

House District   32  

Senate District   15  

THE TWENTY-SIXTH LEGISLATURE  
HAWAII STATE LEGISLATURE  
APPLICATION FOR GRANTS & SUBSIDIES  
CHAPTER 42F, HAWAII REVISED STATUTES

Log No: 106-C

For Legislature's Use Only

*Rec'd JAN 28 2011*

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):

DEPARTMENT OF DEFENSE \_\_\_\_\_

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

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:

Db: USS Missouri Memorial Association

Street Address: 63 Cowpens Street, Honolulu, HI 96818

Mailing Address:

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name MICHAEL CARR

Title President & COO

Phone # 808-455-1600 ext. 244

Fax # 808-455-1598

e-mail mikec@ussmissouri.org

3. TYPE OF BUSINESS ENTITY:

NON PROFIT CORPORATION

FOR PROFIT CORPORATION

LIMITED LIABILITY COMPANY

SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

BATTLESHIP MISSOURI: AIR CONDITIONER REPLACEMENT

4. FEDERAL TAX ID #: \_\_\_\_\_

5. STATE TAX ID #: \_\_\_\_\_

7. AMOUNT OF STATE FUNDS REQUESTED:

FY 2011-2012: \$ 160,000

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 \$ 160,000

FEDERAL \$ \_\_\_\_\_

COUNTY \$ \_\_\_\_\_

PRIVATE/OTHER \$ \_\_\_\_\_

[Redacted Signature]

AUTHORIZED SIGNATURE

MICHAEL CARR, PRESIDENT & COO  
NAME & TITLE

1/29/2011  
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

#### 1. Description of the applicant's background.

The mission of the Battleship Missouri is to create and maintain a fitting memorial to the people and historic events that reflect our nation's legacy of duty, honor, strength, sacrifice, and resolve. Representing the end of WWII with the signing of the surrender documents on the Mighty Mo, the Secretary of the Navy in 1996 approved the transfer of the Battleship to the stewardship of the USS Missouri Memorial Association (UMMA). The ship itself is a historic artifact placed on the National Register of Historic Places. Over 15,000 students in school groups throughout Hawaii and the US mainland and more than 420,000 visitors arrive annually to experience history. UMMA has been recognized with multiple awards, both locally and nationally, including national trust for Historic Preservation Honor Award, and Award of Merit for Group Achievement by the Secretary of the Navy – particularly noteworthy as the Battleship Missouri is not part of the Navy, federally funded, nor government sponsored.

The battleship U.S.S. MISSOURI (BB-63) is a signature vessel in the annals of the U.S. Navy; she signifies all of the design experience and material culture that both the U.S. Navy and the American people brought to bear in a very tenuous period of our country's history. Her design parameters were vigorously discussed, modified and expanded upon in the late 1930s into the time this class of ship was on the building ways in the early 1940s. Battleship Division and Fleet Commanders, the Bureaus of Ordinance and Engineering, and, most importantly, the Bureau of Construction and Repair (the precursor of the Bureau of Ships and later Naval Sea Systems Command) and the General Board all had important input to the final design.

#### 2. The goals and objectives related to the request.

On January 7, 2010 the Battleship Missouri returned from a three-month \$18 million drydocking – its first since 1992. The 887-foot "Mighty Mo," America's last battleship, returned to pier Foxtrot 5 at Ford Island with a new look, a new rate structure, a new entrance, a new enclosure for events on the fantail, new onboard restrooms, mooring chains instead of ropes, greater access on the second deck and a new enclosed entryway. Despite all of the drydock repairs and renovations, the air conditioning units which are used to cool the interior of the ship were not replaced. With many unexpected discoveries, dry docking funds were used to ensure that priority areas in need of urgent repairs were addressed. Last year, one of the two air conditioning units on the ship was repaired. However, during that repair, it was discovered that the second unit was not repairable. We are requesting funding support of \$160,000 for the replacement and installation of a second air conditioning unit that is used to cool the interior of the ship. The currently equipment is 10 years old and without replacement, the ship is at risk of being unable to serve the public. The cooling systems ensure that there is sufficient ventilation for the safety, welfare and comfort of both visitors and staff.

**3. State the public purpose and need to be served.**

This funding request will provide the necessary replacement of a second air conditioning unit that ensures the safety and welfare of the public. The Battleship Missouri is an economic engine that attracts more than 420,000 visitors each year. Recognized as one of the top 10 attractions in Hawaii, it employs more than 125 full and part time staff. Locally the ship is a collaborative educational venue that engages Pearl Harbor partners such as USS Arizona, Pacific Aviation Museum, and the USS Bowfin Memorial. Although the ship is a venue that seasonally records more than 500-1800 visitors per day, the education department is scaling the “Mighty Mo Campus” outreach programs to neighbor islands and school visits. Without the necessary replacement of the air conditioning units, adequate ventilation of the ship for visitors and staff will be compromised.

