

State of Alaska FY2005 Governor's Operating Budget

Department of Community & Economic Development Alaska Aerospace Development Corporation Results Delivery Unit Budget Summary

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Alaska Aerospace Development Corporation Results Delivery Unit

Contribution to Department's Mission

Establish and operate a commercial launch facility promoting aerospace-related economic growth and developing corresponding technologies and support services and strengthen Alaska technological infrastructure.

Core Services

Rocket launch services.

End Results	Strategies to Achieve Results
<p>(1) Strengthen Alaska's technological infrastructure.</p> <p><u>Target:</u> 10% increase by FYE 05. <u>Measure:</u> % change in hi-tech jobs in AADC.</p>	<p>(1) Develop state of the art Range Safety and Telemetry System.</p> <p><u>Target:</u> DoD certification. <u>Measure:</u> DoD certification approval.</p>

Major Activities to Advance Strategies

- Develop specification for integrated, GPS based range safety and telemetry system.
- Purchase and accept delivery of system.
- Train workforce.
- Lead coordination efforts w/DoD entities.

FY2005 Resources Allocated to Achieve Results

<p>FY2005 Results Delivery Unit Budget: \$22,174,900</p>	<p>Personnel:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Full time</td> <td style="text-align: right;">33</td> </tr> <tr> <td style="padding-left: 20px;">Part time</td> <td style="text-align: right;">1</td> </tr> <tr> <td style="padding-left: 20px;">Total</td> <td style="text-align: right; border-top: 1px solid black;">34</td> </tr> </table>	Full time	33	Part time	1	Total	34
Full time	33						
Part time	1						
Total	34						

Performance Measure Detail

(1) Result: Strengthen Alaska's technological infrastructure.

Target: 10% increase by FYE 05.

Measure: % change in hi-tech jobs in AADC.

Analysis of results and challenges: This is a new measure and will be calculated starting in FY04.

(1) Strategy: Develop state of the art Range Safety and Telemetry System.

Target: DoD certification.

Measure: DoD certification approval.

Analysis of results and challenges: This is a new measure and will be calculated starting in FY04.

Key RDU Challenges

AADC's biggest challenge in the coming year is to internally align business practices and integrate new staff to meet the expectations of the anchor tenant, the Missile Defense Agency. The pace of operations will roughly double over the previous year. The AKSAS financial system does not meet AADC's customer requirements or AADC's needs. AADC is currently working with the administration to move financial management to AADC's customer approved systems. Staff size will roughly double in order to meet the new requirements of the customer. The process of training and integrating the new staff into the existing organization is a competing priority for executive attention, but necessary for long term customer satisfaction.

Approximately 20 miles of road leading to the Kodiak Launch Complex (KLC) is unpaved. In its current unpaved state, the road presents a serious safety hazard to personnel transportation and equipment logistics. AADC is currently engaged in discussion of the issues with the administration and DOT/PF.

Significant Changes in Results to be Delivered in FY2005

AADC signed a 5 year contract with the Missile Defense Agency (MDA). AADC is expected to support up to three launches a year and to specifically fulfill the MDA contractual requirements. Six additional staff are requested. AADC staff and contractors will attend planning meetings throughout the year. Increases in contractual services and supplies costs are due to the level of support required by the launch customer. Increments for six positions and customer support expenditures are requested for FY05.

Major RDU Accomplishments in 2003

AADC secured a 5-year anchor tenant contract for the Kodiak Launch Complex. This will provide for maintaining the facilities in a ready state, allow AADC to tailor it's planning activities and stabilize a workforce.

In close coordination with the DNR, AADC added over 600 acres to its Interagency Land Management Agreement. This additional land provided the optimal location for the new instrumentation field.

Construction was completed on the KLC Instrumentation Field. This new installation increases KLC's capabilities and provides for optimum line of sight communications for both range safety and telemetry functions. KLC customers began utilizing this installation within weeks after its' completion.

AADC provided extensive support to the Missile Defense Agency's preparation of an Environmental Impact Statement for the Ground Based Mid-Course Defense Test Bed.

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**Alaska Aerospace Development Corporation
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2003 Actuals				FY2004 Authorized				FY2005 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												
AK Aerospace Development Corp	0.0	0.0	1,134.3	1,134.3	0.0	0.0	1,648.9	1,648.9	0.0	0.0	2,033.3	2,033.3
AADC Facilities Maintenance	0.0	0.0	2,554.4	2,554.4	0.0	0.0	10,592.8	10,592.8	0.0	0.0	20,141.6	20,141.6
Totals	0.0	0.0	3,688.7	3,688.7	0.0	0.0	12,241.7	12,241.7	0.0	0.0	22,174.9	22,174.9

**Alaska Aerospace Development Corporation
Summary of RDU Budget Changes by Component
From FY2004 Authorized to FY2005 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2004 Authorized	0.0	0.0	12,241.7	12,241.7
Adjustments which will continue current level of service:				
-AK Aerospace Development Corp	0.0	0.0	30.9	30.9
-AADC Facilities Maintenance	0.0	0.0	45.3	45.3
Proposed budget increases:				
-AK Aerospace Development Corp	0.0	0.0	353.5	353.5
-AADC Facilities Maintenance	0.0	0.0	9,503.5	9,503.5
FY2005 Governor	0.0	0.0	22,174.9	22,174.9