

House District(s) 30

Senate District(s) 16

THE TWENTY-NINTH LEGISLATURE
APPLICATION FOR GRANTS
CHAPTER 42F, HAWAII REVISED STATUTES

Log No:

For Legislature's Use Only

Type of Grant Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

"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.

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

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:
Pacific Fleet Submarine Museum & Park

Dbas: USS Bowfin Submarine Museum & Park

Street Address: 11 Arizona Memorial Dr. Honolulu, HI 96818

Mailing Address: 11 Arizona Memorial Dr. Honolulu, HI 96818

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name CHARLES K. MERKEL JR

Title President and Executive Director

Phone # 808 423 1341

Fax # 808 422 5201

E-mail executivedirector@bowfin.org

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION INCORPORATED IN HAWAII
 - FOR PROFIT CORPORATION INCORPORATED IN HAWAII
 - LIMITED LIABILITY COMPANY
 - SOLE PROPRIETORSHIP/INDIVIDUAL
 - OTHER
- _____

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

BUILDING AND INSTALLING EDUCATION EXHIBITS FOR THE RENOVATED MUSEUM.

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2019: \$ 660,000

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 \$ 0

FEDERAL \$ 0

COUNTY \$ 0

PRIVATE/OTHER \$ 0

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

[REDACTED]

CHARLES K. MERKEL JR., PRESIDENT AND EXECUTIVE DIRECTOR

NAME & TITLE

1/11/2018

DATE SIGNED

[Handwritten signature]
1:00

Application for Grants

Please check the box when item/section has been completed. 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. Please include the following:

1. A brief description of the applicant's background;

The Pacific Fleet Submarine Memorial Association (PFSMA) is an IRS 501(c)(3) tax-exempt nonprofit organization formed in 1978. The PFSMA does business as the USS Bowfin Submarine Museum & Park at Pearl Harbor.

Forty years ago, the Pacific Fleet Submarine Memorial Association (PFSMA) was formed with the mission of telling the stories of our Silent Service, the men and women that comprise the US submarine force. A year later, the PFSMA acquired the USS Bowfin, a WWII submarine known as the "Pearl Harbor Avenger" and, by the end of 1980, the USS Bowfin Submarine Museum & Park was formed at Pearl Harbor.

The Pacific Fleet Submarine Memorial Association was created with the express purpose of preserving and sharing the stories of submarine veterans. Due to the secretive nature of submarine warfare and the advanced technologies employed, the stories of submarine veterans are at great risk of being lost to history. As one of few submarine museums in the nation, the USS Bowfin Submarine Museum & Park is in a unique and indispensable position to give a voice to the Silent Service.

Since the PFSMA' formation, over 8.5 million visitors have explored our campus and engaged with our history. Every year, over 400,000 ticketed visitors have walked on the USS Bowfin or toured our museum. Our education programs have also reached thousands of students and our scholarship program, which has awarded over \$800,000 to Hawaii-based submariners and their families since 1985, continues to grow every year. Along with the USS Arizona Memorial, the Battleship Missouri Memorial, and the Pacific Aviation Museum Pearl Harbor, the USS Bowfin Submarine Museum & Park complete the Pearl Harbor Historic Sites, a major tourist destination for the state of Hawaii.

PFSMA employees 77 full-time employees and had a net payroll of over \$2.4M in 2017. PFSMA paid over \$254,362 in General Excise Tax and nearly \$200,000 in payroll taxes in 2017.

The USS Bowfin Submarine Museum & Park honors our veterans, educates the public, connects us with our history, and inspires us with stories of bravery, innovation, and sacrifice.

2. The goals and objectives related to the request;

After over 30 years as one of the State's most popular tourist destinations, the USS Bowfin Submarine Museum & Park needs to make improvements to continue serving our community and providing a top-quality education experience for local students.

In an effort to address our needs and expand our reach, the USS Bowfin Submarine Museum & Park is undertaking a renovation plan that will put a greater emphasis on STEM education, community stories, and equality in the submarine force. As part of this effort, the museum will be renamed the Pacific Fleet Submarine Museum, which better reflects our scope and mission.

In 2010, PFSMA began discussions to expand and renovate the museum with MIG/Portico, the architectural design firm that designed the renovation of the USS Arizona Memorial Visitor Center. Several Hawaii-based engineering and architectural firms including Mason Architects, Belt Collins Hawaii, Baldrige & Associates Structural Engineers, Mechanical Engineers of Hawaii, Coffman Engineers, and James Tucker Associates have been involved in this effort. Today, we are finalizing our design plans and we anticipate beginning construction in Summer 2018.

The new museum will be more accessible, more engaging, and it will have a much greater focus on education, with a large focus on STEM (Science, Technology, Engineering, and Mathematics) and interactive learning modules.

After walking through a dramatic, redesigned entryway, visitors will begin their journey in the moments after the attack on Pearl Harbor. In the first of four main galleries, visitors will learn about the role that submarines played in WWII. They will see artifacts from the era and interact with immersive displays that highlight the devastation of the attack and the US response. This will include interactive exhibits about how sonar and radar work, as well as firsthand accounts from those that experienced the attack.

