator	0.056	\$180,000.00	5.60%	\$ 10,080.00
Program Manager	1	\$90,000.00	100.00%	\$ 90,000.00
Communications Team 1	0.5	\$110,000.00	50.00%	\$ 55,000.00
Communications Team 2	0.583	\$100,000.00	58.30%	\$ 58,300.00
Biomass & Crops Work Coordinator	0.917	\$120,000.00	91.70%	\$ 110,040.00
Environmental Issues	0.5	\$130,000.00	50.00%	\$ 65,000.00
Waste Water Systems	0.5	\$120,000.00	50.00%	\$ 60,000.00
Technology Activities	1	\$110,000.00	100.00%	\$ 110,000.00
Tech Acquisition	0.083	\$120,000.00	8.33%	\$ 9,999.96
				\$ -
Biomass Tech Staff	2.33	\$60,000.00	233.33%	\$ 139,999.80
				\$ -
Systems Tech Staff	2.66	\$70,000.00	266.00%	\$ 186,200.00
				\$ -
TOTAL:				894,619.76
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Aina Institute

Period: July 1, 2014 to June 30, 2015

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
N/A			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:			\$ -	
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:			\$ -	
JUSTIFICATION/COMMENTS:				

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS AND SUBSIDIES PURSUANT TO
CHAPTER 42F, HAWAI'I REVISED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
 - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
 - c) Agrees not to use state funds for entertainment or lobbying activities; and
 - d) Allows the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant or subsidy.

- 2) The applicant meets the following requirements pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is incorporated under the laws of the State; and
 - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
 - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawai'i Revised Statutes, for grants or subsidies used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant or subsidy was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant or subsidy used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

'Aina Institute
(Typed Name) [Redacted]
[Redacted] 1/30/14
(Signature) (Date)

Robert Shleser President
(Typed Name) (Title)