

# Cavalier County JOB DEVELOPMENT AUTHORITY

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**U.S. Department of Commerce Economic Development Administration  
Economic Adjustment Assistance Award to:**

**Cavalier County (North Dakota) Job Development Authority (CCJDA)**

*and*

**The University of North Dakota (UND) Department of Aerospace Sciences  
Award # 05-69-04785**

The funds from this project will allow CCJDA and UND to conduct a feasibility study leading to the potential re-development of the Stanley R. Mickelsen SAFEGUARD Complex (SRMSC) at Nekoma, ND, for use as a premier research center for Un-manned Aerial Systems.

**Draft Final Report – March 29, 2011**

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***This Report was Prepared Under an Award from the  
U.S. Department of Commerce Economic Development Administration***



**RE-DEVELOPMENT OF THE STANLEY R. MICKELSEN**  
**SAFEGUARD COMPLEX, NEKOMA, ND**

***U.S. Department of Commerce Economic Development Administration***  
***Economic Adjustment Assistance Award #05-69-04785***

***Project Description: The investment funds a joint study by the Cavalier County Job Development Authority and the University of North Dakota to develop a former Department of Defense missile site, the Stanley R. Mickelsen SAFEGUARD Complex (SRMSC) into a premier research location for unmanned aircraft systems. The redeveloped site will advance innovation and entrepreneurship, provide opportunities for higher-skill, higher-wage jobs, and help to diversify the regional economy, which is currently heavily dependent on natural resources.***

***This publication was prepared by the Cavalier County Job Development Authority. The statements, findings, conclusions and recommendations are those of the author(s) and do not necessarily reflect the views of the Economic Development Administration.***

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## **Abstract**

*The Cavalier County Job Development Authority (CCJDA) in Langdon, North Dakota, and the University of North Dakota School of Aerospace Sciences Center of Excellence for UAS & Education applied to the USDOC EDA for funds in the amount of \$107,662.00, matched with \$107,662.00, to conduct a feasibility study leading to the re-development of the former Stanley R. Mickelsen SAFEGUARD Complex (SRMSC) at Nekoma, ND. The SRMSC was the location of the only anti-ballistic missile system fully deployed by the USA. The SRMSC Redevelopment Study was completed April 30, 2010.*

The SRMSC was held as a location for defense deployment until 2003, when treaties were abrogated. The site was declared to be Excess Property in November, 2004.

The acquisition and redevelopment of SRMSC is a top priority of the *Cavalier County Strategic Plan*. The emerging Un-manned Aerial Vehicle & Systems industry, and the related research and development create unlimited opportunity for SRMSC to become a premier location as a UAVS Research Park.

UND has become a leader in UAVS research. The unique partnership with CCJDA and SRMSC will support the attraction of the UAS industry to North Dakota.

## **Executive Summary**

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The U.S. Department of Commerce Economic Development Administration Economic Adjustment Assistance Grant awarded to the *Cavalier County Job Development Authority (CCJDA)* and the *University of North Dakota School of Aerospace Science Center of Excellence for UAS Research & Education (UND/COE)* has succeeded in positioning North Dakota to be a leader in the emerging UAS industry.

The grant resources primarily allowed CCJDA and UND/COE to work with consulting firm *Systems Engineering & Technology (SeaTec)* to conduct a feasibility study leading to the redevelopment of the former *Stanley R. Mickelsen SAFEGUARD Complex (SRMSC)* into a premier research park for unmanned aircraft systems, followed by opportunities for commercial development. The development of SRMSC will provide a significant economic impact to the communities of Cavalier County and Grand Forks as well as North Dakota, fostering high-skill, high-wage jobs; a tourism impact through development of the SRMSC historical significance; training opportunities for multiple agencies; and entrepreneurial business development. The SRMSC Redevelopment Study was completed April 30, 2010.

CCJDA and UND will partner with local, state and Federal Government leaders and resources on the SRMSC redevelopment by focusing on three missions:

- 1) Technology – to provide a research and development center and test bed for Unmanned Aerial Systems (UAS) and other non-UAS technologies.**
- 2) Education – to provide learning opportunities for North Dakota students of all ages.**
- 3) Historic Preservation – to maintain remaining structures and to interpret SRMSC's role in the Cold War for public interest and benefit.**

The SRMSC Redevelopment Study addressed the capability of the 430-acre site to support the three missions and found that with some modifications, the infrastructure can be brought up to current standards while providing room for future growth.