**4 & 5. Describe the target population to be served and the geographic coverage.**

Preservation of the ship is critical to serve future target populations. Our target population is two fold: future visitors over the next 15 years (an estimated 7 million people) and local kamaaina who have invested in the past 10 years in financial and volunteer service support (more than 100,000 people). By providing industrial funding, the integrity of the ship will be saved as well as the previous local investment of volunteer time and donation effort. Target segments include:

- 55,000 Volunteers
- More than 420,000 annual visitors, 500-1800 daily visitors during seasonal cycles
- 125 full and part time staff
- Thousands of local, national and international veterans
- More than 2000 living crew members who served on the ship
- More than 5000 military services personal through free daily outreach services for from re-enlistment to retirement ceremonies

**II. Service Summary and Outcomes**

**1. Describe the scope of work, tasks and responsibilities.**

Scope of work: Replacement and installation of an air conditioning unit that provide ventilation for the interior of the ship. The Missouri will appoint its Vice President and Chief of Engineering, Ron Chavez, to oversee the project. He will purchase the equipment, remove the old units and install the new replacement units.

**2. Projected Annual Timeline**

<b>Phase 1 Jul – Aug 2011</b>	<b>Phase 2 Sept 2011</b>	<b>Phase 3 Oct 2011 – Dec 2011</b>
Identify and purchase air conditioning unit	Remove unit	Install new unit

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

Monitoring the program will be the responsibility of the President and Chief Operating Officer, Mike Carr and the Vice President and Chief of Engineering, Ron Chavez. The US Navy standards and professional shipping industry evaluation methods of work will be applied.

**4. 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.**

Our measure of achievement and accomplishment is reported to our state agency sponsor, the Department of Defense. The measure of effectiveness will be quantified by the ability of the Missouri staff to deliver the project on-time and on-budget. It will also be measured by the effectiveness and efficiency of the new equipment, as well as its durability, reliability and life expectancy.

### **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 budget.

**2. The applicant shall provide its anticipated quarterly funding requirements for the fiscal year 2011-2012.**

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$160,000				\$160,000

### **IV. Experience and Capability**

#### **A. Necessary Skills and Experience**

The USS Missouri Memorial Association operates the Battleship Missouri after being designated by the Secretary of the Navy. While employing more than 125 full and part-time staff, the Battleship Missouri repaid the first business seed loan of \$5 million. The Battleship Missouri has been recognized locally and nationally with multiple honors including National Trust for Historic Preservation, *Preservation Honor Award*, Hawaii's *Governors Preservation Honor Award*, and an Award of Merit for Group Achievement by the Secretary of the Navy.

With an \$18 million dry docking completed, the board and management of the Association have the necessary skills and experience to oversee large repair and renovation projects.

## **B. Facilities**

The Battleship Missouri is moored at Ford Island Pearl Harbor, Pier 5. The facilities include first aid stations, flight simulator, onboard staterooms, mess decks, operations locations, and training rooms that have been EPA approved for use. For educational purposes, the venue offers authentic living and “laboratories” for radio/communications, computer/robotics (in development), WWII collections with oral history archives, a teacher resource library/database and two training rooms to deliver lessons in a classroom and experiential educational setting. We own and operate vans and shuttle services for transportation as needed.

Our partner settings (USS Bowfin Submarine Memorial, USS Arizona Memorial, Pacific Aviation Museum, and Bishop Museum) provide additional learning environments including video theaters, displays, Hawaiian artifacts from Pearl Harbor, and audio tours.

## **V. Personnel: Project Organization and Staffing**

### **A. Proposed Staffing, Staff Qualifications, Supervision and Training**

The following are key management, program and operations staff and their qualifications:

President and Chief Operating Officer, Michael Carr - More than 30 years experience in business, administration and operations with both local and national corporations. Previous executive and management experience includes General Manager of Polynesian Adventure Tours, one of the largest visitor industry transportation companies in Hawaii.

Vice President and Chief of Engineering, Ronald S. Chavez, U.S. Navy (Ret.) – More than 28 years of experience in ship maintenance and repair. Previous experience in the U.S. Navy includes service in Operations Desert Shield and Desert Storm in the Persian Gulf and Operation Allied Force in Kosovo. He also served as the project superintendent for Surface Ship Repair at the Pearl Harbor Naval Shipyard and Industrial Maintenance Facility, where he was responsible for repair and modernization of surface ships. This included coordinating and leading ship superintendents, port engineers, shop managers, cost advocates, suppliers, planners, quality assurance inspectors, safety managers and contracted personnel. Chavez also previously served as a quality assurance and electrical officer for Seal Delivery Vehicle Team One – Pearl Harbor, and as a hull and mechanical repair officer at the Shore Intermediate Maintenance Activity in San Diego, and the damage control assistant onboard USS Simon Lake.

