House District Statewide
Senate District Statewide

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): DLNR - DOCARE

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

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Navatek Boat Builders
Dba:

Street Address: 841 Bishop St., Suite 1110

Mailing Address: PO Box 29816, Honolulu, HI 96820

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name ANN CHUNG
Title Director of Special Projects
Phone # 808-351-6000
Fax # 808-523-7668
e-mail achung@navatekltd.com

3. TYPE OF BUSINESS ENTITY:

☐ NON PROFIT CORPORATION
☒ FOR PROFIT CORPORATION
☐ LIMITED LIABILITY COMPANY
☐ SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

Design and construct the critically needed enforcement craft capable of quickly and safely navigating Hawaii's rough seas for DLNR to adequately allow them to provide the necessary public safety, respond quickly to distress calls, and mitigate unlawful activity. Current crafts do not meet DLNR's needs.

*DLNR support letter included.

4. FEDERAL TAX ID #: [redacted]
5. STATE TAX ID #: [redacted]

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: $ $556,774.93

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:

STATE $
FEDERAL $
COUNTY $
PRIVATE/OTHER $

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

[redacted]

Gary Johnson, General Manager/Naval Architect
NAME & TITLE

1/30/2014
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:

1. A brief description of the applicant's background

Navatek Boat Builders was formed in 2011, and operates out of the offices located on Pier 41 in Honolulu Harbor. Navatek Boat Builders holds licenses to build all of the designs developed by Navatek Ltd. Navatek Ltd. was founded in 1979 and currently has 49 employees. Navatek's clients include United States military, foreign military, commercial, and recreational clients.

For over 30 years, the employees at Navatek Boat Builders have professionally constructed, tested, and maintained a fleet of advanced ships and boats in Hawaiian waters. They have also delivered a number of vessels currently in operation including 5 commercial tour boats and 5 government and military contracted work boats. Navatek Boat Builders employs a staff of local engineers, mechanics, welders, laminators, boat builders, and USCG licensed captains who have spent countless hours operating vessels in Hawaiian waters. The unique skills of these talented boat builders and experienced engineers make Navatek Boat Builders the ideal organization to create the proposed Department of Land and Natural Resources (DLNR) enforcement craft.

2. The goals and objectives related to the request

i. Work collaboratively with the DLNR to design a state-of-the art enforcement craft equipped with the necessary tools and equipment to help monitor the safety of the people of Hawaii and preserve the natural resources of the Hawaiian Islands.

ii. Develop a vessel that will improve DLNR's capabilities, and allow them to better enforce current State Legislation on public usage of Hawaii's natural resources.

iii. Construct the collaboratively designed craft utilizing Navatek Boat Builders' unique and proven Sea Blade hull design which is specifically designed for Hawaiian waters.

iv. Deliver a mission ready, turnkey enforcement craft and provide DLNR with initial operator familiarization training.

3. The public purpose and need to be served

Hawaii's unique set of natural resources are an important part of its history, culture, economy and lifestyle. Hawaii is home to the country's 4th largest coastal shoreline of 750 miles, and many of these regions are consistently exposed to large swells and strong winds. As Hawaii's population and tourism industry grow, the public usage of these coastal waters and shorelines is becoming difficult to manage. It is currently the DLNR's responsibility to monitor, protect and preserve theses natural resources, while enforcing the State's legislation on public usage. Due to lack of sophisticated operating equipment and an increase in disputes due to restrictions derived from environmental protection requirements, it is extremely challenging for the DLNR to respond to all distress calls, reports of unlawful activity, and ocean user conflicts. Another threat to DLNR response and coverage are Hawaii's variable ocean conditions and weather. These challenging and sometimes dangerous conditions make it difficult to access all coastal waters and shorelines. The DLNR has to overcome all of these obstacles in order to preserve Hawaii's natural resources and keep the people of Hawaii safe from harm and unlawful activity.

To better monitor, manage and enforce the DLNR's expansive area of coastal jurisdiction, they need a sophisticated enforcement craft to perform an array of specialized missions. This craft will serve as the DLNR's primary enforcement response tool and must have the capabilities to operate in a wide range of ocean conditions; even during severe weather events. This craft is vital to facilitating improved response time, increased range, expanded offshore and remote coastal access, and increased vessel payload. This vessel will add another level of operational capability to DLNR's enforcement branch and will play a role in improving the safety and well-being of Hawaii's people while also helping to preserve its natural resources.

Under DLNR's performance and equipment guidelines, Navatek Boat Builders proposes to design, construct and deliver a new 25' Patrol and Enforcement craft using its patented Sea Blade hull technology. This boat will have the capabilities to operate in a wide range of offshore environments and dramatically improve response time due to its high seakeeping and seakindliness. Its customizable layout provides DLNR the opportunity to outfit the craft to meet their specific needs. During this project Navatek Boat Builders and the DLNR will work collaboratively to create the best tool for their agency.

4. Describe the target population to be served

The target populations to be served include:

Primary: Oahu residents, Oahu tourists, and public/private/commercial entities using and participating in activities in the coastal waters and shorelines off the island of Oahu.

Secondary: Outer island residents, Outer island tourists, and public/private/commercial entities using and participating in open ocean, coastal waters, and near shore areas around the islands of Hawaii.

5. Describe the geographic coverage

Primary: Ocean waters, navigable streams and coastal areas around the island of Oahu.

Secondary: Ocean waters, navigable streams and coastal areas around the Hawaiian Islands.

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:

1. Describe the scope of work, tasks and responsibilities

Navatek Boat Builders will work collaboratively with the DLNR to design an enforcement craft, construct the derived enforcement craft, perform builder's trials, train the DLNR enforcement officers how to best operate the craft, deliver a turn-key/mission ready craft, and manage the overall program.

a. Work collaboratively with the DLNR to design the ideal enforcement craft

Navatek Boat Builders will work collaboratively with the DLNR to design an enforcement craft suitable for their needs, purposes, and missions while staying within the budget provided. The DLNR will provide guidance and input into the design, layout and equipment selection for the boat. The basic specifications for the proposed vessel are as follows, and they are also illustrated in Figure 1 below.

- Length: 25'
- Draft: Must have low draft capabilities
- Propulsion: Twin outboard engines
- Material: Fiberglass construction with a grounding keel
- Layout: Walk-around cabin (see Figure 1)
- Speed: Top speed 30 – 35 knots
- Notes:
  - Craft must be trailer ready based on Hawaii State Requirements
  - Aft deck space must be reserved for operations

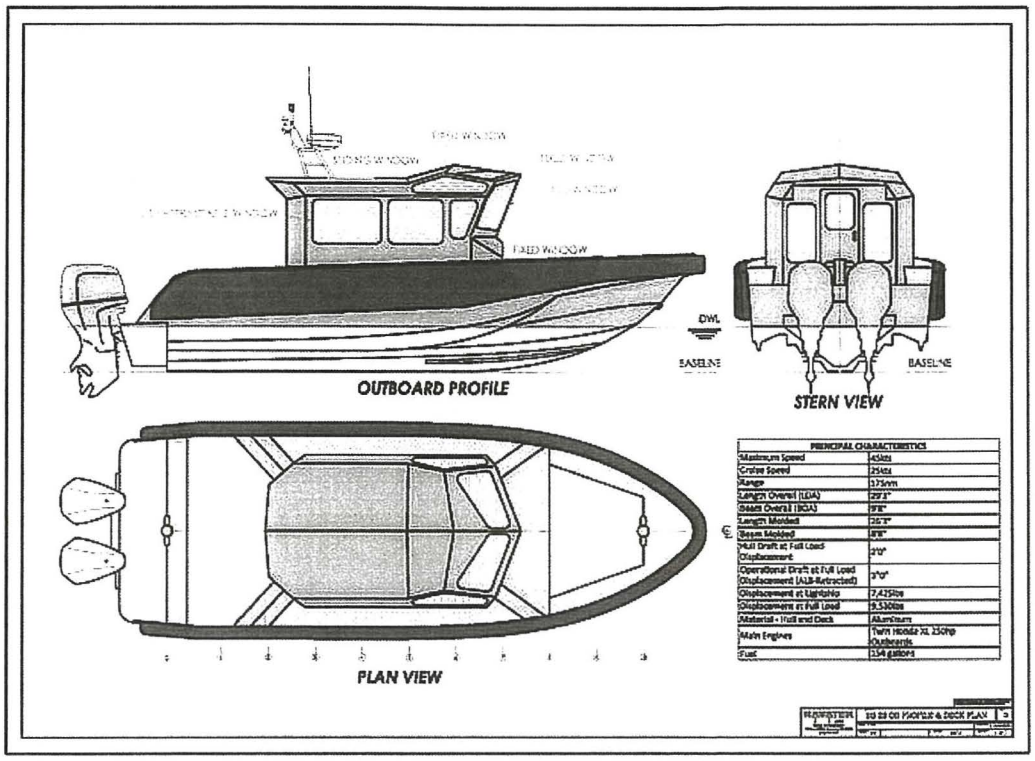


Figure 1: Sample DLNR Enforcement Craft Layout

b. Construct the vessel

Once an approved vessel design and layout are fully defined, Navatek Boat Builders will utilize its Pier 41 facilities to construct the vessel.

c. Test the performance characteristics

After the vessel is completed, Navatek Boat Builders will conduct sea trials to test the performance characteristics of the craft. Navatek Boat Builders will utilize advanced motion sensing equipment to measure vessel speed, trim, pitch, roll as well as surge, sway, and heave accelerations to validate the vessel design. Navatek Boat Builders will also use this testing program to help train DLNR enforcement officers to operate the vessel.

d. Deliver a turn-key, mission ready enforcement craft to the DLNR

Once testing and training are completed, Navatek Boat Builders will deliver a turn-key, mission ready craft to the DLNR.

e. Program Management

Navatek Boat Builders shall maintain overall program management, which includes design, construction management, scheduling, periodic reviews, vessel testing, training, and contracting support.