Grant activities prepared the groundwork for other areas, in addition to the SRMSC Redevelopment Study.

CCJDA plans to become the new owner of SRMSC (currently considered an “excess property” by the Department of Defense), and as such has invested extensive time into preparing to work with Government Services Agency to acquire the property.

CCJDA, UND and SeaTec have prioritized and provided the leadership for additional actions necessary for UAS development in North Dakota, including:

- **Identification of a Redevelopment Partner – URS Corporation was selected February 23, 2011.**
- **Statewide Airspace Access Advocacy with FAA – Initiative to offer North Dakota skies as a test bed for integrating UAS into National Airspace.**
- **Marketing of SRMSC – Recruitment of research, military, educational, and business tenants.**
- **Engineering Study – Led by URS, leading to Master Plan (design, schematics and drawings) for SRMSC.**

Critical to continued advancement related to this project will be successful acquisition of the SRMSC site, funding availability, advancing University research programs and airspace access.

CCJDA and UND feel that the EDA allowed us to go beyond our initial expectations, and has allowed us to position our community, region and state to attract the rapidly emerging UAS industry to North Dakota.

## BACKGROUND

The Stanley R. Mickelsen SAFEGUARD Complex (SRMSC) was built during the Cold War in the early 1970's as America's first operational anti-ballistic missile (ABM) defense system. The complex was briefly operational until changing defense priorities and new treaties resulted in its shutdown. Recently, the Army declared SRMSC to be excess property, and plans are now being formulated to transfer ownership to the Cavalier County Job Development Authority, according to the Department of Defense standard Excess Property Process.

The complex is comprised of a main 430-acre Missile Site Radar (MSR) facility located near Nekoma, North Dakota, and four Remote Sprint Launchers (RSLs), located 10-20 miles away in Cavalier, Walsh, and Ramsey Counties. The MSR facility and one of the RSLs retain most of their original buildings, roads and infrastructure.

A number of government agencies, community leaders and commercial entities have identified future uses for the complex. There is considerable interest in Unmanned Aerial Systems (UAS) research and operations, education, technology development, light manufacturing, and training.

CCJDA has partnered with the University of North Dakota (UND) and state, local, community and Federal Government leaders to create a plan to redevelop SRMSC with emphasis on three missions:

- 1. Technology – to provide a research and development center and test bed for Unmanned Aerial Systems (UAS) and other non-UAS technologies, bringing high skill, high wage jobs into the area.**
- 2. Education – to provide learning opportunities for North Dakota students of all ages.**
- 3. Historic preservation – to refurbish and maintain remaining structures and to interpret SRMSCs' role in the Cold War for public benefit.**

## SCOPE OF WORK

Project Number: 05-69-04785

*The Scope of Work for the Re-Development of the Stanley R. Mickelsen SAFEGUARD Complex encompasses nine (9) goals. The EDA Final Report provides specific information on the activities and accomplishments of each goal as follows:*

### 1. Request for Proposal/qualification process

*a. The recipients will solicit an RFP/RFQ from consultants experienced in transforming military property for commercial development.*

**Accomplishments: The Cavalier County Job Development Authority (CCJDA) and the University of North Dakota Center of Excellence for UAS Research & Education (UND-COE/UAS) solicited a Request for Proposal.**

The Cavalier County Job Development Authority (CCJDA) and the University of North Dakota Center of Excellence for UAS Research & Education (UND COE) received notice of the U.S. Department of Commerce Economic Development Administration Financial Assistance Award September 18, 2009. The CCJDA/UND partnership, represented by Carol Goodman and Doug Marshall respectively, immediately circulated a Request For Proposal (RFP) to twelve (12) in-state and national firms known to have experience in transforming military property for commercial development, and who were also known to be building their presence and expertise in UAS. *This EDA Grant Award #05-69-04785 Scope of Work constituted the RFP.* The 12 companies, and their geographical locations, included:

- Kadrmas, Lee & Jackson – Bismarck, ND
- Simat, Helliesen & Eichner, Inc. – Cambridge, MA
- Modern Technology Solutions, Inc. – Alexandria, VA
- JSWalkerGroup – Lancaster, PA
- New Vistas International – Austin, TX
- Aviation Management Associates, Inc. – Alexandria, VA
- Systems Engineering & Technology – Bellvue, WA
- Widseth Smith Nolting – Grand Forks, ND
- Wenck, Inc – Bismarck, ND

- CEO Praxis – Grand Forks, ND
- Eide Bailley - Fargo, ND
- Ulteig Engineers – Fargo, ND

