

Additional information regarding follow-up questions from the September BOT meeting relating to the USDA Brooksville Land Acquisition:

- 1) Attached is the proposed budget which reflects the “true cost of the operation” and the funding sources.
- 2) Attached is additional information about the renewable power.

Florida A&M University

FAMU-Brooksville Project
Proposed Budget FY 2014-2018

I. Capital Outlay	Year 1	Year 2*	Year 3	Year 4	Year 5
1. Conducting NEPA study	\$121,246	0	0	0	0
2. Conducting survey work	38,000	0	0	0	0
3. Repairs to infrastructures	0	50,000	30,000	25,000	25,000
4. Telecommunications and security equipment	0	32,000	20,000	10,000	5,000
5. Tractor @ \$55,000	0	55,000	55,000	0	0
6. Tractor - cab tractor @ 72,683	0	72,683	72,683	0	0
7. Farm loader	0	10,870	0	0	0
8. Single tine bale spread	0	1,000	0	0	0
9. Sitrex manual fold 17' tedder	0	6,500	0	0	0
10. Sitrex mower	0	12,500	12,500	0	0
11. Wheel rake	0	5,200	5,200	0	0
12. Baler	0	43,000	0	0	0
13. Tractor with front end loader and backhoe	0	0	27,000	0	0
14. Bush hog \$10,000	0	20,000	10,000	0	0
15. Trailer @ \$10,000	0	20,000	0	0	0
16. Disc harrow @ \$8,500	0	8,500	0	0	0
17. Rotovator @ \$9,500	0	0	9,500	0	0
18. Augur	0	3,000	0	0	0
19. Sub-soiler	0	0	4,500	0	0
20. Tools - for repair and maintenance	0	5,000	5,000	2,000	0
21. Trucks 2	0	0	0	0	0

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	Year 1	Year 2*	Year 3	Year 4	Year 5
22. Office furniture	0	5,000	3,000	0	0
23. Envir. site assessment (contingency)	17,162	0	0	0	0
24. Public meeting (contingency)	10,884	0	0	0	0
25. Miscellaneous	0	3,000	10,000	10,000	10,000
26. Contingencies 5%	9,365	17,663	13,220	2,350	2,350
Total:	\$196,657	\$370,916	\$277,603	\$49,350	\$49,350

II. Administrative/ Management Overhead	Year 1	Year 2*	Year 3	Year 4	Year 5
Personnel					
1. Plant Scientist @ \$65,000/yr.	0	0	65,000	65,000	65,000
2. Animal Scientist @ \$65,000/yr.	0	0	65,000	65,000	65,000
3. Research Associate @\$42,000/yr.	0	0	84,000	84,000	84,000
4. Crop Manager/Foreman @ \$65,000/yr.	0	0	0	65,000	65,000
5. Livestock Manager/Foreman @ \$65,000/yr.	0	16,250	65,000	65,000	65,000
6. Agricultural Assistant @ \$35,000/yr.	0	8,750	35,000	70,000	70,000
7. Office Assistant @\$25,000/yr.	0	6,250	25,000	25,000	25,000
8. Tractor Driver @ \$28,000/yr.	0	21,000	84,000	84,000	84,000
9. Farm Worker @ \$25,000/yr.	0	12,500	50,000	50,000	50,000
Fringe benefits 45%	0	29,137	212,850	257,850	257,850
Total:	0	93,887	685,850	830,850	830,850

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III. Operating Expenditure	Year 1	Year 2*	Year 3	Year 4	Year 5
1. Field supplies	0	10,000	50,000	50,000	50,000
2. Office supplies	0	900	3,600	3,600	3,600
3. Communications – internet, telephone etc.	0	1,500	6,000	6,000	6,000
4. Fuel and lube	0	6,000	24,000	24,000	24,000
5. Utilities	0	1,800	7,200	7,200	7,200
6. Trash collection	0	750	3,000	3,000	3,000
7. Maintenance and repairs – fence, equipment and buildings, etc.	0	10,000	10,000	10,000	10,000
8. Contingencies 10%	0	3,095	10,380	10,380	10,380
Total:	0	34,045	114,180	114,180	114,180

IV. Summary

Capital Outlay	196,657	370,916	277,603	49,350	49,350
Administrative/Management Overhead	0	93,887	685,850	830,850	830,850
Operating Expenditure	0	34,045	114,180	114,180	114,180
Total Expenditure:	\$196,657	\$498,848	\$1,077,633	\$994,380	\$994,380

Note

* Year 2 budget is for 3 months (Oct- Dec).