Chavez retired in Jan. 2008, after 28 years in the U.S. Navy, including service in Operations Desert Shield and Desert Storm in the Persian Gulf and Operation Allied Force in Kosovo. Most recently, he served as the project superintendent for Surface Ship Repair at the Pearl Harbor Naval Shipyard and Industrial Maintenance Facility, where he was responsible for repair and modernization of surface ships. This included coordinating and leading ship superintendents, port

engineers, shop managers, cost advocates, suppliers, planners, quality assurance inspectors, safety managers and contracted personnel. Chavez also previously served as a quality assurance and electrical officer for Seal Delivery Vehicle Team One – Pearl Harbor, and as a hull and mechanical repair officer at the Shore Intermediate Maintenance Activity in San Diego, and the damage control assistant onboard USS Simon Lake.

He has his journeyman certification in sheet metal, and hull structural manufacturing and repair, and is certified as a high-pressure plate and piping systems welder. Chavez attended the Naval War College's surface warfare officer pipeline training for steam engineering systems and damage control assistants.

Vice President of Finance and Administration, Tom Manuel (CPA) - Over 30 years of experience in finance, accounting and business administration. Oversees the organization's finances and provides oversight of administrative functions. He has been with the organization since its inception.

## **B. Organization Chart**

Both the VP and Chief of Engineering VP of Finance and Administration report to the President and COO.

## **VI. Other**

### **A. Litigation**

No pending litigation. The Battleship Missouri's state business registration and federal 501 (c)(3) tax exempt status is in good standing.

### **B. Licensure or Accreditation**

The Battleship Missouri holds some special qualifications that are relevant to this request and help us insure the highest standards of operation:

- Registered National Historic Site.
- Annual Navy Standards review for battleships. Although a decommissioned ship, the Navy is invited to review our operations and make recommendations.
- Financial Policy Standards. We solicit and process donations in accordance with the International Association of Fundraising Professionals Standards of Ethics and adhere to the "Donor Bill of Rights".
- Security Guidelines. Our security department manages the operations in accordance with American Society of Industrial Security, Museum Security guidelines.

## BUDGET REQUEST BY SOURCE OF FUNDS

(Period: July 1, 2011 to June 30, 2012)

Applicant: USS Missouri Memorial Association

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Replace & install of air con unit	160,000			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	160,000			
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
<b>TOTAL (A+B+C+D+E)</b>	<b>160,000</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	160,000	<div style="background-color: black; width: 100px; height: 40px; margin: 0 auto;"></div> <div style="background-color: black; width: 100px; height: 40px; margin: 0 auto;"></div> <div style="background-color: black; width: 100px; height: 40px; margin: 0 auto;"></div> <div style="background-color: black; width: 100px; height: 40px; margin: 0 auto;"></div>		
(b)				
(c)				
(d)				
<b>TOTAL BUDGET</b>	<b>160,000</b>	Michael Carr, President and COO Name and Title (Please type or print)		

## BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: USS Missouri Memorial Association

Period: July 1, 2011 to June 30, 2012

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



## BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: USS Missouri Memorial Association

Period: July 1, 2011 to June 30, 2012

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Installation and purchase of air Conditioning Unit	1.00	\$160,000.00	\$ 160,000.00	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>	<b>1</b>		<b>\$ 160,000.00</b>	

**JUSTIFICATION/COMMENTS:**

Funding will be used to purchase, remove and install a new air conditioning unit

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>				

**JUSTIFICATION/COMMENTS:**

## BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Applicant: USS Missouri Memorial Association

Period: July 1, 2011 to June 30, 2012

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: 2009-2010	FY: 2010-2011	FY:2011-2012	FY:2011-2012	FY:2012-2012	FY:2013-2014
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION						
EQUIPMENT	\$250,000	\$60,000	\$160,000			
<b>TOTAL:</b>	<b>\$250,000</b>	<b>\$60,000</b>	<b>\$160,000</b>			
<p><b>JUSTIFICATION/COMMENTS:</b> Funds received in FY2008-09 were for preparing the Battleship for dry docking.</p> <p>Funds received in FY2010-2011 were for one new air conditioning unit. Funds requested for FY2011-2012 are for purchase and installation of second air conditioning unit.</p>						

**DECLARATION STATEMENT  
APPLICANTS FOR GRANTS AND SUBSIDIES  
CHAPTER 42F, HAWAII REVISIED STATUTES**

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawaii Revised Statutes:

- (1) 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;
- (2) Comply 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;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow 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.

In addition, a grant or subsidy may be made to an organization only if the organization:

- (1) Is incorporated under the laws of the State; and
- (2) 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.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

For a grant or subsidy 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.

MICHAEL CARR / USS MISSOURI MEMORIAL ASSN.

(Typed Name of Individual or Organization)



(Signature)

1/29/2011

(Date)

MICHAEL CARR

(Typed Name)

PRESIDENT & COO

(Title)