*b. Upon review of the consultant responses, the recipients will select the partner consultant.*

**Accomplishments: CCJDA and UND/COE-UAS selected Systems Engineering & Technology LLC and their two project partners, The Padina Group, and Butcher, Willis and Ratliff Corporation to complete the SRMSC Re-development Study, from here on called “The Study” in this report.**

Three companies led by Systems Engineering & Technology LLC (SeaTec), responded as a consortium for the project. The Padina Group, and Bucher, Willis & Ratliff Corporation are the two other consortium partners. *SeaTec* has led or been involved in large integrated aerospace technology programs since its inception in 2000, and is represented by Senior Consultant Don Ferrel and Program Management & Integration Senior Consultant Dobrila Istocki. *The Padina Group* (TPG) is focused on un-manned aviation and are proven experts with access to the worlds’ top regulators, industry leaders, innovators, policy makers, financial managers and business developers. John Walker represents TPG as well as the JS Walker Group, and is currently the co-leader of the federal RTCA(Radio Technical Commission for Aeronautics, organized in 1935) Special Committee (SC-203) which is leading the nation in developing operational concepts and recommended standards for UAS operations. RTCA is a private, not-for-profit corporation that develops consensus-based recommendations regarding communications, navigation, surveillance, and air traffic management system issues. *Butcher, Willis & Ratliff* (BRW) Corporation, established in 1957, provides comprehensive Airport and Aviation Services and is represented by Charles Riordan, who is a Project Manager for BWRs’ Airport Planning Team, and who has over 19 years of aviation experience. CCJDA and UND were in unanimous agreement to retain the services of the consortium of SeaTec, The Padina Group and BWR. **See Attachment B for SeaTec proposal.**

*c. The recipients will negotiate with, and contract consultant(s) to perform the activities as outlined in the Scope of Work.*

**Accomplishments: CCJDA and UND-COE/UAS negotiated the contract with SeaTec, effective October 28, 2009.**

The SeaTec proposal was the only proposal that was submitted, but was preferred by CCJDA and UND/COE because of the broad experience of the partners. We had other potential interest, one who indicated he could not submit a proposal due to a perceived conflict of interest (he's a member of the ND State Board of Higher Education), and one company that decided after a phone call with CCJDA that they didn't have the expertise. **See Attachment C for CCJDA/SeaTec consulting agreement.**

*d. The recipients will provide EDA a copy of the RFP/RFQ and the top two qualifying consultant candidates for consideration and approval prior to signing the contract.*

**Accomplishments: CCJDA and UND-COE/UAS reviewed the contract with Jodi Duncan/Program Specialist/EDA Denver Regional Office, followed by contract review by our respective legal advisors and final signatures.**

The proposal was reviewed with Jodi Duncan, via e-mail October 13, 2009. Even though the Scope of Work specified consideration of the top two proposals, CCJDA and UND-COE/UAS recommended to EDA that the consortium of SeaTec, TPG, and BWR was more than adequate in the services and expertise they could provide. We then proceeded to finalize a contract with them. **See Attachment B for a copy of the SeaTec proposal, dated October 2, 2009, and Consulting Agreement, Attachment C, dated October 28, 2009.**

Activities under our contract with SeaTec fell into two main categories:

-The initial action with SeaTec was the preparation of the SRMSC Re-development Study, which was launched in November, 2009, and completed April 30, 2010. **See Attachment D for the completed SRMSC Re-development Study.**

-The "Pathfinder" category, which included the activities of 1) Identification of a Re-development Partner, 2) FAA Advocacy for Airspace Access, 3) marketing the completed SRMSC Re-development Study, and 4) A Civil Engineering Study. **See Attachment D, Section 13 – "Next Steps: Pathfinder Tasks, pp. 38-40, of the SRMSC Re-development Study.** "Pathfinder" activities were conducted from May, 2010, to March 29, 2011.

## 2. Coordinate Acquisition and Transfer of Ownership of SRMSC.

- a. *The recipients and consultant will participate in the Excess Property Process, led by the U.S. Army Installation Management Office Property Disposal/Transfer team.*

**Accomplishments:** CCJDA and UND-COE/UAS have no direct control over the Excess Property Process, but we have participated in the Excess Property Process through conference calls and on-SRMSC-site tours and meetings, and by providing relevant information to the Disposal Process Team. The Team has recognized the potential of SRMSC UAS development, cooperated fully in understanding our needs, and have communicated with CCJDA and UND accordingly as they have proceeded with their responsibilities. The Report of Excess was initially targeted for completion in July, 2010; however, the ROE remains under review by the U.S. Army Corps of Engineers at the time of this Draft Final EDA Report (March 29, 2011), and we have no definite date as to when the ROE will move on to General Services Administration (GSA) for disposal.