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V. Sources of Funds	Year 1	Year 2*	Year 3	Year 4	Year 5
Total Expenditure	220,000	498,848	1,077,633	994,380	994,380
Carry Over	0	23,343	0	0	0
Florida State Maintenance	0	0	250,000	250,000	250,000
FAMU Administration	220,000	475,505	827,633	744,380	744,380
Total Funds Available:	220,000	498,848	1,077,633	994,380	994,380
Total Expenditure	196,657	498,848	1,077,633	994,380	994,380

Note:

* Year 2 budget is for 3 months (Oct- Dec).

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Budget Narrative
Item Description/ Justifications

I. Capital Outlay

- 1 and 2 Necessary for NEPA study and survey work to fulfill requirements stipulated in the Memorandum of Understanding.
- 3 Needed for repairing existing office and lab buildings, and facilities – barns, sheds, storage, etc.
- 4 Needed to re-establish internet connections and telecommunications with main campus.
- 5 – 19 Needed for maintenance operations around existing buildings and facilities, and land preparation to conduct livestock and crop/plant research.
- 20 Needed for maintenance and repairs of equipment and machinery.
- 21 Needed for on the farm transportation of personnel and materials.
- 22 Includes desk, chairs, computers, telephones. Necessary to equipment office and make it operational.
- 23 May be required by Florida Department of Environmental Protection after NEPA study and transfer of land title.
- 24 May be necessary if requested by public and if determined necessary by USDA during the NEPA study.

II. Administrative/Management Overhead

- 1. Plant Scientist needed to conduct plant and agronomy research
- 2. Animal Scientist needed to conduct livestock research.
- 3. Research Associates needed to assist plant scientist and animal scientist to conduct research.
- 4 The Crop Manager will be responsible for the day-to-day operation of the field operations for crop research . He/she will be assisted by an Agricultural Assistant.
- 5. Livestock Manager will be responsible for the day-to-day operation of the livestock operations. He/she will be assisted by an Agricultural Assistant.
- 7. The Office Assistant is needed to answer telephone calls, maintain necessary records, and correspondence.
- 8 and 9 Personnel needed to do the necessary field operations – research and maintenance.

III. Operating Expenditure

- 1 Farm supplies and materials that are needed to establish and or maintain the pasture and field areas as well as those areas that will be used for livestock and crop research.
- 2 and 3 Needed to operate and maintain office and communication with main campus.
- 4 Needed for machinery and equipment for maintenance and field operations.
- 5 and 6 Needed to keep the center operational.

V. Sources of Funds

The College needs financial help from FAMU Administration to secure the land and to develop it into the FAMU-Brooksville Research and Education Center. During the first five years of operation, financial assistance is needed to cover the capital outlay, administrative and management overhead and operating expenditure. The amount needed is listed below:

Sources of Funds	Year 1	Year 2*	Year 3	Year 4	Year 5
Florida State Maintenance	0	0	250,000	250,000	250,000
FAMU Administration	220,000	475,505	827,633	744,380	744,380

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At the end of Year 2 (2015), we expect the land to be transferred to Florida A&M University and we will put our Plan of Work into operation. It will take about 1-2 years to get the area back into shape. We are discussing with Vet Power and Florida Black Farmers Association to participate in the Beginning Farmer and Beginning Rancher Program that will be initiated in Year 3 and expect the program to generate about \$100,000 per year beginning from year 4 onwards. We will be working to identify governmental agency grants, corporate and institutional partners who may be interested to develop research cum business projects that will generate additional revenue for the College. Any revenue generated will be used to improve and strengthen the academic, research and educational mission of the university.

Florida Agricultural and Mechanical University
Dr. Ray Mosley/ Dr. Taylor
Tallahassee, FL

September 15, 2014

Subject: Request for Written Authority for FAMU's Brooksville Site

Consistent with VetPower's Memorandum of Understanding, and our effort to assist in communicating the direction of the Brooksville site, we would like to start to move forward with our Renewable Energy strategy. The goal of our efforts will be to make these 3,800 acres financially sustainable. In order to be successful we need FAMU support to either lead/or assist VetPower with several projects/grant efforts. While there are many possibilities, we would to start the efforts on three such projects:

1. Solar Energy
2. Other Renewable Energies – Biofuels, etc
3. Aquaponics and Hydroponics

In order to start moving these conversations along we need several items:

1. Letter specifically allowing VetPower to discuss and negotiate on FAMU's behalf. Most notability to sign Non Disclosure Agreements (NDA) with various firms to discuss technology and financing options.
2. Notification of whom, on FAMU's staff will be the point of contact for this project.

I look forward to your positive response!

Charles E. Jones
VetPower/The Jones Group
(202) 486-8437