As they enter the second museum gallery, they will learn about the role that submarines played in the Cold War. This section will focus on the technological developments and secrecy that defined the nuclear age. Visitors and students will engage with educational exhibits designed to teach how navigation, propulsion, and missiles work.

The third and fourth galleries will educate visitors about the present and future of the submarine force. These areas will include topics like Women in Submarines, Technological Engineering Innovations, and Future Submarine Designs. Meant to inspire, these forward-looking exhibits will put great emphasis on technology and science, highlighting how engineers and scientists are driving innovation. There will also be a great emphasis on how women have contributed to the Submarine Force since the first woman served on a submarine in 2011.

The new museum will also include an outdoor classroom and an indoor multi-purpose learning center. Both of these rooms will be used to host visiting schools. Coupled with the STEM-

certified materials that are being produced for the new museum, the Pacific Fleet Submarine Museum will be able to educate the public in a more robust, impactful way.

The current estimated cost of the renovation project is over \$19M (\$12.5M for construction and \$6.6M for museum exhibits). To date, PFSMA has invested nearly \$3M in the design of the renovation. PFSMA has saved over \$7.5M in a capital investment fund to support this effort. The PFSMA board is willing to commit \$5M of this fund to support the renovation.

PFSMA is looking to a broad set of resources to fund this project and is submitting this Grant in Aid application to specifically request funding for the museum's educational exhibits. The current cost estimate for educational exhibits is \$6.6M and PFSMA is requesting \$660,000 (10% of the total cost) for the project.

3. The public purpose and need to be served;

As one of the most popular tourist destinations in Hawaii and the most visited submarine museum in the United States, the USS Bowfin Submarine Museum & Park is central to educating people about Pearl Harbor, our State's history, and the sacrifices made by veterans. For most visitors and almost all of our student visitors, the museum also serves as an introduction to submarines and the science behind them, from new technologies to the engineering achievements that make the US Submarine Force the best in the world.

Every year, over 400,000 visitors and students from hundreds of schools visit the museum. From hosting local schools to international student groups, the museum and the ship are, in many ways, a living classroom. PFSMA hopes to better serve this audience by providing an educational experience that is more impactful and personal.

As part of the museum renovations, we are putting a renewed focus on STEM learning and interactive educational displays. The goal of emphasizing technology and engineering, as well as gender equality in submarines, is educating and inspiring the next generation to engage with science, technology, math, and engineering.

The value of STEM learning is clear and nowhere is its impact more evident and obvious than in the progress made in submarine technology. By highlighting the role of these subjects and connecting them to interactive education exercises, the museum will help drive students to pursue careers in these fields. The Department of Commerce projects continued growth for STEM occupations and STEM workers currently command 26% more than their non-STEM counterparts.

By providing a state-of-the-art, interactive educational experience, the museum will attract more visitors and it will have a bigger educational impact on each one.

4. Describe the target population to be served; and

The target population is anyone visiting the museum, but particularly students from local schools. Everyone visiting the museum will interact with STEM learning modules and exhibits

and we intend to make additional STEM learning materials and educational documents available for all visitors.

Local schools and visiting students will also benefit from the Outdoor Classroom and the Multi-Purpose Learning Room. The Outdoor Classroom will be dedicated to hosting school visits and it will provide a classroom setting for student visitors. The Multi-Purpose Learning Room will be used as a classroom and as a place for meetings and temporary exhibits.

Additionally, the local community will benefit from increased attendance and engagement, which will encourage more contribution to the local economy.

5. **Describe the geographic coverage.**

Although we place a strong emphasis in serving Oahu, the Neighbor Islands, and the United States mainland, our target population is truly global. School groups, historians, veterans, military enthusiasts, tourists, government and civilian officials visit USS Bowfin Submarine Museum & Park from all over the world.

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;**

The renovation and expansion project is relatively straightforward in scope. While the broader renovation project will be funded largely by private donors, GIA funding assistance will cover the design, construction, and installation of the museum's educational exhibits.

The redesigned museum will contain over 50 exhibits that will educate visitors about the history of submarines, the technology behind submarines, and the people that serve on submarines. Intended to be both a primer for those unfamiliar with submarines and a lesson for those already knowledgeable about submarine history, the museum aims to educate every visitor.

The new exhibits, which are being designed and constructed by the architects that designed the USS Arizona Visitor Center, MIG/Portico, will have a large focus on STEM learning. Planned exhibits include interactive learning modules that explain how sonar, radar, and radio communications work, how engine and propulsion technologies evolved since the Cold War, how missiles and torpedoes work, and a variety of other exhibits that focus on science, technology, engineering, and math.

To date, PFSMA has invested over \$3,000,000 in the design of the planned expansion and renovation. At the time of submittal of this application, Preliminary Construction Drawings have

been completed and reviewed by Naval Facilities Engineering Command, Hawaii (NAVFAC). It is anticipated that construction will begin in the fall of 2018.