However, in *preparation* for negotiations with GSA, CCJDA has proceeded to accomplish the following activities:

The Stanley R. Mickelsen SAFEGUARD Complex at Nekoma, ND, was declared to be "Excess Property" in 2004. The standard process is led by the U.S. Army Installation Management Office Property Disposal/ Transfer team. CCJDA and our community had identified the re-development of the site as a priority in our 2001 Cavalier County Strategic Plan, and had monitored the status of the site all the way back to its' active role as a defense site in the 1970's. We had actively participated in and facilitated activities with DOD and the Space & Missile Defense Command throughout the 1990's up to the present day, including a 3-year Environmental Impact Statement process in 1998 when SRMSC was under consideration as a location for a new missile defense system, also meeting with then-National Security Advisor Sandy Berger in 1999 to encourage development of the site. The SRMSC was protected as a potential site under the SALT Treaties until those treaties with the former Soviet Union were abrogated in 2003. In 2004, SRMSC was subsequently declared "Excess Property." Due to the interest of UND-COE/UAS to use the property in the development of UAS capabilities, the

acceleration of the disposal process began in 2007. The U.S. Army Installation Management Property Disposal/Transfer (Installation Management) Office set aside funds to begin the actual Report of Excess (ROE) process July 1, 2009, to coincide with CCJDA/UNDS' pending Economic Development Administration grant application, which was awaiting a Notice of Investment Award. The ROE components were addressed by several teams of independent contractors that coordinated their work with Kaya Associates, the caretaker of SRMSC and their on-site manager, Jerry Greenwood. Throughout July, August and September, 2009, those teams visited and inspected the SRMSC site to document information, and as we began our work with EDA Grant Award #05-69-04785 and with SeaTec, the two efforts cooperated by sharing and confirming relevant information. In October, 2010, the ROE was forwarded to the Corps of Engineers for any environmental or infrastructure action. Once the ROE is reviewed by the Corps and plans are made to mitigate any issues, it then moves to Government Services Administration for transfer of ownership. Even though CCJDA and/or UND-COE/UAS have no direct influence over the Excess Property Process, it has, for the most part, taken place concurrently with the Re-development effort for SRMSC. The ROE team has been very cooperative and understanding of the North Dakota interest in acquiring the site for UAS development. The progress of the Report of Excess has been continually tracked through Jerry Greenwood and the ROE team by phone call and emails.

The Installation Management Office continued to move the Report of Excess through channels in August and September, 2010. We received word that the ROE had been sent to the Corps of Engineers October 1, 2010. As of March 29, 2011, to our knowledge, the ROE has not been forwarded to GSA, and we are not able to see the report until that happens. The team leader for the ROE process, John Corridetti, visited the SRMSC site September 17, 2010, and met with CCJDA and site management representatives. We are ready to begin our negotiations with GSA as soon as they are in a position to begin the Excess process. **See Attachment A for GSA Disposal Process.**

AGEISS Inc. was contracted by the Installation Management Office to do the Environmental Analysis (EA) for the SRMSC site as part of the Excess Property Process. AEGISS is a woman-owned and operated, certified small business, and graduate of the 8(a) program, specializing in engineering and environmental services for the Federal government. CCJDA met with Wendy Arjo of Ageiss August 25, 2009, and explained our re-development plan for the site. When The

Study was completed (April 30, 2010) we submitted it to her and she included it in the EA as a potential re-use scenario, which essentially submitted our SRMSC re-use plan, at least initially, to the Government Services Agency.

b. *The recipients and consultant will research and determine the most feasible ownership structure for the Cavalier County Job Development Authority to assume ownership.*

**Accomplishments: The Cavalier County Job Development Authority Board of Directors, UND-COE/UAS, ND Department of Commerce and SeaTec have reached consensus that the Cavalier County Job Development Authority is the most logical entity to assume ownership of SRMSC.**

**CCJDA will assume ownership of the SRMSC “package”, the 430-acre Missile Site Radar Complex at Nekoma, ND, as well as the four Remote Launch Sites (about 20-30 acres each) in Cavalier, Ramsey and Walsh counties. Government Services Agency will only transfer the intact package, not just “pieces.”**