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

The project work will commence upon award and continue for 12 months. The following timeline provides the details of the proposed schedule:

		Months After Award											
Task	**Description**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
1	Vessel Design												
2	Vessel Construction												
3	Vessel Testing												
4	Delivery												
5	Program Management												

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

a. Apply lessons learned from past experience

Navatek Boat Builders employees have designed, constructed and delivered multiple small craft vessels to government, military and commercial clients. The following vessels have been delivered in the last 10 years by Navatek Boat Builders employees and are currently operational: Two 11m aluminum unmanned surface vessels delivered to the US Navy in 2007, two 9m and one 16m fiberglass unmanned surface vessels delivered to ST Electronics (Singapore) in 2008, 2009, and 2012, and three 39ft USCG certified commercial tour boats for Holo Holo Charters (Kauai) and the Pacific Whale Foundation (Maui). Navatek Boat Builders' has a solid background involving complex projects with demanding construction oversight and quality

assurance requirements. Navatek Boat Builders will apply the procedures developed from previous experience to the proposed project based on the requirements of the DLNR.

b. Create a detailed timeline which includes schedule milestones

A schedule which incorporates the design, construction, testing, training, and vessel delivery will be developed with the DLNR, and it will include all key milestones. The approved milestone schedule will be monitored by Navatek Boat Builders and the DLNR to ensure all work is completed on time.

c. Create a detailed set of construction plans to assist Navatek Boat Builders in Project Oversight

The vessel design and construction phase of the project will be completed at Navatek Boat Builders ship building facilities at Pier 41 in Honolulu Harbor. A detailed set of plans will be created to ensure that the build process goes smoothly. Daily oversight and supervision will be completed by Navatek Boat Builders General Manager, Gary Johnson.

d. Perform sea trials to evaluate vessel performance and ensure performance guidelines are met

Navatek Boat Builders will conduct an extensive builder's trials program prior to delivery to DLNR. Using state of the art motion sensors, Navatek Boat Builder personnel will record and analyze vessel speed, motions, and trim to ensure it meets the performance standards outlined in the project specifications. The vessel will be tuned during the trials in order to optimize the craft's performance and guarantee that performance specifications are met.

4. 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.

The success and effectiveness of the program will be monitored at the various stages of the project, including the build process, vessel testing, vessel training program and vessel delivery. The deliverables for each stage are as follows:

1. Vessel Design
   - Enforcement craft design package
   - Material take-off

- Propulsion machinery selection
- Electronics package information
- Construction/schedule milestones

2. Vessel Construction
   - Construction progress reports
   - Photos
   - Schedule status updates

3. Vessel Testing and Training
   - System test reports
   - Sea trial reports including measured data
   - Training agenda
   - Certificates of craft operation training

4. Vessel Delivery
   - Craft delivery with completed builder's certificate

During the vessel testing phase, the DLNR will help to create a vessel training program that evaluates the vessel's performance in a wide array of simulated enforcement missions. Performance data will be recorded by Navatek Boat Builder personnel and DLNR officials in order to validate the vessel's design. The data outputs include:

- Speed
- Trim
- Roll
- Yaw
- Range
- Payload
- Fuel Efficiency
- Crew observations
- Surge accelerations
- Sway accelerations
- Heave accelerations

III. Financial

Budget

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

Please see attached completed budget forms following this section.

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

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
$329,082.92	$84,422.87	$95,101.86	$48,167.28	$556,774.93

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

None. No other funds are being requested for FY 2014 – 2015.

4. **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.**

Tax Credits	**2011**	**2012**	**2013**
State of Hawaii	$0	$0	$0
Federal	$0	$0	$0
Research & Development	$0	$0	$0

Capitol Project Tax Credits	**2011**	**2012**	**2013**
State of Hawaii	$0	$0	$0
Federal	$0	$0	$0

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

Balance of Unrestricted Current Assets as of December 31, 2013
$68,105

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2014 to June 30, 2015)

Applicant: Navatek Boat Builders LLC

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries	149,519			
2. Payroll Taxes & Assessments	179,423			
3. Fringe Benefits	47,846			
TOTAL PERSONNEL COST	**376,788**			
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9. Hull Structure Materials	84,187			
10. Outboard Engines	35,000			
11. Vessel Outfitting Materials	58,800			
12. Fuel	2,000			
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	**179,987**			
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	**556,775**			

SOURCES OF FUNDING		Budget Prepared By:	
(a) Total State Funds Requested	556,775	Gary Johnson	808-291-1986
(b)		Name (Please type or print)	Phone
(c)		[redacted]	[redacted]
(d)		[redacted]	Date
TOTAL BUDGET	**556,775**	Gary Johnson, General Manager/Naval Architect Name and Title (Please type or print)	

BUDGET JUSTIFICATION
PERSONNEL - SALARIES AND WAGES

Applicant: Navatek Boat Builders LLC

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)
Contracts Administrator/Sales and Marketing		$52,000.00	6.92%	$ 3,600.00
General Manager/Naval Architect		$130,000.00	28.69%	$ 37,300.00
Mechanical Engineer/FRP Department Manager		$75,824.32	27.53%	$ 20,878.20
Small Vessel Maintenance Manager/Vessel Operator		$54,080.00	3.85%	$ 2,080.00
Marine Mechanic II		$69,180.80	10.58%	$ 7,317.20
Senior Marine Electrician		$81,827.20	9.62%	$ 7,868.00
Marine Mechanic I/FRP Technician's Assitant		$42,723.20	6.73%	$ 2,875.60
Lead FRP Technician		$66,955.20	54.38%	$ 36,406.89
FRP Technician		$57,366.40	54.38%	$ 31,192.98
				$ -
				$ -
				$ -
				$ -
TOTAL:				149,518.87

JUSTIFICATION/COMMENTS: See next page

Budget Justification and Comments

1. Salaries and Work Distribution

The design phase of this project will be supervised by the Navatek Boat Builders General Manager/Naval Architect and the principal designer will be the Mechanical Engineer/FRP Department Manager. These employees will interface with DLNR and ensure that the design meets all of their specifications.

The FRP technicians will build the hull molds and handle the structural portion of the project, but they will need assistance from marine mechanics and a marine electrician during the outfitting phase of the project.

During the testing and training phase, the Navatek Boat Builders General Manager/Naval Architect, the Mechanical Engineer/FRP Department Manager, and the Small Vessel Maintenance Manager will work with DLNR to ensure that they understand how to operate the vessel prior to delivery. The budget is shown below with respect to the different project phases.

Project Phase	Labor	Materials	Total
Design with DLNR	$44,422.56	$6,800.00	$51,222.56
Mold Construction	$53,620.23	$9,542.39	$63,162.62
Vessel Construction	$191,068.92	$151,644.99	342,713.91
Builder's Trials	$14,353.92	$11,000.00	$25,353.92
Training and Delivery	$14,353.92	$1,000.00	$15,353.92
Program Management	$58,968.00	$0.00	$58,968.00

Total Grant
$556,774.93

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Navatek Boat Builders LLC Period: July 1, 2014 to June 30, 2015

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST		TOTAL BUDGETED
			$ -		
			$ -		
			$ -		
			$ -		
			$ -		
TOTAL:					

JUSTIFICATION/COMMENTS:

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	NO. OF DAYS UTILIZED	TOTAL BUDGETED
			$ -		
			$ -		
			$ -		
			$ -		
			$ -		
TOTAL:					

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION
CAPITAL PROJECT DETAILS

Applicant: Navatek Boat Builders LLC

Period: July 1, 2014 to June 30, 2015

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2012-2013	FY: 2013-2014	FY:2014-2015	FY:2014-2015	FY:2015-2016	FY:2016-2017
PLANS	0	0	0	0	0	0
LAND ACQUISITION	0	0	0	0	0	0
DESIGN	0	0	0	0	0	0
CONSTRUCTION	0	0	$556,774.93	0	0	0
EQUIPMENT	0	0	0	0	0	0
TOTAL:	0	0	0	0	0	0

JUSTIFICATION/COMMENTS: State funds requested for 2014-2015 are per this Grants-in-Aid application.

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.

Navatek Boat Builders, LLC
(Typed Name of Individual or Organization)

[redacted]

1/30/2014
(Date)

Gary Johnson
(Typed Name)

General Manager/Naval Architect
(Title)

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.

Navatek Boat Builders employees have completed numerous vessel design and construction projects over the past 3 years. Navatek Boat Builders employees have designed and manufactured innovative, advanced ship hull forms for military, government and commercial clients. These vessels have to meet strict specifications and guidelines in order to perform in their intended missions. Navatek Boat Builders employs an experienced staff including:

- Naval architects
- Marine engineers
- Mechanical engineers
- Electrical design technicians
- Skilled tradesmen

Professional Experience: Navatek Boat Builder's professional experience spans a wide range of vessel types, marine structures, engineering disciplines, and regulatory agencies:

- Construction: Experience with vessel and marine structures.
    - US Navy vessels
    - USCG passenger certified vessels
    - Barges
    - Semi-submersibles
    - SWATH vessels
    - Hydrofoils
    - Hybrid small water plane/lifting body vessels
    - High speed planing craft

- Engineering Disciplines: Experience includes marine engineering and naval architecture.
    - Hydrodynamics
    - Hydrostatics
    - Structural design and analysis
    - Propulsion system engineering and design

- Ship systems engineering and design.

