

State of Alaska FY2002 Governor's Operating Budget

Department of Community & Economic Development
Alaska Aerospace Development Corporation
Budget Request Unit

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BRU Mission

To promote aerospace related economic growth and to develop corresponding technologies and support services.

BRU Services Provided

Provide rocket launch services to government and commercial customers, assist university, federal, and private organizations in developing aerospace technologies, provide educational opportunities within the state and promote Alaska as the ideal location for aerospace activities.

BRU Goals and Strategies

Guide existing programs to demonstrate success at the Kodiak Launch Complex, and as such, garner new launch contracts providing long-term Alaska business.

Encourage commercial ground station development in Fairbanks due to expanding remote sensing industry and advanced imagery processes.

To continue development of KLC.

- Promote use of Alaska's spaceport while continuing to secure and broaden the KLC launch customer base.
- Continue implementation of marketing and commercialization of KLC.
- Install two range safety systems; one at KLC and second down range (Cordova is targeted location).
- Proactively explore KLC site development opportunities in national and commercial arenas.

To increase local opportunities to support aerospace activities.

- Continue to encourage local opportunities to support launch operations.
- Encourage aerospace industry to develop ongoing business presence within the State.
- Utilize local contractors to support launch missions from the KLC.
- Begin acquiring necessary components to develop a short-term and long-term land use plan at KLC site; promoting spin-off resources to support launch customers.

To provide educational opportunities throughout the state.

- Encourage launch customers to visit local schools and provide educational information related to launch missions from the KLC.
- Develop curriculum to conduct school hands-on tours of KLC.
- Research opportunities to create a student mentorship program.

Fully activate KLC facilities making it a totally self-sufficient, all-weather spaceport for suborbital and orbiting vehicles.

Effectively demonstrate KLC's assets, features and benefits as Alaska's ability to redefine launch services in the US; providing cost effective access to space.

To manage the KLC facilities in a cost-effective manner utilizing a combination of staff support and contractual launch support services.

Key BRU Issues for FY2001 – 2002

See components.

Major BRU Accomplishments for FY2000

See components.

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BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures												
None.												
Non-Formula Expenditures												
AADC Language	0.0	0.0	0.0	0.0	0.0	0.0	200.0	200.0	0.0	0.0	2,800.0	2,800.0
AK Aerospace Development Corp	0.0	0.0	758.4	758.4	0.0	0.0	743.0	743.0	0.0	0.0	858.1	858.1
AADC Facilities Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	897.4	897.4	0.0	0.0	1,291.1	1,291.1
Totals	0.0	0.0	758.4	758.4	0.0	0.0	1,840.4	1,840.4	0.0	0.0	4,949.2	4,949.2

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Proposed Changes in Levels of Service for FY2002

- New Positions and Related Expenses -- With the launch site transitioning from a construction project to a revenue producing enterprise, the AADC Board of Directors has determined the need for additional staff to support the administrative, operational and maintenance demands of the Corporation. Increments are requested that would fund two positions in Anchorage: Deputy Director and a Procurement Specialist; and four positions at the Kodiak Launch Complex: Facilities Engineer, Mechanical Technician, Documentation Specialist, and Secretary. Increased contractual services authorization is also sought due to additional launch activities and an increase in the insurance costs. Funding source is AADC corporate receipts.
- AADC Facilities Maintenance Fund Source Change -- This budget component was established in the FY 2001 budget to accurately capture the costs of the Kodiak Launch Complex (KLC). In FY 2001 federal funds have been utilized to fund a portion of operations of KLC as it moved from construction phase to operational phase of the project. The construction project is complete in FY 2001. Since the KLC will be in its operational phase in FY2002, administrative costs of running the facility will be paid from AADC corporate receipts.

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Summary of BRU Budget Changes by Component

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	1,840.4	1,840.4
Adjustments which get you to start of year:				
-AK Aerospace Development Corp	0.0	0.0	-1.3	-1.3
Adjustments which will continue current level of service:				
-AK Aerospace Development Corp	0.0	0.0	-86.3	-86.3
-AADC Facilities Maintenance	0.0	0.0	103.2	103.2
Proposed budget increases:				
-AADC Language	0.0	0.0	2,600.0	2,600.0
-AK Aerospace Development Corp	0.0	0.0	202.7	202.7
-AADC Facilities Maintenance	0.0	0.0	290.5	290.5
FY2002 Governor	0.0	0.0	4,949.2	4,949.2