The Cavalier County Job Development Authority is the most likely and logical eventual owner of SRMSC for the following reasons:

- CCJDA is the economic development agency for Cavalier County.
- There is a critical need to develop a premier UAS research test-bed to advance the UAS industry.
- SRMSC is located in Cavalier County.
- CCJDA officially identified SRMSC for future development in 2001, when the project was included in the comprehensive Cavalier County Strategic Plan.
- CCJDA is an arm of county government, with the existing structure, strategic plan and staff in place to carry out the re-development.
- As an economic development agency, CCJDA qualifies for numerous funding sources that will be necessary to carry out the SRMSC re-development.
- The State of North Dakota and the ND University System prefer local ownership and leadership.
- Government-to-government property transfer can have fewer complications.
- CCJDA has developed the vision for re-development.

- CCJDA has developed relationships with state and federal agencies, the ND University System, and UAS industry leadership.
- ND Century Code allows Job Development Authorities to own property.  
**See Attachment E for Century Code language (11-11.1-03.5).**

The CCJDA structure is in place to hire consultants, engineers and contractors; negotiate lease and user fees; hire employees; manage the site and recruit research and business users of many types. Discussions with SeaTec, UND, and industry contacts suggest we may find private sector companies interested in partnering with CCJDA for development of the site; however, no official actions can occur until negotiations with GSA begin. The final transfer of ownership will be the responsibility of GSA and until the process is in their hands (date unknown as of the March 29, 2011 Final EDA Report), it is unknown what the cost will be to obtain the property. However, portions of the site could be deemed “historical” because of the key role SRMSC played in the defense of the United States, or “educational” because of the connection to the University of North Dakota and the training and informational programs that are envisioned to take place at SRMSC. If that is GSA’s determination, most, if not all, of the property *could* transfer at little or no cost. Since it has been a government property since 1970, it has no recent assessment for the Cavalier County property tax base, and the most likely land evaluation category would be “hay land,” which has a per acre county value of approximately \$325.00/acre. At that value the 430-acre SRMSC site at Nekoma would have a total purchase price of approximately \$139,750, LESS the historical and educational value. Until the Report of Excess is in the hands of GSA, we will not know under what conditions the property will transfer. In addition, GSA has discussed the possibility of individual interim leases with entities that would want to be operational at SRMSC before GSA transfers the property, with those leases transferring to CCJDA at the time of acquisition. Specifically, GSA has had talks with Laserlith Corporation, a CCJDA business client, to lease the former bomb bunkers for research, testing and development of munitions safety devices. Laserlith has centers in California and Grand Forks, ND.

Laserlith has collaborated with the Cavalier County Job Development Authority to ramp up a packaging/testing facility at SRMSC, using the former bomb bunkers as a location. They need a fortified facility for packaging energetic materials for MEMS-based fuses and for testing of these devices for the Navy.

FY11 will focus on facilitation and equipment qualification. Laserlith would conceivably be one of the first tenants once the property is acquired.

Laserlith and GSA negotiated a lease agreement during 4<sup>th</sup> Quarter, 2010, contingent upon the completion of the Excess Property Process.

The ownership history of SRMSC is as follows:

- Pre-1970 – Privately owned farmland
- 1970-1980 – United States Army
- 1980-1990 – U.S. Department of the Interior, in use 3 years as a Job Corps site
- 1991-2003 – Space & Missile Defense Command
- 2004-to present – U.S. Army, BRAC Office

*c. The recipients and consultant will identify necessary funding resources to allow CCJDA to assume ownership.*

**Accomplishments: CCJDA , UND-COE/UAS and SeaTec have identified potential funding resources to assist in purchase of SRMSC and to complete the tasks in the “Pathfinder Stage” as identified in Goal #1/d, and as outlined in Attachment D, SRMSC Re-development Study, Section 13-“Next Steps: Pathfinder Tasks, pp. 38-40. Several financial commitments have been secured, some are pending and additional negotiations will continue beyond the life of the EDA Award #05-69-04785.**

Sources have been identified that *will* provide funds to purchase and/or develop SRMSC as of March 29, 2011:

-State: Governors’ Office and ND Department of Commerce - \$50,000 (for the Civil Engineering Study)

-Local: CCJDA, Economic Development Funds - \$50,000

-Private Sector partners –

United Communications - \$12,500

Cavalier Rural Electric - \$10,000

Choice Financial - \$10,000

Private individual - \$10,000

Polar Communications - \$12,000

-State funds for Airspace Access Advocacy - \$100,000

Sources of funds that are **pending** to purchase/develop SRMSC as of March 29, 2011:

- United Communications-\$12,500
- Polar Communications - \$12,000
- Otter Tail Power Company - \$25,000
- North Dakota State Legislative Appropriations - \$600,000

Sources of funds that are **being researched** purchase/develop SRMSC as of March 29, 2011:

- UND-COE/UAS grant and research funding
- U.S. Department of Agriculture Rural Development
- U.S. Department of Energy
- U.S. Department of Commerce Economic Development Administration
- State & national Historical Preservation and Interpretation Grant programs
- Environmental Protection Agency brownfields programs

Several activities were undertaken during 2010-11 under the “Pathfinder” Stage in order to be positioned for site acquisition. Those activities, *and their initial prioritization*, included:

- **Civil Engineering Study**
- **FAA Airspace Advocacy**
- **Marketing of the SRMSC Redevelopment Study (Stakeholder outreach)**
- **Project management and operations**

Consequently, we developed a budget that could reach **\$600,000.00** to accomplish those tasks. Key stakeholders (CCJDA, District 10 State Legislators, UND/UAS, ND Department of Commerce) met with ND Governor John Hoeven in Bismarck March 17, 2010, to review the SRMSC initiative and to have a preliminary strategy session on availability of funds. Funding sources and estimated amounts needed were assessed on an on-going basis as part of the entire re-development plan according to the contract with SeaTec and as part of the work done on the “Pathfinder” Stage.

Throughout July and August, 2010, discussions with SeaTec and the above-named stakeholders revealed the need and consensus to **re-prioritize** the “Pathfinder” activities. For example, the identification of a re-development partner needed to come before an engineering study, as the partner would most likely be an engineering firm. Also, unless we aggressively accelerated the

airspace access advocacy, the ND UAS initiative would go nowhere. Therefore, the *re-prioritized list became:*

1. Identification of Re-development Partner
2. Statewide Airspace Advocacy with FAA
3. Marketing of SRMSC to Stakeholders
4. Engineering Study (Master Plan for SRMSC)
5. An addition – A Coordinated State-wide effort – Upper Great Plains UAS Coalition

The re-prioritizing and funding of the “Pathfinder” activities is as follows, along with actions taken:

**1. Identification of Re-development Partner – See Attachment F for Complete Partner Identification Process.**

The objectives of this activity were to refine SRMSC redevelopment priorities and expense forecasts related to infrastructure, qualify and select a redevelopment partner, and initiate detailed civil engineering design efforts needed to achieve the Phase I objectives as outlined in the SRMSC Re-development Study. The core team, (CCJDA, UND-COE/UAS& SeaTec), developed an operational plan to identify the partner, commencing September 1, 2010, with a target date of February 28, 2011, to award a partner contract. **The strategy included the following components:**

- Prepare RFP – resulted in initial discussion with 32 firms, published notices to industry circulars.
- Market Survey – 12 companies registered to receive Market Survey. Of those 12, 6 submitted answers to the MS.
- Short list of firms meeting requirements – Of the 6, 5 met our requirements and were invited to submit a Proposal
- Refine and release RFP – 4 of the 5 elected to participate in the process.
- Evaluate proposals – Of the 4, 2 companies combined to form one team, 1 dropped out and 1 company submitted on its’ own.

The process (competition) was based on industry “best practices,” ensuring transparency and fairness. All initial interest, surveys, questions and proposal submissions were conducted through the CCJDA website, [www.ccjda.org](http://www.ccjda.org) and link to “SRMSC Re-Development.” Four firms were invited to submit proposals. Mandatory SRMSC site visits by representatives of the firms were conducted December 13-15, 2010, and the final proposals were scheduled for submission by January 31, 2011.

Oral presentations to the evaluation team were scheduled for February 8, 2011. URS Corporation, Minneapolis, MN, was selected as the Re-development Partner February 23, 2011. **See Attachment F.1 for URS Proposal. Also see Attachment F.2 for URS Amended Proposal. (Both teams had the opportunity to offer amended proposals in response to our questions.)**