- Regulatory: Navatek Boat Builder's staff has extensive experience in working with and designing to regulatory agency rules and guidelines.
  - USCG
  - ABS
  - DNV
  - Lloyds
  - US Navy (including NAVSEA and NAVAIR)
  - Other non-marine agencies such as OSHA and ADA.

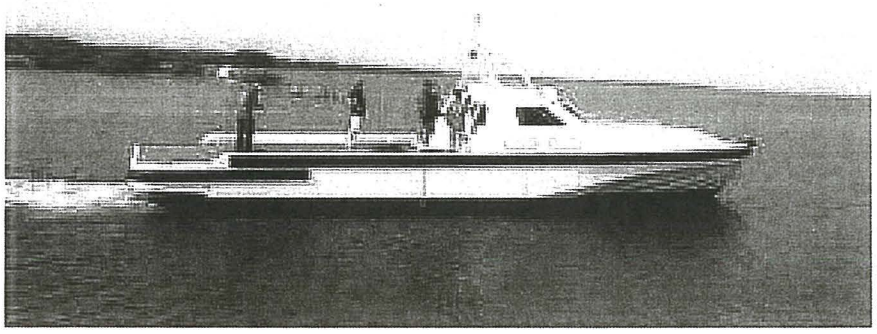
Capabilities/Knowledge: Navatek Boat Builder's staff has both depth and breadth of experience and expertise throughout the design spiral. Navatek Boat Builder's has led multiple design efforts for vessel construction/conversion projects and its staff has had experience outside the firm.

- Naval architecture and marine engineering disciplines:
  - Hull scientific
  - Stability
  - Structures
  - Mechanical/propulsion
  - Electrical
  - Ship systems
  - Outfitting/habitability
  - Noise/vibration
  - Regulatory compliance.

- Software tools: Navatek Boat Builder's has license for the following software tools and its staff is well-versed in their use:
  - Computational Fluid Dynamics (CFD)
  - Sea Keeping
  - Finite Element Analysis
  - Drafting and Solid Modeling
  - Stability

List of verifiable experience of related vessel projects and contracts:

1. **16m USV/Patrol Vessel, ETM-53**

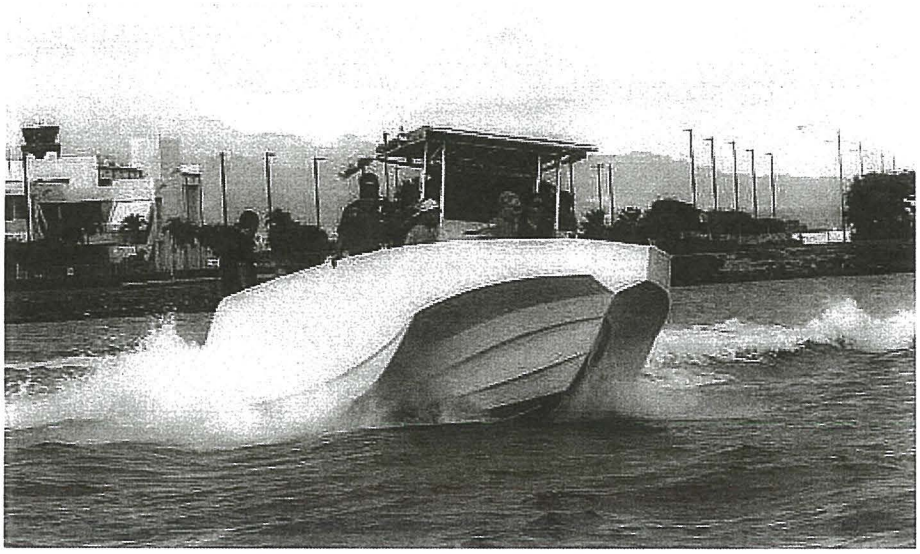


a. Delivered 1 Unmanned Service Vehicle (USV) to ST Electronics (Singapore) in 2012.
b. Features Navatek Ltd.'s patented Entrapment Tunnel Monohull design.
c. LOA: 53'
d. Service: Patrol Vessel

2. **ETM-40 Class RIB's for commercial applications**

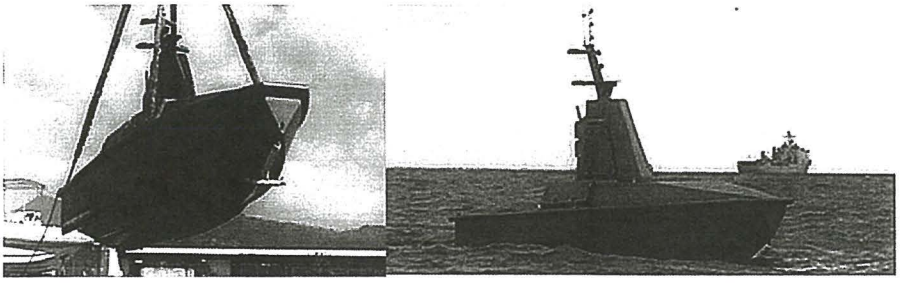
a. Delivered 2 USCG certified vessels to Holo Holo Charters (Kauai) in 2012.
b. Features Navatek Ltd.'s patented Entrapment Tunnel Monohull design.
c. LOA: 40'10"
d. Displacement: 6LT
e. Speed: 36 knots
f. Service: Tour boat charters

3. **Sea Blade 30 Technology Demonstrator**



a. Manufactured in 2013 for Navatek Ltd. as a technology demonstrator.
b. Features Navatek Ltd.'s patented Sea Blade hull technology
c. LOA: 34'5"
d. Displacement: 3.6LT
e. Speed: 40 knots
f. Service: USCG certified tour boat

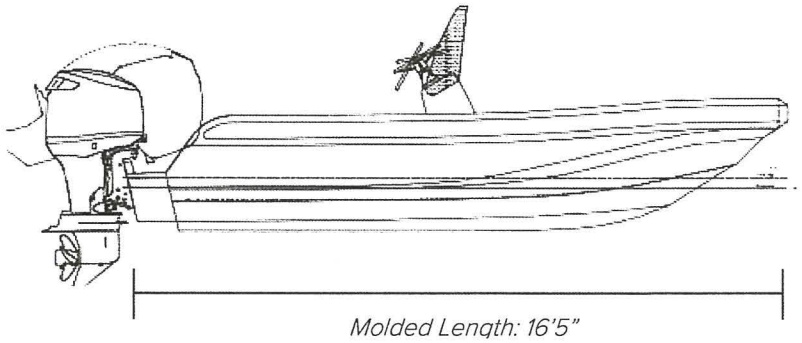
4. **9m SAM USV Vessels for ST Electronics**



a. Delivered 2 Unmanned Surface Vehicles (USV) to ST Electronics (Singapore) in 2009
b. Features Navatek Ltd.'s patented Entrapment Tunnel Monohull design.
c. LOA: 30'
d. Displacement: 7LT
e. Speed: 30 Knots
f. Service: naval requirements

5. Please see attached specification sheets following this section of the complete Sea Blade product line.

SEABLADE 16.5



Molded Length: 16'5"

PERFORMANCE:

Speed Maximum (Light Load) ..... +35 mph
Cruise Speed: ..... 15 mph

GENERAL DIMENSIONS:

Trailer Able Length ..... 18'8" (5.7 m)
Molded LOA ..... 16'5" (5.0 m)
Beam Overall ..... 6'10" (2.1 m)
Draft (w/ motor) ..... 2'5" (.76 m)
Displacement at Light Ship ..... 1,500 lbs. (680 kg)
Displacement at Full Load ..... 2,400 lbs. (1,089 kg)

CONSTRUCTION:

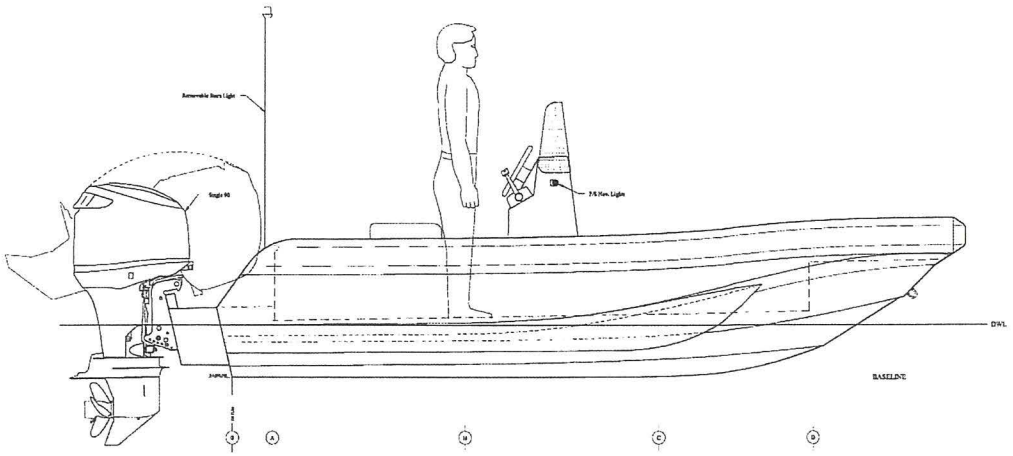
Material Hull and Deck ..... Fiberglass

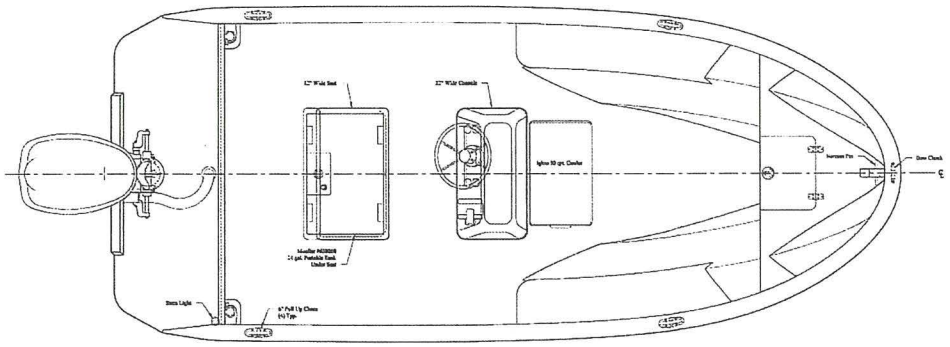
PROPULSION AND AUXILIARIES:

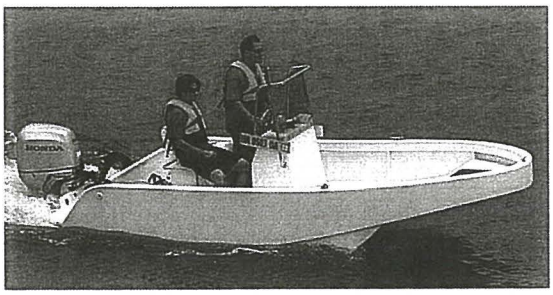
Main engines: ..... Single or Twin Outboards, up to 120 HP

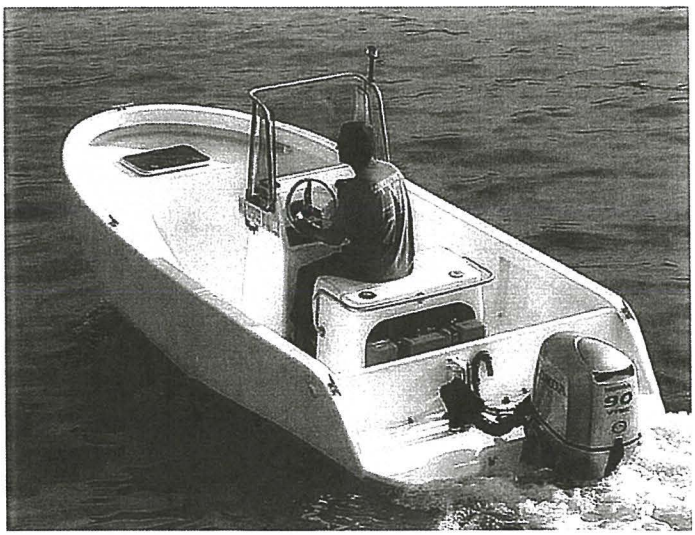
TANK CAPACITIES:

Fuel (Standard) ..... 24 US gallons (91 Liters)





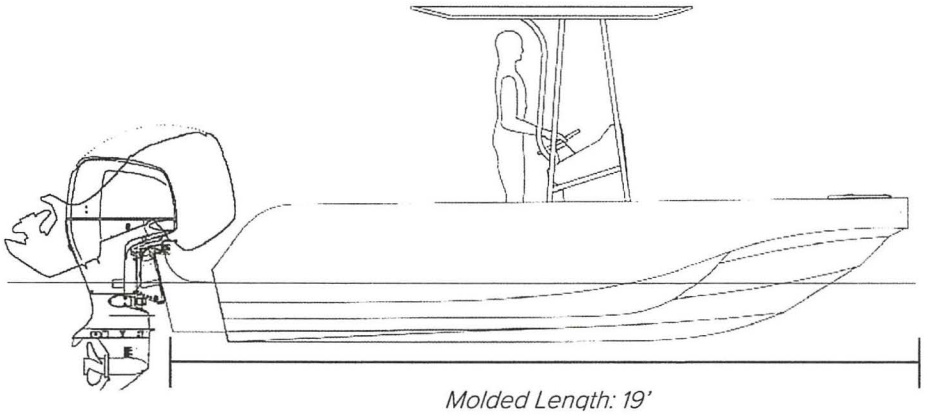




Contact:
Christian Bradley
Navatek Boat Builders
PO Box 29816
Honolulu, HI 96820
Tel: (808) 349-9587
Email: cbradley@navatekltd.com
Website: www.navatekboatbuilders.com

Revised (3/7/13)

SEABLADE 19



Molded Length: 19'

PERFORMANCE:

Speed Maximum (Light Load) ..... +35 mph
Cruise Speed: ..... 20 mph

GENERAL DIMENSIONS:

Trailer Able Length ..... 21'4" (6.5 m)
Molded LOA ..... 19'0" (5.8 m)
Beam Overall ..... 7'4" (2.3 m)
Draft (w/ motor) ..... 2'9" (.88 m)
Displacement at Light Ship ..... 1,950 lbs. (885 kg)
Displacement at Full Load ..... 3,400 lbs. (1,542 kg)

CONSTRUCTION:

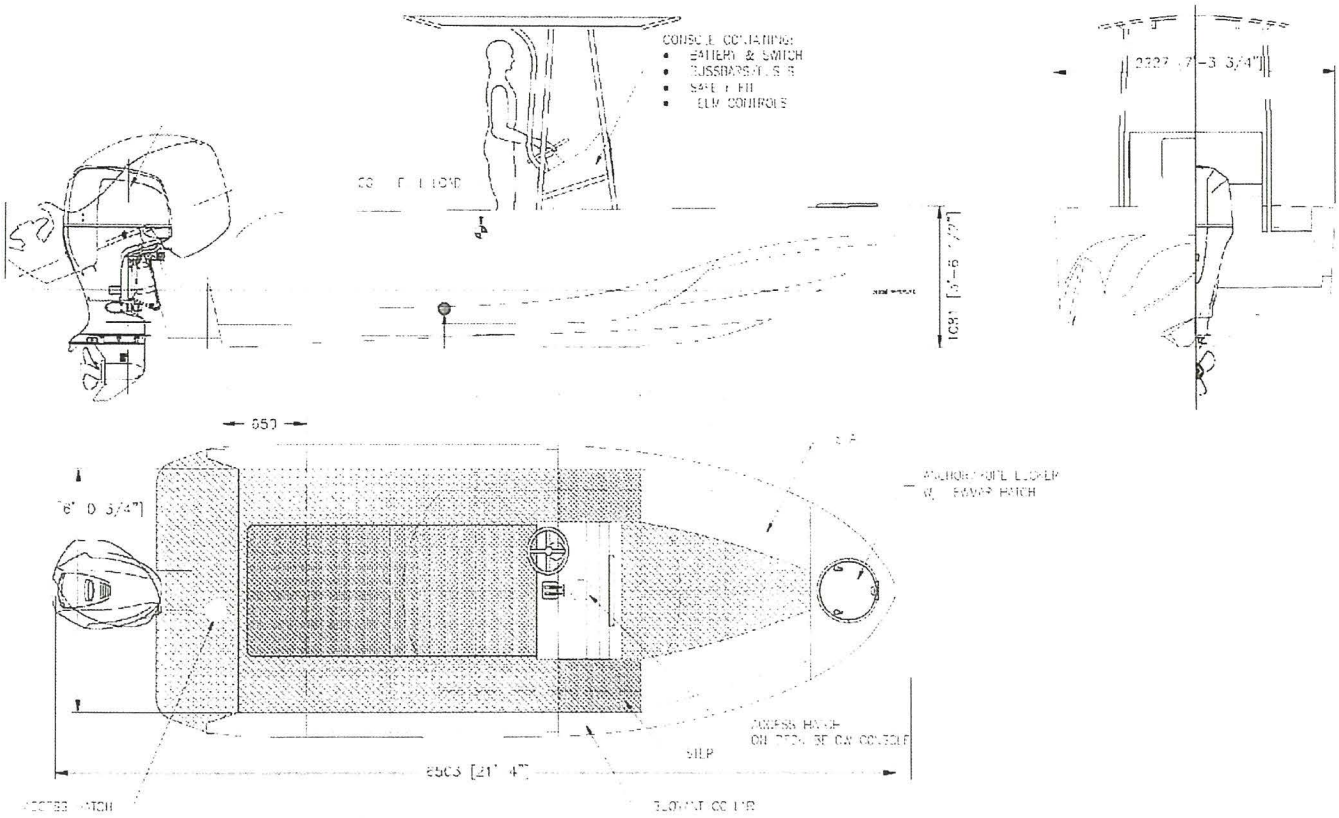
Material Hull and Deck ..... Aluminum

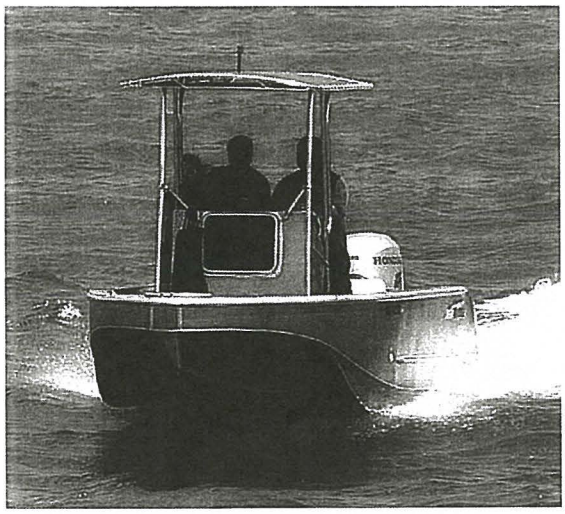
PROPULSION AND AUXILIARIES:

Main engines: ..... Single or Twin Outboards, up to 150 HP

TANK CAPACITIES:

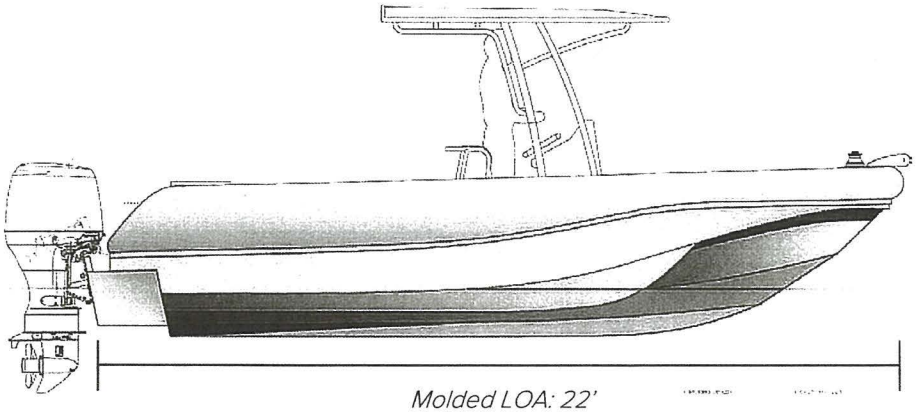
Fuel (Standard) ..... 55 US gallons (208 Liters)



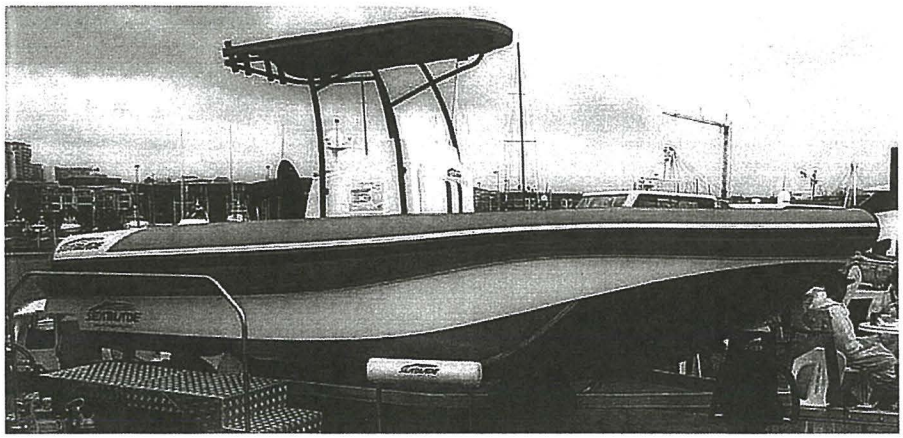


Contact:
Christian Bradley
Navatek Boat Builders
PO Box 29816
Honolulu, HI 96820
Tel: (808) 349-9587
Email: cbradley@navatekltd.com
Website: www.navatekboatbuilders.com

SEABLADE 22 RIB



Molded LOA: 22'



PERFORMANCE:

Speed Maximum (Light Load) ..... +35 mph
Cruise Speed: ..... 22 mph

GENERAL DIMENSIONS:

Trailer Able Length ..... 24'4" (7.4 m)
Molded LOA ..... 22' (6.7 m)
Molded Beam ..... 8'0" (2.4 m)
Draft (w/ motors) ..... 3'0" (.91 m)
Displacement at Light Ship ..... 2,800 lbs. (1,270 kg)
Displacement at Full Load ..... 5,500 lbs. (2,495 kg)

CONSTRUCTION:

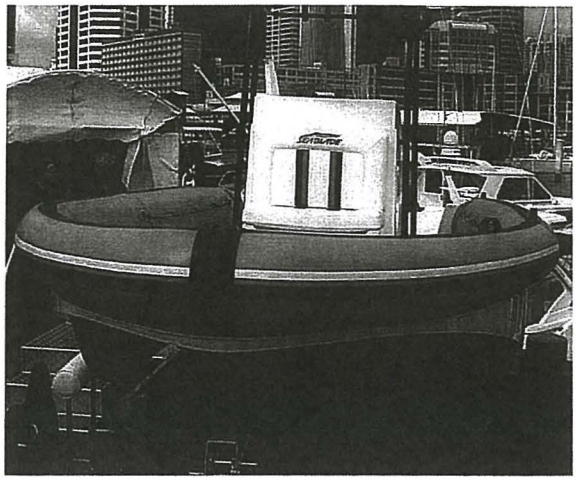
Material Hull and Deck ..... Aluminum

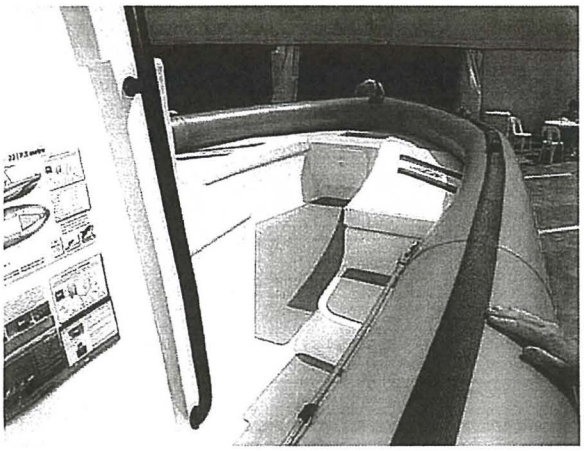
PROPULSION AND AUXILIARIES:

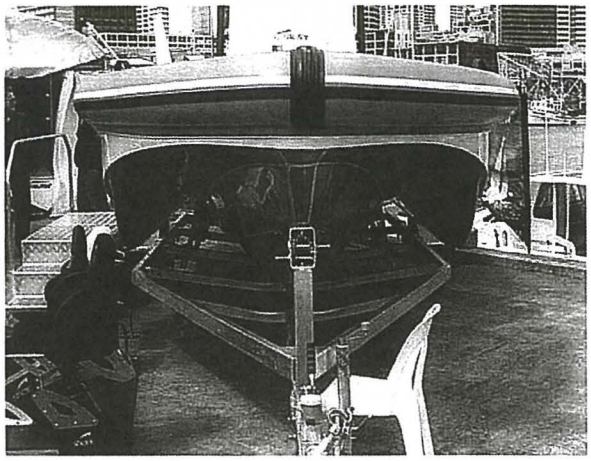
Main engines: ..... Single or Twin Outboards, up to 200 HP

TANK CAPACITIES:

Fuel (Standard) ..... 70 Gallons



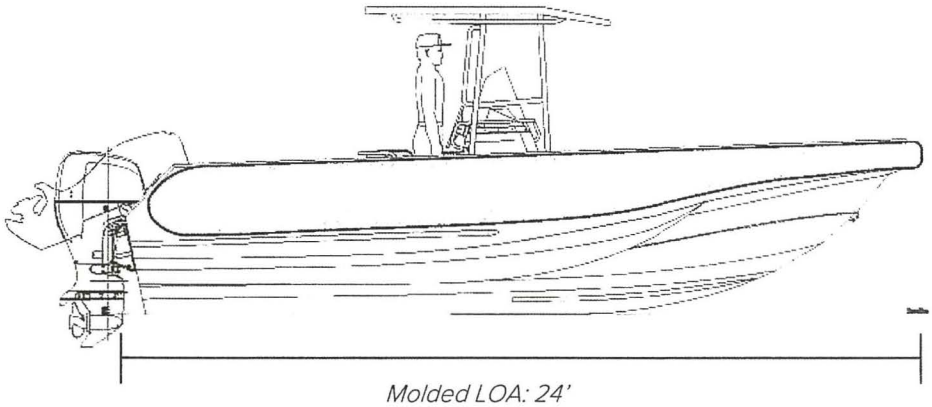




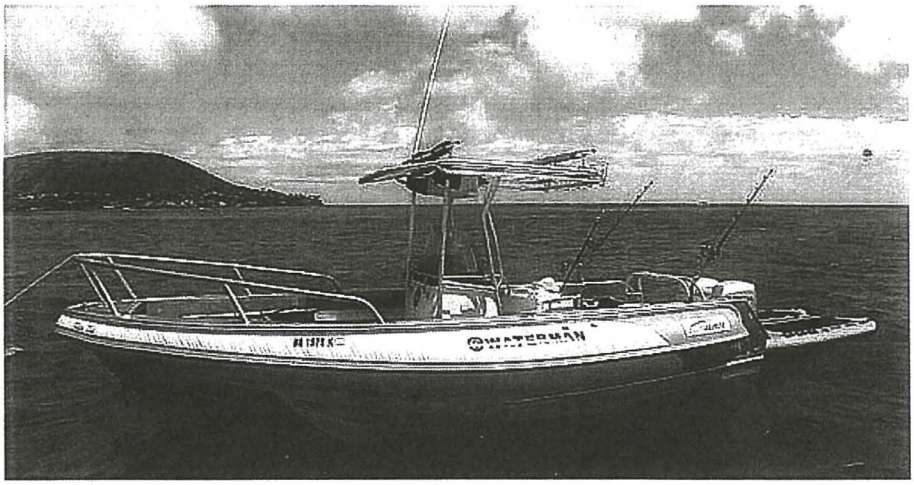
Contact:
Christian Bradley
Navatek Boat Builders
PO Box 29816
Honolulu, HI 96820
Tel: (808) 349-9587
Email: cbradley@navatekltd.com
Website: www.navatekboatbuilders.com