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

January 2018 - May 2018: Museum exhibit design.

June 2018: Final pricing.

July 2018: Project out for bid.

August 2018: Select contractor for project.

Fall 2018: Museum renovation groundbreaking.

Fall 2018 – Spring 2019: Exhibit fabrication.

Summer 2019: Exhibit installation.

Fall 2019: Project completion and reopening.

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

The educational exhibits and classrooms, for which PFSMA is requesting GIA funding, are being developed, designed, constructed, and overseen by experienced museum professionals. The same architects that designed the acclaimed USS Arizona Memorial Visitor Center at Pearl Harbor, MIG/Portico, are designing the new museum.

PFSMA's Executive Director, Captain Charles Merkel, is overseeing the project and working with the PFSMA board to ensure that the project is adequately staffed and funded. This oversight will include selecting contractors, finalizing blueprints, monitoring construction progress, and the day-to-day work required to see this project to fruition.

The Museum Curator, Nancy Richards, and the Education & Outreach Coordinator, Charles Hinman, are working directly with the architects and exhibit designers to ensure that all exhibits meet the educational goals of PFSMA. As educational materials are developed and as new exhibit ideas arise, this education staff will also work with groups like the National Institute for STEM Education to ensure that exhibits are maximizing their educational effectiveness.

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.

Because the ultimate goal is to engage, educate, and inspire visitors, effectiveness will be measured in a variety of ways over the course of the project.

During development and construction, effectiveness will be measured by tracking progress towards completion.

Upon completion, PFSMA anticipate increased attendance, more school visitors, and a longer period of time that each visitor spends in the museum. PFSMA will also work directly with schools, educators, and STEM-certification groups to ensure that exhibits and materials are effective.

Before and after photographs, as well as all budgeting materials, will also help evaluate the effectiveness of this project.

III. Financial

Budget

1. **The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.**
 - a. **Budget request by source of funds ([Link](#))**
 - b. **Personnel salaries and wages ([Link](#))**
 - c. **Equipment and motor vehicles ([Link](#))**
 - d. **Capital project details ([Link](#))**
 - e. **Government contracts, grants, and grants in aid ([Link](#))**

The enclosed budget forms provide details of the cost for this request.

2. **The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2019.**

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$0	\$0	\$330,000	\$330,000	\$660,000

3. **The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2019.**

PFSMA has applied for a \$200,000 grant through the National Maritime Heritage Grant Program for a Grants for Maritime Heritage Education and Preservation Projects to assist with the funding for the construction of a protective enclosure for the Kaiten (manned torpedo) that is on exhibit at USS Bowfin Submarine Museum & Park. This is another portion of the renovation project for the entire Bowfin site.

PFSMA is conducting a capital campaign to raise the funds necessary to complete the remainder of the planned museum expansion and renovation. The campaign will appeal to individual donors, corporate donors, and foundations.

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.**

None.

5. **The applicant shall provide a listing of all federal, state, and county government contracts, grants, and grants in aid it has been granted within the prior three years and will be receiving for fiscal year 2019 for program funding.**

At the time of submitting this application, PFSMA is not receiving program funding from any federal, state and county government contract/grants. In addition, PFSMA receives no goodwill or lease remission from any government entity.

6. **The applicant shall provide the balance of its unrestricted current assets as of December 31, 2017.**

Statement of Financial Position as of December 31, 2017 is attached.

IV. Experience and Capability

1. **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.

PFSMA has operated the USS Bowfin Submarine Museum & Park at Pearl Harbor since 1978. During this time, PFSMA has overseen routine maintenance ranging from minor building upgrades like the installation of solar panels to preserving the USS Bowfin.

For this renovation project, PFSMA selected MIG/Portico to lead the effort to expand USS Bowfin Submarine Museum & Park. MIG/Portico was the lead architect for the revitalization of the USS Arizona Visitor Center. MIG/Portico has used a number of Hawaii-based architectural and engineering firms, including Mason Architects, Belt Collins Hawaii, Baldrige & Associates Structural Engineers, Mechanical Engineers of Hawaii, Coffman Engineers, and James Tucker Associates. MIG/Portico and their local partners will be involved in the review and selection process for the contractor(s) that will perform the renovation process. Mason Architects and Griffith Construction Consultants will provide oversight during the renovation to ensure that standards are met.

Advising the design team will be PFSMA's education team, Charles Hinman and Nancy Richards, who have over forty years of experience at the USS Bowfin Submarine Museum & Park. Mr. Hinman has coordinated the museum's education programming for two decades and has extensive experience working with schools and student visitors. Ms. Richards also holds a Masters in Museum Studies.

2. 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.

USS Bowfin Submarine Museum & Park is located at Pearl Harbor immediately adjacent to the USS Arizona Memorial Visitors Center. USS Bowfin Submarine Museum & Park occupies approximately 3.8 acres of land that is leased from the U. S. Navy. This lease is administered by Naval Facilities Engineering Command, Hawaii. Naval Facilities Engineering Command, Hawaii is currently preparing a new 25-year lease that should be executed by July 2018.