## **2. Statewide Airspace Access Advocacy with FAA -**

The initiative that developed on a state-wide level throughout the late summer and early fall of 2010 placed a top priority on promoting North Dakota as a premier location for research that will accelerate the integration of UAV's into the National Air Space (NAS). North Dakota's sparsely used airspace is an ideal location for resolving issues that are critical to FAA standards of safety; in other words, "build a little, test a little, learn and define." In November, 2010, the University of North Dakota UAS Center of Excellence for UAS Development submitted an application to the ND Department of Commerce for funding to hire Systems Engineering & Technology (SeaTec) as the consulting firm to lead our cooperative effort to position North Dakota as the logical location to resolve UAS/National Air Space issues. The funds to hire SeaTec (\$100,000.00) are part of the appropriation passed by the 2009 ND Legislature to develop ND, Grand Forks, and related areas for the UAS industry. The contract between UND and SeaTec was finalized, and work on the airspace initiative began January 1, 2011. A key partner in the airspace initiative is the North Dakota Aeronautics Commission, and their leadership in working to integrate UAS into general aviation airspace is welcome and crucial to our success. The objective of this "Pathfinder" activity is to influence key federal government decision makers in the formulation and approval of policy for near and midterm UAS operational procedures that will result in making routine UAS flight operations in designated North Dakota airspace a reality. The purpose of the airspace access strategy is to assist government agencies that require airspace access for mission support, UAS manufacturers that require airspace access for validation, the developing UAS commercial industry that will require airspace access for systems development and the FAA in establishing a joint partnership with Cavalier County, North Dakota in developing UAS airspace access solutions. The over-arching goal is to position the State of North Dakota as both leading and championing a world class UAS development and training center of excellence with primary operations in Cavalier County.

Considering the credentials and background of our SeaTec and associated consultants, we have a high level of confidence that we will achieve the airspace access objective.

The Airspace Access Initiative is in the process of building the AAI Strategic Plan by interviewing key North Dakota aeronautics, ND University System, economic development and community leadership.

### **3. Marketing of SRMSC Re-development Study –**

Increasing the awareness of the role of SRMSC in the developing UAS industry continued throughout late summer and fall, 2010. **The Executive Summary of The Study, Attachment D.1** has been provided to meeting attendees, ND University System representatives, state legislators, stakeholder boards of directors, economic development conferences and Congressional representatives and staff.

### **4. Engineering Study (Master Plan) for SRMSC –**

The North Dakota Department of Commerce has committed \$50,000.00 for the study to be matched with \$50,000.00 of local investment funds, supported by CCJDA technical assistance. We will begin this work May 3-4, 2011, with URS Corporation leading a 2-day “charette” process called “Rapid Conceptualization” to analyze the infrastructure at SRMSC. The results of the charrette will form the basis for the Master Plan, schematics and drawings. **See Attachment F.3.**

### **5. A 5th “Pathfinder” Activity emerged as well –**

Conversations between CCJDA, UND, ND Department of Commerce and others since the completion of the SRMSC Re-Development Study April 30, 2010, increasingly focused on the need to bring together all activities and organizations involved in, or affected by, UAS development, and that a coordinated state-wide effort needed to be established so North Dakota does not lose critical opportunities to play a leadership role in the developing industry. Thus, the Upper Great Plains UAS Coalition (the “Coalition”) was formed with Al Palmer, UND Center of Excellence for UAS R&D Director, and Carol Goodman, CCJDA, as co-chairs. To give the Coalition authority, credibility and transparency, the Coalition operates under the Governor’s Task Force for Military Issues in ND (TF MIND). Al Palmer and Carol Goodman have been members of TF MIND since 2001. Coalition members include:

- University of North Dakota COE

- Cavalier County Job Development Authority
- Grand Forks Economic Development Corporation
- Grand Forks Base Re-Alignment Impact Commission (BRIC)
- UND Center for Innovation
- North Dakota Army National Guard (TF MIND is an assigned responsibility of the ND ANG Adjutant General)
- North Dakota 119<sup>th</sup> Air Guard Wing, Fargo, ND
- ND Aeronautics Commission
- Northland Community & Technical College, Crookson, MN (they are developing training programs for UAS maintenance)
- ND Department of Commerce

The mission of the Coalition is to connect and facilitate communication for all of the above stakeholders and to establish a statewide initiative that is “One Voice, One Plan, One Message” in positioning ND as a premier center for UAS development, of which SRMSC plays a major role.