Revised (10/7/13)

SEABLADE 24



Molded LOA: 24'



PERFORMANCE:

Speed Maximum (Light Load) ..... +45 mph
Cruise Speed: ..... 25 mph

GENERAL DIMENSIONS:

Trailer Able Length ..... 27'2" (8.3 m)
Molded LOA ..... 24'1" (7.3 m)
Beam Overall ..... 8'6" (2.6 m)
Draft (w/ motors) ..... 3'4" (1.04 m)
Displacement at Light Ship ..... 4,300 lbs. (1,950 kg)
Displacement at Full Load ..... 8,500 lbs. (3,856 kg)

CONSTRUCTION:

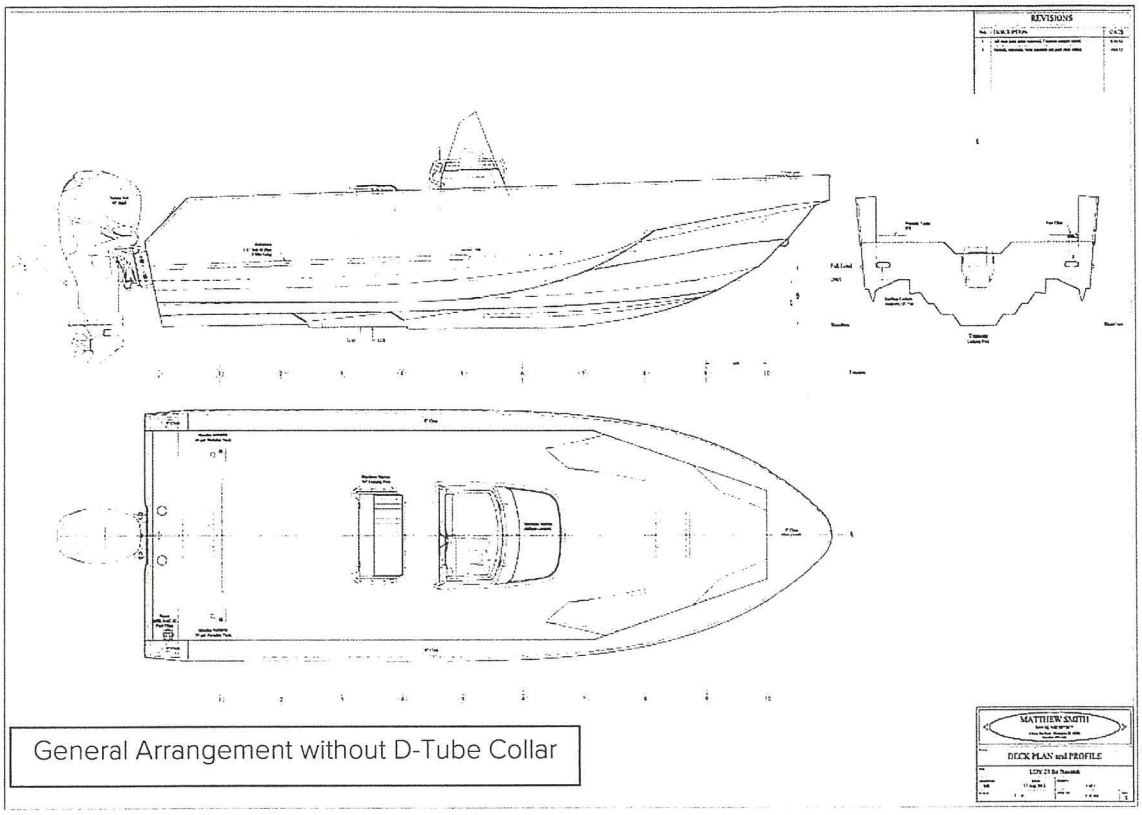
Material Hull and Deck ..... Aluminum

PROPULSION AND AUXILIARIES:

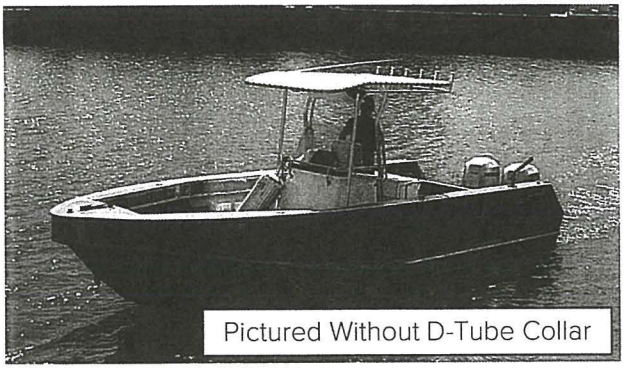
Main engines: ..... Single or Twin Outboards, up to 400 HP

TANK CAPACITIES:

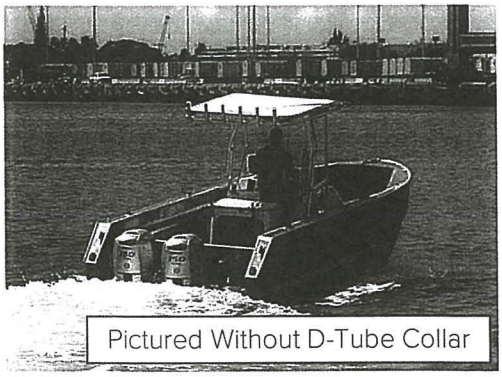
Fuel (Standard) ..... 110 US gallons (416 Liters)



General Arrangement without D-Tube Collar



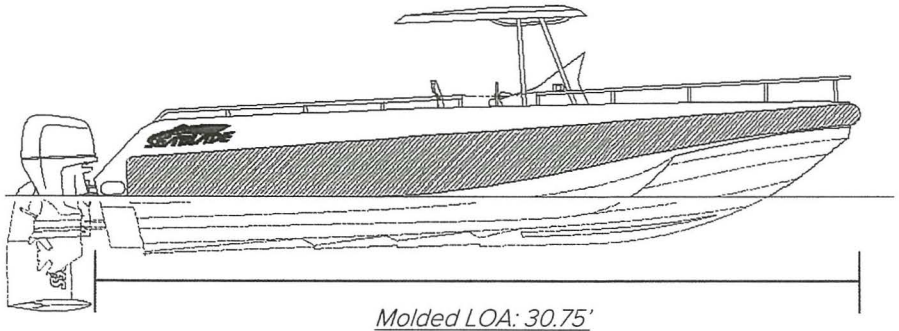
Pictured Without D-Tube Collar



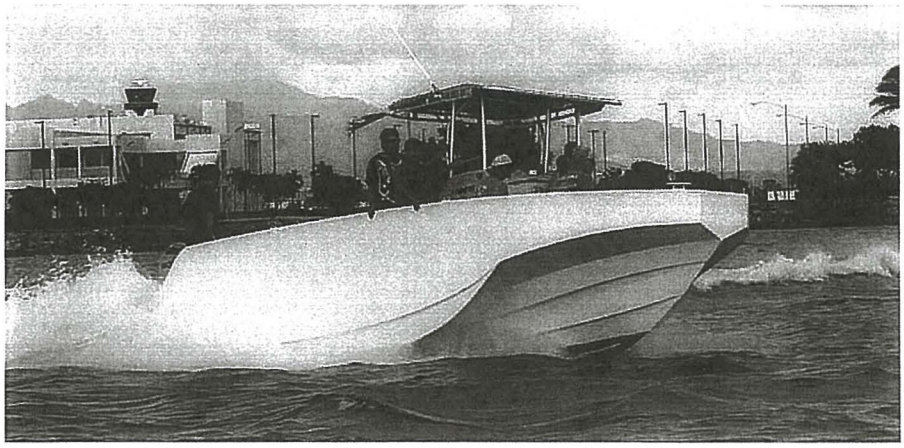
Pictured Without D-Tube Collar

Contact:
Christian Bradley
Navatek Boat Builders
PO Box 29816
Honolulu, HI 96820
Tel: (808) 349-9587
Email: cbradley@navatekltd.com
Website: www.navatekboatbuilders.com

SEABLADE 30



Molded LOA: 30.75'



PERFORMANCE:

Speed Maximum (Light Load) ..... +40 mph
Cruise Speed: ..... 25 mph

GENERAL DIMENSIONS:

Trailer Able Length ..... 34'5" (10.5 m)
Molded LOA ..... 30'9" (9.37 m)
Beam Overall (Tubes Inflated) ..... 11' (3.35 m)
Beam Molded (Tubes Deflated) ..... 9' (2.7 m)
Draft (w/ motors) ..... 3'4" (1.03 m)
Displacement at Light Ship (w/ Diesel Stern Drive) ..... 8,120 lbs. (3,683 kg)
Displacement at Full Load ..... 13,500 lbs. (6,123 kg)