The current campus comprises of:

- The USS Bowfin, a decommissioned WWII submarine that sits in Pearl Harbor;
- The Pacific Fleet Submarine Museum, a 7,000-square-foot museum dedicated to submarine history;
- A variety of outdoor exhibits including:
 - the Waterfront Memorial, which honors more than 3,500 submariners lost during WWII;
 - a Conning Tower, where visitors can explore the confined space of a WWII submarine;
 - a Kaiten, one of the only remaining Japanese manned torpedoes in existence;
 - a submarine rescue chamber; and,
 - over a dozen missiles, torpedoes, anchors, and propellers.
- Comfort Station (restrooms);
- Food court;
- Gift shop; and,
- Staff lounge and offices.

After the renovation, the museum will include:

- A completely reimagined museum with an additional 6,000 square-feet of museum space;
- An outdoor classroom;
- A Multi-Purpose Learning Space;
- Renovated Gift Shop and Support Facilities;
- An enclosure for the Kaiten, a rare Japanese manned torpedo; and,
- Rearranged and preserved of outdoor exhibits.

V. Personnel: Project Organization and Staffing

1. **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.

As of January 2nd 2018, USS Bowfin Submarine Museum & Park has 77 full-time employees. A 14-member Board of Directors provide governance, strategic planning, and oversight. Our contacts and partnerships extend across a wide spectrum of community, national, and international relationships that have been forged over the years.

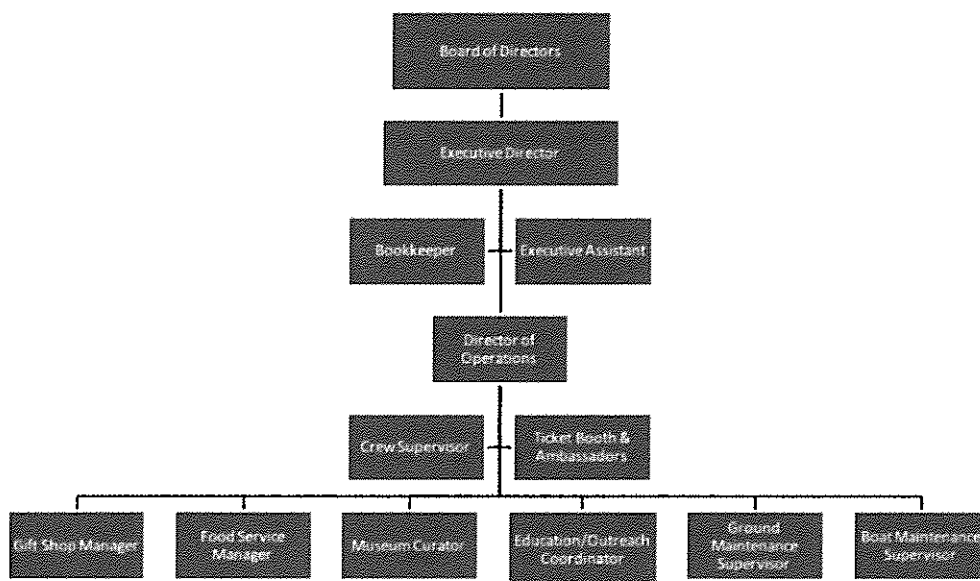
The PFSMA's Board of Directors is chaired by Captain Ronald R. Cox, USN (Ret.) who is currently the Vice President for Power Supply at Hawaiian Electric Company. Captain Cox is a leader in the community, serving as a Board Member of YMCA.

The Museum is led by Executive Director Captain Charles K. (Chuck) Merkel, USN (Ret.). Captain Merkel served on active duty in the U. S. Navy submarine force for 30 years and holds the distinction of being the first submarine Commanding Officer since World War II to lead his crew in combat on two successive deployments. Captain Merkel assumed the leadership of the Museum in May 2016. Captain Merkel served as Commanding Officer of a nuclear-powered submarine, a submarine training command and an operational joint command. His final active duty assignment was as the Director for Maintenance and Material Readiness for the Pacific submarine force. In this position, he supervised the day-to-day operation of all submarines operating in the Pacific fleet. As Executive Director, Captain Merkel is responsible to the Board of Directors for all aspects of operations at USS Bowfin Submarine Museum & Park.

The PFSMA Board of Directors specifically selected The Portico Group to lead the effort to revitalize and expand the museum due to their involvement in the revitalization of the Arizona Visitors Center. The Portico Group brought together a number of Hawaii-based architectural and engineering firms to assist in this effort. These local firms will be involved in completing the design, selection of contractors and supervision of the construction.

2. **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 organization chart that illustrates the placement of this request.



3. 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.

Executive Director: \$95,000
Director of Operations: \$62,221
Boat Maintenance Supervisor: 66,232

VI. Other

1. 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.

USS Bowfin Submarine Museum & Park is not a party to any pending litigation or subject to any outstanding judgement.

