KAIO INDIA COMMUNITY TRANSFORMATION PROJECT

September 1, 2018

OVERVIEW

1. Project Background and Description

The East India Project came about as a result of the relationship established in 2012 with the team of The People Home Welfare Society of Epurupalem, Andhra Pradesh, India. It is a joint venture transformational project between Kaio India of Saskatoon, SK, and The People Home Welfare Society of Epurupalem, Andhra Pradesh, India.

2. Project Scope

The project involves development of a Children's Home and supporting infrastructure in Epurupalem, Andhra Pradesh. The overarching goal is the development of a self-sustaining ecosystem that will provide a safe home for severely at-risk children and widows while ensuring ongoing economic viability of the Home. This will be a replicable model for future implementation in other communities.

3. High-Level Requirements

The overall capital project includes the following:

- Dedicated parcel of land (approx. 40' x 150') in addition to existing titled property.
- Perimeter security fences.
- Aquaponics system.
- New bore well fresh water source.
- Supporting equipment, including diesel generator, air conditioning units and solar panels.
- Primary campus building housing community center/training facility and Children's Home.
- New building to house up to 60 residents.
- New household furniture, commercial kitchen equipment, solar power equipment, septic system, deep fresh water supply.
- New farm equipment and structures.

4. Deliverables

The project will provide the following benefits:

- Lighthouse Children's Home – providing a home for up to sixty (60) orphaned and/or abandoned children and housing/employment for up to twenty (20) staff, including ten (10) widows.
- Aquaponics Farm – providing fresh, low cost nutrition for residents, and staff, as well as generating revenue to meet ongoing operational budget.
- Retail vegetable sales– providing fresh, pesticide free vegetables to the community while generating local revenue to allow funds raised in Canada to support infrastructure instead of day to day operations.
- Chicken Farm – providing food for the residents as well as generating revenue to meet ongoing operational budget.
- Wider community economic growth– economic engagement with the surrounding community as a customer and supplier of goods.

5. Specific Steps of Project Scope

The project was originally divided into five (5) separate phases. There are now seven (7).

- The first phase consisted of raising funds and building the initial stage of the Children's Home, providing shelter for up to twelve (12) at-risk children. It also included the completion of the roof of the community/training center, which is connected to the Children's Home.
- The second phase included the construction of the pilot Aquaponics system and green house, including minor site levelling, security fence erection, and the construction of the initial system designed to provide food for the existing Children's Home.
- The third phase consisted of the purchase of a vacant lot across the road from the main campus to facilitate the construction of the commercial greenhouse and aquaponics system to increase production yield quantities. This system is enclosed by a brick security wall to protect the assets.
- The fourth phase was a completion of phase 1. We completed the community/training center to accommodate temporary sleeping requirements for older boys. The interior of this facility was finished to allow for occupancy.
- The fifth phase consisted of the addition of support infrastructure. It includes the purchase and installation of a standby generator and air conditioning units, and the installation of a new bore well.
- The sixth phase will consist of the construction of the new children's home and staff residence building.

- The seventh phase will consist of the development of the commercial food production project, which includes (a) the expansion of the aquaponics system and (b) construction of poultry farm operation.

6. Implementation Plan

- **Phase 1** commenced in May, 2013 with raising the funds from existing donor base to build Children's Home Stage 1. Completed construction October 2013.
- **Phase 2** commenced September 2013 with fundraising efforts and concluded with construction of pilot system and greenhouse. System was commissioned March 24, 2014.
- **Phase 3** commenced in January of 2014 with the purchase of a vacant lot. It was cleared and levelled. Local tradesmen were hired to build a perimeter security wall, larger fish tank, and pump/battery storage shed. A new standby generator was purchased as well. In February of 2015 a team from Canada built the new system, adding 40 new grow beds to the existing 8 from the pilot project.