CONSTRUCTION:

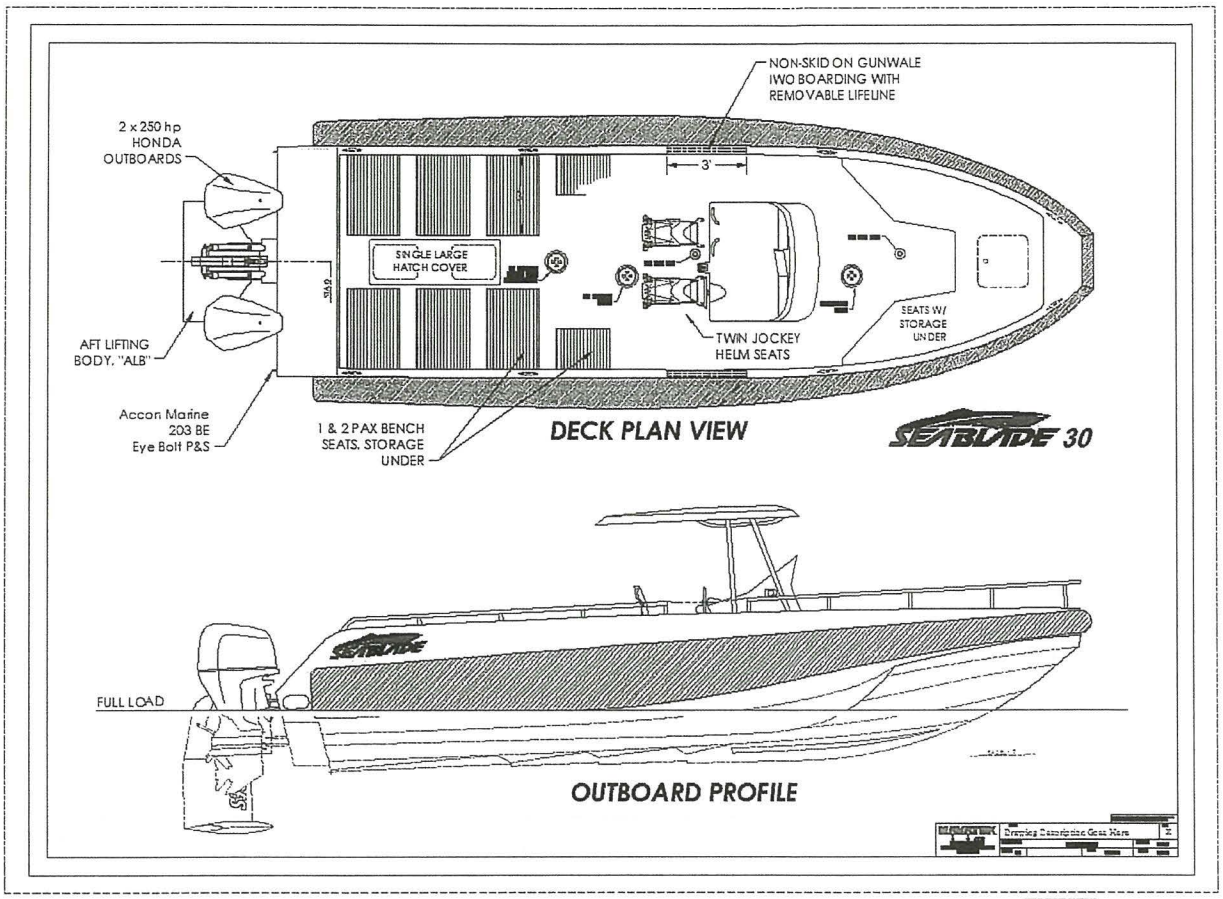
Material Hull and Deck ..... Fiberglass

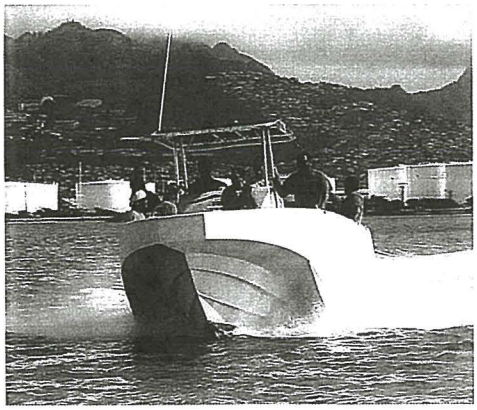
PROPULSION AND AUXILIARIES:

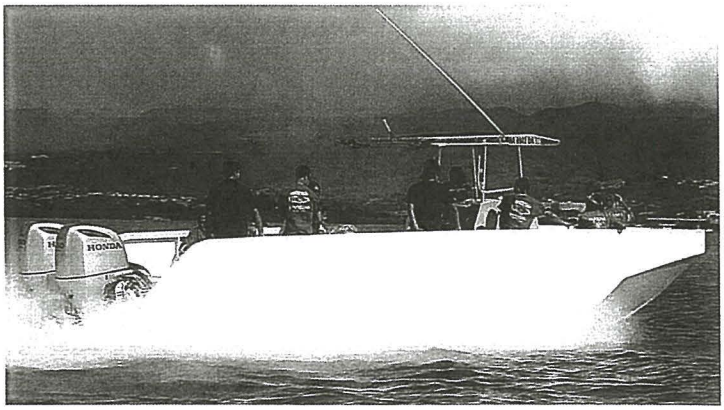
Main engines: ..... Diesel Inboards or Gasoline Outboards
..... Single or Twin, up to 700 HP

TANK CAPACITIES:

Fuel (Standard) ..... 216 US Gallons







Note: The first Sea Blade 30 is optimized for passenger carrying capabilities and is equipped with Navatek's patented Ride Control System.

Contact:
Christian Bradley
Navatek Boat Builders
PO Box 29816
Honolulu, HI 96820 USA
Tel: (808) 349-9587
Email: cbradley@navatekltd.com
Website: www.navatekboatbuilders.com

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.

Navatek Boat Builders works out of offices and construction facilities located at Pier 41, Honolulu, Hawaii. Navatek Boat Builders construction facility is housed in a 7-acre construction yard and includes two departments: 1) Fiberglass Reinforced Plastics (FRP), and 2) Metal Fabrication.

1. FRP Department: The FRP department constructs composite vessels up to 100 feet in length. The department is located in a new 4,000 square feet all weather fabrication bay and is equipped with twin 10-ton rolling gantry cranes and a CNC router.
2. Metal Fabrication Department: The Metal Fabrication Department fabricates aluminum boats and marine components with a complete set of heavy industrial tools and machinery. The department is located on a 3,000 square foot covered boat shop and has access to a 5,000 square foot lay down yard.

In addition to its own construction facility, Navatek Boat Builders also has access to other industrial marine services and equipment located at Pier 41. Services and equipment include dry-docking, rigging and crane services, steel and aluminum fabrication and welding, mechanical and machine shop, and painting and preservation.

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.

The staffing will be allocated over the term of the project consistent with the scope of work and the tasks. During the first two months of the project the technical engineering staff will develop the Enforcement Craft's design and specifications. The DLNR will also be resource helpful in assisting the vessel design. Engineers and fabricators will be involved in the 6 month vessel construction phase. Senior management will also be involved in this phase to provide support and oversight. Technical staff will conduct the vessel testing in the next two months to ensure the vessel meets all expectations. If needed, the engineers and fabricators will be used during this stage to perform any required modifications. Senior management will oversee the project and support all phases of task activity.

Please see attached sheets following this section which detail the staff experience and qualification.

Navatek Boat Builders employees regularly conduct large scale project operations for research and technical design and engineering. Project values ranges from $50,000 to $25,000,000. Staffing levels range from 1 to 50. Project terms range from 1 month to 3 years or more. Navatek Boat Builders has never been debarred, cited or restricted in any manner from participating in State, Federal, or other agency bid, procurement or competitive solicitations.

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.

Please see attached organization chart following this section.

NAVATEK
BOAT BUILDERS

Staff Experience and Qualification

Gary Johnson

General Manager, Naval Architect

Gary started at Navatek Ltd. in December 2006 to assist in shipbuilding design and construction for Navatek Ltd. Gary served as project manager for the construction and commissioning of two 9M Unmanned Surface Vessels (USV) and one 16m USV that Navatek delivered to the ST Electronics. Gary now manages Navatek Boat Builders (NBB) and supervises all of the engineers, naval architects, and craftsmen at NBB's facility in Honolulu Harbor, and he is responsible for the fleet of technology demonstrator's consisting of boats and ships that range in size between 15ft and 100ft. Gary earned a B.S.E. in Mechanical Engineering from the University of California at Santa Barbara in 2006 and a M.S. in Naval Architecture from the University of Southampton in 2011. Gary spends the majority of his free time on boats and in the ocean. Gary is an avid fisherman, and he also paddles one and a six-man canoe, surfs, kayaks, free-dives, and loves to stand-up paddle. He has paddled and escorted canoe races between Molokai and Oahu numerous times.

William Lawson

Mechanical Engineer, FRP Department Manager

Billy started at Navatek Ltd. in July 2009 to assist in production and design of Navatek's prototype technologies. He earned a B.S.E. in Mechanical Engineering from the University of Hawaii and has held CPR and lifeguard certifications as a surf instructor along the south shore of Oahu. Billy now is the FRP Department manager for Navatek Boat Builders and has played a role in engineering and construction on projects such as the SLED, TLB Cat and Sea Blade 30, and has also coordinated and executed testing programs and data collection on the performance of various prototypes. Billy is a competitive paddler, a surfer and a fisherman. He has spent the majority of his life participating in water sports along the south shore of Oahu.