2. Licensure or Accreditation

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

USS Bowfin Submarine Museum & Park completes the Pearl Harbor Historic Sites along with the USS Arizona Memorial, the Battleship Missouri Memorial and the Pacific Aviation Museum Pearl Harbor. Naval History and Heritage Command provides oversight for the accountability and maintenance of artifacts on loan for PFSMA.

3. **Private Educational Institutions**

The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of this question.

The grant will not be used to support or benefit a sectarian or non-sectarian private educational institution.

4. **Future Sustainability Plan**

The applicant shall provide a plan for sustaining after fiscal year 2018-19 the activity funded by the grant if the grant of this application is:

- (a) **Received by the applicant for fiscal year 2018-19, but**
- (b) **Not received by the applicant thereafter.**

The funds requested by this grant will be utilized to fund the one-time costs associated with the development and construction of educational exhibits. Once the installation of educational exhibits is completed, the cost of operation and maintenance will be covered by the normal annual revenue and budgeting process.

5. **Certificate of Good Standing (If the Applicant is an Organization)**

If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2017.

A copy of a certificate of good standing from the Director of Commerce and Consumer Affairs, dated December 13, 2017 is attached.

6. **Declaration Statement**

The applicant shall submit a declaration statement affirming its compliance with Section 42F-103, Hawaii Revised Statutes. ([Link](#))

Please see attached document.

7. **Public Purpose**

Applicant ___Pacific Fleet Submarine Memorial Association___

The applicant shall specify whether the grant will be used for a public purpose pursuant to Section 42F-102, Hawaii Revised Statutes. ([Link](#))

As outlined in Question I.3, funding will be used for a public purpose pursuant to 42F-102.

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2018 to June 30, 2019

Applicant: Pacific Fleet Submarine Museum

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
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				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	660,000			5,955,716
TOTAL (A+B+C+D+E)	660,000			5,955,716
SOURCES OF FUNDING		Budget Prepared By: 808		
(a) Total State Funds Requested	660,000	Charles K Meikel 423 134)		
(b) Total Federal Funds Requested		N XXXXXXXXXX Phone 1/11/2018		
(c) Total County Funds Requested		Signature of Authorized Official Date		
(d) Total Private/Other Funds Requested		Charles Meikel Name and Title (Please type or print) Executive Director		
TOTAL BUDGET	6,615,716			

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2018 to June 30, 2019

Applicant: Pacific Fleet Submarine Memorial Association

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
N/A				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2018 to June 30, 2019

Applicant: Pacific Fleet Submarine Memorial Associati

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
N/A			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2018 to June 30, 2019

Applicant: Pacific Fleet Submarine Memorial Ass

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2016-2017	FY: 2017-2018	FY:2018-2019	FY:2018-2019	FY:2019-2020	FY:2020-2021
PLANS						
LAND ACQUISITION						
DESIGN			210000			
CONSTRUCTION			450000			
EQUIPMENT						
TOTAL:			660,000			
JUSTIFICATION/COMMENTS: Funds requested represent ~10% of the projected cost of \$6,615,716. To date, no additional funds have been solicited for this specific project.						

GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID

Applicant: Pacific Fleet Submarine Memorial Association

Contracts Total: -

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1	N/A				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					

2:25 PM

Pacific Fleet Submarine Memorial Association, Inc.

01/09/18

Statement of Financial Position

Accrual Basis

As of December 31, 2017

	Dec 31, 17
ASSETS	
Current Assets	
Checking/Savings	
10000 · Cash	
10900 · Vault Services	-133,500.00
10800 · CASH - NFCU	661.00
10100 · BH- Ops Fund - 040	315,055.20
10200 · BH - Gift Shop - 059	482,677.62
10400 · BH - Special Fund - 117	2,216.24
10450 · BH - Combined Funds - 115	345,821.05
10500 · Educational Endowments	1,047,406.03
10600 · Petty Cash	3,500.00
10700 · Cash - Investments	7,398,079.49
Total 10000 · Cash	<u>9,461,916.63</u>
Total Checking/Savings	9,461,916.63
Accounts Receivable	
16000 · Accounts Receivable	43,811.30
Total Accounts Receivable	<u>43,811.30</u>
Other Current Assets	
12800 · Prepaid Expenses	
12804 · Prepaid Lease - Naval Facility	34,831.03
12802 · Prepaid Utilities	111,907.00
Total 12800 · Prepaid Expenses	<u>146,738.03</u>
12500 · Inventory	132,454.82
Total Other Current Assets	<u>279,192.85</u>
Total Current Assets	<u>9,784,920.78</u>
Fixed Assets	
15600 · Computer Software	71,768.76
15000 · Fixed Assets (Furniture and equipment with useful life exceeding one year)	
15100 · Building, Land & Museum	3,809,377.48
15200 · Future Capital Improvements	
15225 · Construction in Progress	1,868,508.98
15200 · Future Capital Improvements - Other	517,479.00
Total 15200 · Future Capital Improvements	<u>2,385,987.98</u>
15300 · Submarine Museum	757,003.22
15400 · Furniture, Fixtures & Equipment	
15452 · Simplex - Fire Extinguishers	17,427.93
15451 · Leaf, LLC - Audio Headsets	93,751.23
15400 · Furniture, Fixtures & Equipment - Other	150,493.72
Total 15400 · Furniture, Fixtures & Equipment	<u>261,672.88</u>
15500 · Vehicles	27,996.98
15900 · Accumulated Depreciation	-4,370,511.12
Total 15000 · Fixed Assets (Furniture and equipment with useful life exceeding one year)	<u>2,871,527.42</u>
Total Fixed Assets	<u>2,943,296.18</u>
TOTAL ASSETS	<u><u>12,728,216.96</u></u>