  Highlights:

  - Property purchased, cleared and levelled
  - Security fence erected
  - New diesel Standby generator purchased
  - 48 grow bed solar powered aquaponics farm built and commissioned
  - Farm manager hired
- **Phase 4** Adjustments to the schedule were made due to ongoing evaluation of on-site needs. In order to accommodate the wider range of ages of children coming into the home, an interim solution was required that could be accomplished with available funds. A secondary need was met in that the community/training center became fully functional. Construction of the Children's Home expansion was postponed, and surplus funds raised were used to finish the community/training center. We were able to fund the installation of a concrete floor, install window security grates, complete electrical work, install entry doors and windows, and plaster the interior. This space now provides temporary sleeping space for our older boys.
- **Phase 5** was implemented in 2015, and involved the purchase and installation of a large standby generator, air conditioning units, and new shallow well to accommodate safety and health concerns.
- **Phase 6** will commence with the building of the new children's home and staff residence in December, 2018. The construction will be done by local tradesman under the supervision of the Director of Projects from the Canadian office, and in cooperation with our staff on the ground in India. The projected date of completion is September of 2019.
- **Phase 7** will begin in early 2019, starting with the full expansion of the aquaponics farm to allow for commercial production levels. It will also include the construction of a chicken farm. The construction will be performed by a Canadian installation team along with the local team under the supervision of our staff. Date of completion December 2019.

7. High-Level Timeline/Schedule

Ongoing planning of the project is currently under way. The timeline is as follows:

- Phase 1 Construction of Children's Home stage 1 – June, 2013. - ***Completed***
- Phase 2 Construction of Aquaponics pilot system – March, 2014. - ***Completed***
- Phase 3 Aquaponics Commercial expansion – February, 2015. – ***Completed***
- Phase 4 Completion of Community/Training Center – June, 2015 - ***Completed***
- Phase 5 Purchase and installation of support infrastructure – June, 2015 - ***Completed***.
- **Phase 6 Children's Home and Director's residence expansion – December, 2018.**
- **Phase 7 Expansion of food production project – Begin March, 2019**

8. Project Budget

- Phase 1
    - Demolition of old buildings $ 200.00
    - Construct foundation and walls $10,000.00
    - Construct roof over home and community center $ 7,000.00
    - Interior finishing and furnishings $ 2,000.00

      Subtotal Phase 1 **$19,200.00 Complete**

- Phase 2
    - Construct Aquaponics pilot project $1,200.00
    - Greenhouse $ 800.00
    - Perimeter security Fence $ 500.00

      Subtotal Phase 2 **$2,500.00 Complete**

- Phase 3
    - Purchase of Additional land $12,000.00
    - Greenhouse and Aquaponics expansion $10,000.00
    - Perimeter security fence $ 5,000.00
    - Bore Well $ 900.00

      Subtotal Phase 3 **$ 27,900.00 Complete**

- Phase 4
  - Completion of Community/Training Center $6,500.00

    Subtotal Phase 4 **$6,500.00 Complete**
- Phase 5
  - Standby generator $ 7,000.00
  - Air conditioning units $ 4,000.00
  - New well for children's home $ 1,000.00

    Subtotal Phase 5 **$12,000.00 Complete**
- **Phase 6**
  - **Expansion of Children's Home Capacity** **$120,000.00**
  - **Furnishings/equipment/infrastructure** **$ 80,000.00**

    Subtotal Phase 6 **$200,000.00**

- **Phase 7**
  - **Expansion of Aquaponics farm, incl. greenhouse** **$ 30,000.00**
  - **Purchase of land/buildings for chicken farm** **$ 30,000.00**
  - **Equipment, inventory and related startup costs** **$ 40,000.00**

    Subtotal Phase 7 **$100,000.00**

TOTAL PROJECT COSTS	**$368,100.00**
TOTAL FUNDS RAISED TO DATE	**$143,100.00**
TOTAL PHASE 6 TO DATE	**$ 75,000.00**
FUNDS STILL REQUIRED FOR PHASE 6	**$125,000.00**
FUNDS REQUIRED FOR PHASE 7	**$100,000.00**
TOTAL OVERALL FUNDS STILL REQUIRED	**$225,000.00**