

STATE OF HAWAII
Department of Land and Natural Resources
Engineering Division

September 27, 2013

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

**Approval to Enter Supplemental Contract for Grant-in-Aid Agreement with
The Oceanic Institute for Feed Mill Laboratory, Hawaii**

The Engineering Division desires to execute a supplemental contract to Contract No. 47455, Agreement for Grants, Subsidies and Purchase of Service with The Oceanic Institute (OI) for the development of a feed mill laboratory at the Panaewa Agricultural Park, Hawaii.

BACKGROUND

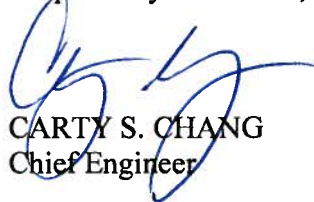
On September 8, 2000, the Board of Land and Natural Resources gave approval to enter a grant-in-aid agreement with The Oceanic Institute for the development of a feed mill laboratory utilizing funds appropriated by Act 91, SLH 1999, Item A-10. The original grant agreement was executed on November 9, 2000. Due to various delays, including project redesign and budget shortfalls, OI requested and was granted four no-cost time extensions. The current expiration date is December 31, 2013.

OI now requests a no-cost time extension to December 31, 2015 to complete this project (Attachment 1). OI has secured additional funding and has contracted the design and preparation of an environmental assessment for this work.

RECOMMENDATION

1. That the Board of Land and Natural Resources authorize the Chairperson to enter a supplemental contract to Contract No. 47455 for a no-cost time extension to December 31, 2015 and sign the necessary documents pertaining to the project, subject approval as to form by the Department of the Attorney General.
2. That the Board authorize the Chairperson, subject to review and approval by the Department of the Attorney General, to enter into additional supplemental contracts to address unforeseen project-related conditions and sign the necessary documents to implement the additional work.

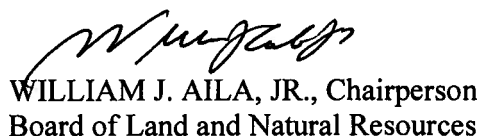
Respectfully Submitted,



CARTY S. CHANG
Chief Engineer

Attachments

APPROVED FOR SUBMITTAL:



WILLIAM J. AILA, JR., Chairperson
Board of Land and Natural Resources

ITEM L-1



Oceanic Institute
An Affiliate of Hawai'i Pacific University

August 30, 2013

Mr. Carty S. Chang
Chief Engineer
Engineering Branch, Land Division
Department of Land and Natural Resources
P.O. Box 373
Honolulu, Hawai'i 96809

Dear Mr. Chang:

Re: Contract Number 47455, Grant-in-Aid for Feed Mill Laboratory, Hawaii

The Oceanic Institute (OI) requests a no-cost time extension through December 31, 2015, to complete the work under contract number 47455. During the previous three years, although there was no physical progress, many behind the scenes hurdles have been overcome. The capital budget for the project has been increased by over one million dollars. OI has accomplished this by cancelling two of its capital projects and consolidating its U.S. Department of Agriculture (USDA) funding and securing an additional \$450,000 in capital funding from the State Department of Agriculture (DOA).

USDA approved the design fees negotiated with Parsons Brinckerhoff (PB) in March 2013. PB began design work and the Environmental Assessment (EA) in April 2013. Work is progressing on the design and EA.

OI is also in on-going discussions with Ulupono Initiative to improve production efficiencies of the feed mill. Ulupono's interest in the feed mill stems from their broader interests in island sustainability and their desire to help develop local solutions to reduce the high cost of terrestrial and aquatic feed. OI's feed mill will provide a platform to test novel feed formulations on a commercial scale and this is of significant value to Ulupono. Currently, OI and Ulupono are exploring funding opportunities to support enhanced capabilities for the feed mill.

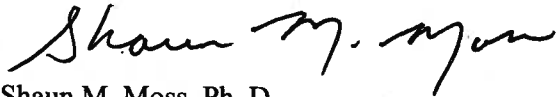
Currently, the funding sources, funds budgeted, funds expended, and funds remaining for this project are the following:

Source	Budget	Expended	Remaining
USDA NIFA	\$1,830,508	\$111,261	\$1,719,247
State of Hawaii, DLNR	\$804,000	\$0	\$804,000
State of Hawaii, DOA	\$450,000	\$0	\$450,000
Oceanic Institute	\$133,612	\$0	\$133,612
Private Donations	\$62,538	\$0	\$62,538
Total	\$3,280,658	\$111,261	\$3,169,397

Mr. Carty S. Chang
August 30, 2013
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Also, an updated projected schedule is attached. Should you have any questions, please contact me at 259-3110 or Randy Honke, our project manager at 259-3189 or e-mail rhonke@oceanicinstitute.org.

Sincerely,

A handwritten signature in black ink that reads "Shaun M. Moss". The signature is written in a cursive style with a large, sweeping initial "S".

Shaun M. Moss, Ph. D.
Acting President

ID	Task Name	Duration	Start	2013													
				Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	C		
1	State of Hawaii Dept of Ag Contract Executed	25 days?	Wed 1/9/13														
2	Negotiate Fees for Design	120 days	Mon 5/28/12														
3	USDA Approval of Design Fees	66 days	Fri 12/14/12														
4	Preliminary (60%) Design Submittal	123 days?	Wed 4/10/13														
5	Draft Environmental Assessment	130 days	Wed 4/10/13														
6	Preliminary Design Review Complete	8 days	Mon 9/30/13														
7	Review Draft Environmental Assessment	7 days	Wed 10/9/13														
8	OEQC Draft EA Notice	23 days?	Fri 10/18/13														
9	Pre-Final (90%) Design Submittal	45 days?	Thu 10/10/13														
10	Pre-Final Design Review	8 days	Thu 12/12/13														
11	Final Design Submittal	45 days?	Tue 12/24/13														
12	Final Supplemental Environmental Assessment	44 days	Wed 11/20/13														
13	Final Supplemental EA Review	7 days	Tue 1/21/14														
14	OEQC Final Supplemental EA Notice	23 days?	Thu 1/30/14														
15	Building Permit	110 days	Mon 3/3/14														
16	Bidding	60 days	Wed 5/28/14														
17	Contractor Selection	15 days?	Wed 8/20/14														
18	USDA Approval of Construction Contract	15 days?	Wed 9/10/14														
19	Construction	261 days?	Wed 10/1/14														
20	Construction Closeout	20 days	Thu 10/1/15														
21	Grant Closeout	40 days	Thu 10/29/15														

Project: Feed Mill USDA rev6
Date: Fri 8/30/13

Task
Split



Progress
Milestone



Summary
Project Summary