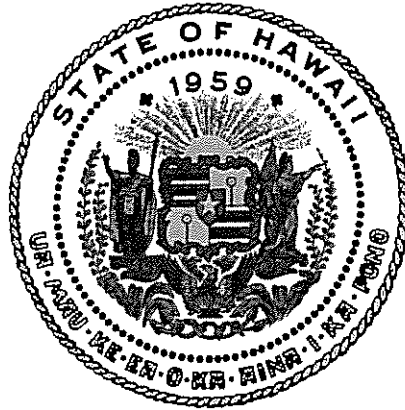
2:25 PM

Pacific Fleet Submarine Memorial Association, Inc.
Statement of Financial Position
As of December 31, 2017

01/09/18

Accrual Basis

	<u>Dec 31, 17</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
22100 · Accrued General Excise Tax	22,278.69
24100 · Garnishment Payable	70.58
24200 · IRA Payable	12,748.71
21000 · Due from Combined Account	
21300 · Due to P.H.P	-3,334.18
21200 · Due to Pacific Aviation	141,208.07
21100 · Due to Missouri	294,499.12
Total 21000 · Due from Combined Account	<u>432,373.01</u>
Total Other Current Liabilities	<u>467,470.99</u>
Total Current Liabilities	<u>467,470.99</u>
Total Liabilities	467,470.99
Equity	
30200 · Scholarships & Endowment Funds (Other Income)	-74,954.00
30000 · Opening Balance Equity (Opening balances during setup post to this account. Th...	389,048.31
30300 · Unrestricted Net Assets (Other Income)	10,087,817.09
Net Income	<u>1,858,834.57</u>
Total Equity	<u>12,260,745.97</u>
TOTAL LIABILITIES & EQUITY	<u><u>12,728,216.96</u></u>



Department of Commerce and Consumer Affairs

CERTIFICATE OF GOOD STANDING

I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that

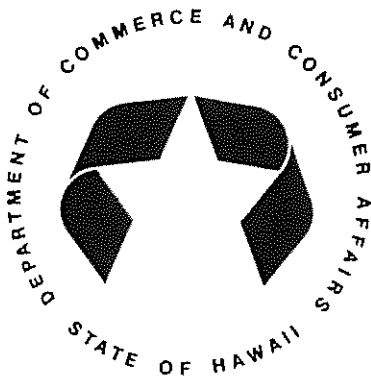
PACIFIC FLEET SUBMARINE MEMORIAL ASSOCIATION, INC.

was incorporated under the laws of Hawaii on 12/22/1978 ; that it is an existing nonprofit corporation; and that, as far as the records of this Department reveal, has complied with all of the provisions of the Hawaii Nonprofit Corporations Act, regulating domestic nonprofit corporations.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, Hawaii.

Dated: December 13, 2017

Director of Commerce and Consumer Affairs



**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS PURSUANT TO
CHAPTER 42F, HAWAII REVISIED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

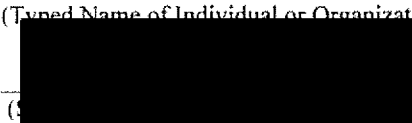
- 1) The applicant meets and will comply with all of the following standards for the award of grants pursuant to Section 42F-103, Hawaii Revised Statutes:
 - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant 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 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.
- 2) If the applicant is an organization, the applicant meets the following requirements pursuant to Section 42F-103, Hawaii 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 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, Hawaii 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, Hawaii Revised Statutes, for grants used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant 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 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.

Pacific Fleet Submarine Memorial Association

(Typed Name of Individual or Organization)



1/11/2018

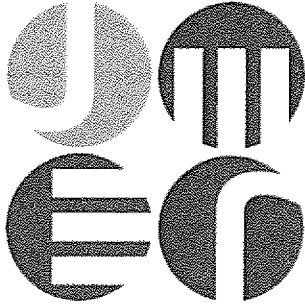
(Date)

Captain Charles Merkel

(Typed Name)

Executive Director

(Title)



JILL RANDESON
EXHIBIT MANAGEMENT

Project:

FABRICATION ESTIMATE

USS Bowfin

Submarine Museum & Park

Client:

THE PORTICO GROUP

March 11th 2016

ITEM		COST	Notes
0.0	ADMINISTRATION AND SHIPPING	\$2,103,500	
	Admin: PM, Graphic intake, samples, proofs	\$174,000	
	Create production ready graphic files	\$135,000	
	Image acquisition, rights, illustrations & maps	\$25,000	
	Media acquisition, rights	\$100,000	
	Preparation of existing artifacts as necessary	\$50,000	
	Integration with base building, site and GC	\$100,000	
	Ship: Pack and ship	\$75,000	
	Exhibit installation: Labor, Flight, hotel, per diem	\$315,000	See "Assumptions", #2
	A/V integration	\$34,500	
	A/V Media development and hardware	\$1,095,000	Mid-range pricing
0.1	PROVISION FOR CONTINUOUS OPERATION	\$225,000	See "Assumptions", #2
	Curation and Temporary exhibit design	\$25,000	
	Temporary graphics and video	\$50,000	
	Demount existing and set up temporary exhibit	\$150,000	
1.0	ARRIVAL / WELCOME	\$737,140	
01A	Arrival plaza		
	C01 Hull Ring, graphic	\$38,200	Footings by GC
	C02 Facade: Images in clad panels	\$69,600	
	C02 Facade: Battle flags	\$33,340	
	C03 Propeller - custom cradle/mount	\$20,950	
01B	Entry Sail		
	C01 Lighting/Audio/FX	\$23,300	
	Figures	\$195,850	Footings by GC
	Graphics on curved panels x 4 (20 x 15)	\$100,900	
	Dolphins - 1 new, 1 re-use	\$18,500	
01C	Welcome plaza		
	C01 Museum entry: graphics	\$170,000	
	C02 Eternal patrol: translucent graphics	\$21,200	
	C03 After the attack: Graphics	\$21,300	
	Orientation and way-finding x 3	\$24,000	Assumes stand-alone
2.0	THE SILENT SERVICE	\$133,100	
02A	Silent service Legacy		
	C01 The Silent service: intro graphics	\$9,700	
	C02 Submariner Banners: banner graphics	\$13,500	
	C03 Donor recognition	\$31,500	
	C04 Sail with Graphics	\$37,300	
02B	Gallery Entries		

	C01	Gallery entry: Unrestricted Warfare	\$4,800	
	C02	Gallery Entry: Underway on Nuclear power	\$8,300	
02C		Pride Runs Deep		
	C01	Pride Runs Deep: Graphics	\$9,800	
	C02	On eternal patrol: Graphics	\$8,500	
	C03	Search for lost subs: Media Kiosk	\$9,700	Kiosk only, A/V Hdw. and media in admin line
3.0		AFTER PEARL HARBOR	\$991,874	
03A		Execute unrestricted warfare		
	C01	Attack Order	\$24,900	
03B		West to Empire		
	C01	Target Merchant shipping	\$15,700	
	C02	Identifying targets	\$12,500	
	C03	Failure of tactics, command - graphics	\$28,500	
	C04	Wahoo - graphics	\$33,200	
	C05	Submariners families (2)	\$37,700	
	C06	Banner graphics above	\$13,500	
03C		Capabilities and Tactics		
	C01	Bowfin model	\$32,000	
	C02	Bowfin virtual tour	\$9,600	
	C03	Torpedoes	\$58,800	
	C04	Radio/Sonar/Radar	\$72,200	
	C05	Diesel/Electric Propulsion	\$45,000	
	C06	Overhead curved graphics and panels	\$50,200	
03D		Crew Stories and Patrols		
	C01	War Patrols Intro	\$14,500	
	C02	Patrols: Life on War Patrol	\$61,700	
	C03	Patrols: Destroy Japanese Shipping	\$61,700	
	C04	Patrols: You're on Your Own	\$61,700	
	C05	Patrols: Special Missions	\$61,700	
	C06	Crew Stories: Sub Culture	\$19,100	
	C07	Crew Stories: Japanese Souvenirs and POW's	\$19,100	
	C08	Crew Stories: Special Occasions	\$19,100	
	C09	Interactive Media: Crew life	\$9,700	Kiosk only, A/V Hdw. and media in admin line
	C10	Interactive Media: Great Sub Stories	\$9,700	Kiosk only, A/V Hdw. and media in admin line
	C11	Mission Interactive	\$59,200	
	C12	Patrols: Submarine Video	\$10,444	Infrastructure only, A/V Hdw. and media in admin line
	C13	Patrols: Returning to base	\$14,200	
	C14	Banner graphics above	\$13,500	
03E		The Impact: Breaking the Back		
	C01	Breaking the Back: Parche	\$57,100	
	C02	Breaking the Back: Other successful subs	\$25,700	
	C03	Sub Rescue: Lifeguard league	\$18,230	Infrastructure only, A/V Hdw. and media in admin line
	C04	Cost and Loss	\$12,800	
	C05	End of the War: Lockwood, Tokyo Bay	\$8,900	
4.0		UNDERWAY ON NUCLEAR POWER	\$741,920	
04A		Cold War		
	C01	Cold War intro film	\$14,200	Infrastructure only, A/V Hdw. and media in admin line
	C02	Duck and Cover	\$17,200	
04B		Nautilus and Nuclear Subs		