Will Foster

Small Vessel Maintenance Manager, Vessel Operator

Started at Navatek Ltd. in May of 2010, Will is now part of Navatek Boat Builders and has been primarily active in vessel operation, technology demonstration, vessel maintenance, purchasing, and logistics. He graduated from the University of Oregon in 2006 in Environmental Science with a double minor in Geography and Biology, Will's affinity for the ocean brought him back to Hawaii where he was born and raised. Prior to Navatek Will spent 2007-2010 at the Kaneohe Marine Corps Base Marina as a mechanics assistant and boat operations specialist. Versed in sailing, a Hawaii state champion paddler, U.S. Department of Interior certified Inshore and Offshore Small Vessel Operator, and certified by PADI up to Rescue Diver, Will's continued to choose to spend his time on the water surfing, fishing, kayaking, free-diving, body surfing, stand-up paddling, and crossing inter-island channels by boat. Will has continued to renew his Medic First Aid and CPR certifications.

Christian Bradley
Sales and Marketing, Contracts Administrator

Christian recently joined Navatek Boat Builders in the beginning of 2013 and graduated from the University of Colorado with a B.S. degree in marketing. Christian's affinity for the ocean brought him back to Hawaii where he was born and raised. He is now in charge of the Sales and Marketing of the new Sea Blade product line. Christian has applied his knowledge of the ocean and affinity of surfing, paddling, and stand up paddling to educate people about the Sea Blade Hulls unique benefits.

Kevin Vincent
Senior Marine Electrician

Kevin started with Navatek Ltd. in 1993 and is a licensed electrical technician. Kevin is from New Zealand and graduated from the New Zealand Technical Institute as an Electrical Technician. Kevin now works for Navatek Boat Builders and conducts electrical design work and electrical related project management on a wide variety of ship projects. His design work follows design practices including USCG, ABS and DnV regulations. Kevin's work includes direct electrical trouble shooting and maintenance along with sea trials on most Navatek Boat Builder vessels. Kevin's computer skills include: AutoCAD, Turbo CAD, MS Office Applications, PLC Software Design, and Opto22 Networking.

Arnold Manzano
Marine Mechanic

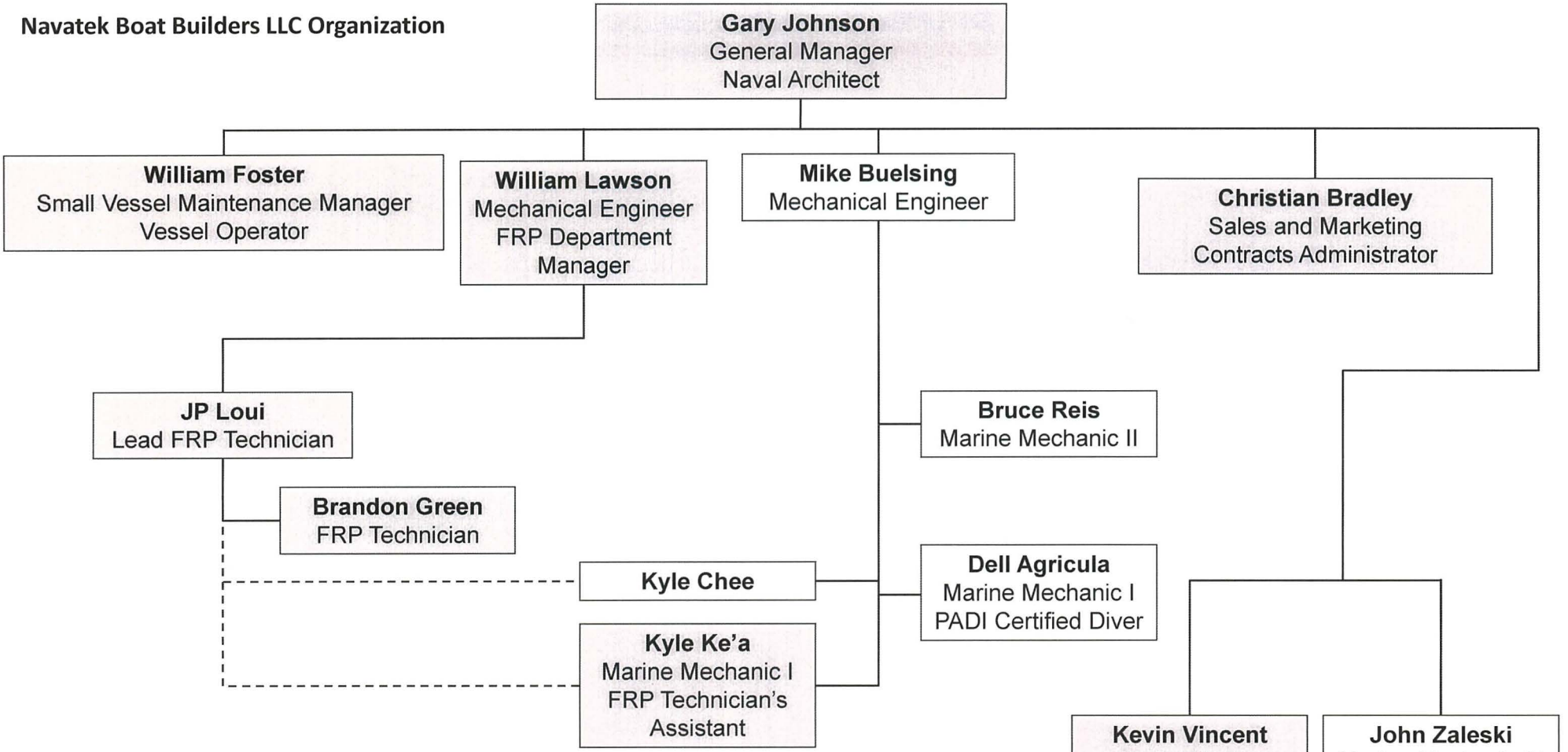
Arnold joined Navatek Ltd. in 2006 as a diesel and an outboard mechanic. Arnold now is Navatek Boat Builder's chief outboard mechanic, and provides Navatek Boat Builders with support on its larger diesel powered vessels. Arnold previously worked for Atlantis Submarines as their lead mechanic between 2001 and 2006. Arnold is also PADI certified as a Rescue Diver.

JP Loui
Lead FRP Technician

Brandon Green
FRP Technician

Kyle Ke'a
Marine Mechanic, FRP Technician's Assistant

Navatek Boat Builders LLC Organization



Notes: All employees highlighted in gray will play a role in the development, construction, or testing of the enforcement craft. See page 5 in the financial section of the grant application for time allocation details for each employee. All of the employees listed in white are available resources for Navatek Boat Builders LLC, but they are not scheduled to assist with this project.

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.

Highest Paid Personnel	Annual Salary
General Manager/Naval Architect	$130,000.00
Senior Marine Electrician	$81,827.20
Mechanical Engineer/FRP Department Manager	$75,824.32

VI. Other

A. Litigation

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

There is no litigation pending with Navatek Boat Builders.

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.

Not applicable.

NEIL ABERCROMBIE
GOVERNOR OF HAWAII

WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ESTHER KIA'AINA
FIRST DEPUTY

WILLIAM M. TAM
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

January 6, 2014

TO: Hawaii State Legislators

FROM: William J. Aila, Jr., Chairperson
Board of Land and Natural Resources

Subject: DLNR support of Navatek Boat Builder's Sea Blade 24' – 30' Enforcement Craft

The Department of Land and Natural Resources (DLNR) supports Navatek Boat Builder's design and construction of two 24' – 30' enforcement/patrol craft.

Navatek Boat Builders proposes a program to design and construct a patrol craft for DLNR's Division of Conservation and Resources Enforcement (DOCARE) that will be used to provide support and equipment to the coastal waters of the island of Oahu and Hawaii. This program is essential to preserving the natural resources of the Hawaiian Islands and keeping the people of Hawaii safe from harm and unlawful activity. Navatek Boat Builder's unique and patented Sea Blade design will help DOCARE respond faster and more safety to water events, even in extreme ocean conditions.

DLNR/DOCARE seeks an opportunity to utilize Navatek Boat Builder's unique and proven vessel design, as a tool to assist them in a wide array of specialized missions. The increased quick response capability, safety, and performance gained from this boat can provide access to a wider range of locations, even during severe weather events. This will allow DOCARE to monitor the safety of its ocean users and natural resources with minimal hindrances due to a lack of sophisticated operating equipment. This partnership will allow DOCARE to improve its response time to distress calls, reports of unlawful acts, and other ocean user conflicts. Navatek Boat Builders will be responsible for the design, construction and delivery of the vessel, while the DOCARE will be responsible for the guidance, support, input and oversight in the design and construction process.

Strategic Goals:

- **Access:** This vessel will increase the access to the coastal waters around the islands in even the most extreme ocean conditions.
- **Support:** This vessel will help monitor and protect the people and the natural resources of Hawaii.
- **Safety:** Increased support and safety for the people of Hawaii.

Please consider the Department of Land and Natural Resources a supporting partner to Navatek Boat Builders DLNR Enforcement/Patrol Craft. This is an excellent example of public-private partnership and we look forward to working together on this project and are hopeful that it gains the necessary attention and resources necessary to grow.