	C01	Early Cold War timeline	\$36,000	
	C02	Nuclear power intro: Graphics and video	\$6,500	Infrastructure only, A/V Hdw. and media in admin line
	C03	Nautilus model	\$21,650	
	C04	Nautilus at the pole	\$12,920	
	C05	Innovation and Tech: Nuclear Propulsion	\$47,200	
	C06	Innovation and Tech: Hydrodynamics	\$65,500	
	C07	Innovation and Tech: Interactive media	\$9,700	Kiosk only, A/V Hdw. and media in admin line
	C08	Thresher: SUBSAFE	\$19,100	
	C09	Shipyards and production	\$17,700	
04C		Ballistic Missile Subs		
	C01	Boomers and Fast Attacks: Graphic intro	\$12,800	
	C02	41 For Freedom intro: graphics and video	\$18,400	
	C03	Kamehameha : graphics, case	\$22,400	
	C04	Innovation and Tech: Missiles	\$44,000	
	C05	Innovation and Tech: Navigation	\$44,000	
	C06	Innovation and Tech: Interactive media	\$9,700	Kiosk only, A/V Hdw. and media in admin line
	C07	Launch Control Panels	\$19,100	
	C08	Driving a Nuclear sub	\$19,100	
04D		Crew Life in the Cold War		
	C01	Sub interior, bunk, locker, shower, drill, mess	\$74,300	
	C02	Artifact Case	\$11,600	
	C03	Crew stories: Interactive media	\$9,700	Kiosk only, A/V Hdw. and media in admin line
04E		Fast Attacks		
	C01	Fast Attack intro: graphics, video, skipjack	\$18,400	Infrastructure only, A/V Hdw. and media in admin line
	C02	Innovation and Tech: Sonar	\$44,000	
	C03	Innovation and Tech: Quieter Running	\$44,000	
	C04	Innovation and Tech: Interactive media	\$9,700	Kiosk only, A/V Hdw. and media in admin line
	C05	Clandestine ops: Guardfish, Sculpin, Parche	\$14,200	
	C06	Cat and Mouse interactive	\$21,000	Infrastructure only, A/V Hdw. and media in Admin section
04F		Mini Theater		
	C01	Mini Theater Batfish	\$20,500	Infrastructure only, A/V Hdw. and media in admin line
	C02	End of the Cold war - graphics	\$3,850	
	C03	Banner graphics above	\$13,500	
5.0		TODAY'S SILENT SERVICE	\$363,500	
05A		The Submarine force in Today's World		
	C01	Sub Roles & Missions today: Graphics & Video	\$47,500	Infrastructure only, A/V Hdw. and media in admin line
	C02	Modern Weapons (D5 missile, Tomahawk)	\$95,000	
	C03	SSN's	\$25,000	
	C04	SSBN's	\$27,000	
	C05	SSGN's	\$28,500	
	C06	Crew stories: Interactive media	\$9,700	Kiosk only, A/V Hdw. and media in admin line
	C07	Today's Submariners- jobs on board: graphics & video	\$29,700	Infrastructure only, A/V Hdw. and media in admin line
	C08	Polar Missions	\$22,400	
05B		Changing Exhibits Area		
	C01	Future of the force: Graphics, artifacts, models, video	\$30,500	Infrastructure only, A/V Hdw. and media in admin line
05C		The Submariner Community		

	C01	Today's Submariners" graphics, artifacts	\$25,000	
	C02	Earn your Dolphins: Interactive media	\$9,700	Kiosk only, A/V Hdw. and media in admin line
	C03	Banner graphics above	\$13,500	
6.0		EXTERIOR EXHIBITS	\$171,500	
06A		Memorial		
		Interpretive graphic	\$10,000	
06B		Lanai		
		Interpretive graphics x 3	\$7,500	
06C		Bowfin		
		Entry graphic	\$10,000	
06D		Subs through WW2		
		Interpretive graphics x 10	\$80,000	
06E		Deterrence: Submarine weapons		
		Interpretive graphics x 8	\$64,000	
		TOTAL	\$5,467,534	

Fabrication Bond - 2%	\$109,351	
Contingency - 15%	\$820,130	
Escalation - 2% per year	\$218,701	Assume 2 years
Allowance for taxes	\$0	Assume tax exempt

GRAND TOTAL	\$6,615,716
--------------------	--------------------

Assumptions:

1. Power distribution and exhibit lighting in GC scope
2. Exhibits to be installed in several phases, to minimize closure to the public. Allowance included for a temporary exhibition to be installed in a portion of existing galleries while remainder of existing and new galleries are prepared and installed.

To be determined:

1. Cost for moving and re-mounting and/or de-accessioning existing exterior exhibits: Regulus, Kaiten, Polaris missiles, multiple smaller torpedoes and missiles, escape chamber, deck guns.
2. Artifact loan fees: handling, insurance etc