***It can't be emphasized enough what a significant accomplishment the creation of the Coalition has been.*** It has energized all stakeholders in a common goal, reducing the uncertainty of how an individual effort would fit with other efforts. It also greatly increased transparency to our stakeholders since we are all primarily operating in the public sector. It has created a clear path all the way to the ND Governors' office. In the long term, it secures SRMSC as a key player in the statewide effort. **See Attachment G – Upper Great Plains Coalition Plan.**

*d. The recipients and consultant will negotiate the purchase of SRMSC and execute the necessary legal documents.*

**Accomplishments:** CCJDA, UND-COE/UAS and SeaTec have prepared to work with Government Services Agency Excess Property Process with the intention to purchase the Stanley R. Mickelsen SAFEGUARD Complex and cooperatively prepare the necessary legal documents at the point in time that GSA is positioned to do so. The documents include, but are not limited to:

- **Conditions of Transfer**
- **Timeline for any remediation**
- **Purchase Agreement**
- **Deed Transfer**

It was anticipated that we would begin negotiations with GSA, through their agent William Rollings, by Fall, 2010, pending completion of the Report of Excess and review by the U.S. Army Corps of Engineers. We participated in regular Excess Property team conference calls, and have established a relationship with Mr. Rollings. Since the Report of Excess is somewhere between the Corps of Engineers and GSA as of March 29, 2011, we have yet to begin negotiations. ND Senator Kent Conrad visited our community in October, and he has emphasized his willingness to assist in the process if necessary. We also will receive assistance through the state office for Senator John Hoeven if needed. **See Attachment A for GSA Property Disposal Process.**

### 3. Document SRMSC infrastructure –

- a. *The recipients and consultant will conduct an analysis of current building conditions and needs, incorporating all existing reports of SRMSC building infrastructure.*

**Accomplishments: CCJDA, UND-COE/UAS and SeaTec conducted a thorough basic analysis of the current conditions and needs of existing SRMSC buildings for The Study, Attachment D.2 Site Condition Analysis. The assessment portion of The Study was under the direction of Charlie Riordan, BWR Corporation. The condition assessment began immediately following the selection of SeaTec, BWR and The Padina Group as our consultants.**

SeaTec consultants, Don Ferrel, John Walker and Charlie Riordan spent the week of November 9, 2009, in North Dakota for meetings with UND-COE/UAS and CCJDA to begin the working sessions on the Study time-line. They toured facilities at UND and at SRMSC and reviewed documents on file, including all the construction plans and drawings from the original SRMSC construction which had been transferred to SRMSC from Space & Missile Defense Command, Huntsville, Alabama, in October, 2009. In addition, we provided the Historic American Engineering Record Documentation for SRMSC (HAER), dated September, 1996; the Historical Context for Properties (SRMSC), dated 7 October, 1992; the Annotated Bibliography for SRMSC dated 7 October, 1992; and the Environmental Impact Study authorized by the Clinton Administration to study the deployment of a new missile defense system, finished in 2002. (These documents are not available on-line, but hardcopies are available upon request.) The SeaTec analysis also included interviews with utility and other service

providers who had historical perspective with SRMSC. The initial focus was on the 113,727 square feet of useable building space in the remaining buildings at SRMSC.

The four finalist firms in the Re-development Partner Selection Process toured SRMSC December 14-15 as a mandatory requirement for the competition. The companies that participated include Ulteig Engineers, Icon Architects, YHR, and URS Corporation. Jerry Greenwood, Site Manager, provided extensive information on the condition and history of the SRMSC site, and the existing buildings were toured.

*b. The recipient and consultant will retain the services of a building contractor to estimate cost of renovating the SRMSC facilities.*

**Accomplishments:** The SRMSC Redevelopment Study Attachment D, Section Condition Assessment, shows the analysis of building and infrastructure is complete to the point of determining individual tenant needs, architectural and construction drawings and project costs. The study shows proposed floor plan and operations potential as well as an inventory of materials used in initial construction. We then proceeded to set up the process for selecting a re-development partner. CCJDA and UND-COE/UAS conducted the Re-development Partner Identification Process September 1, 2011 through February 23, 2011, resulting in the selection of URS Corporation, Minneapolis, MN.

The combined skills of SeaTec, The Padina Group and Butcher, Willis & Ratliff Corporation provided the expertise to conduct an initial analysis of the condition and necessary upgrades to the existing SRMSC structures as part of The Study – **Attachment D.2.**

SeaTec and CCJDA conducted the Re-development Partner selection competition (**Attachment K**). URS Corporation was chosen as the Re-development Partner February 23, 2011.

Thirty-two firms initially expressed interest, with a wide range of global, national and regional experience. All four finalists had solid backgrounds and expertise and we encouraged partnering as part of their proposal preparations.

c. *The recipient and consultant will inspect and verify the status of the services and utilities infrastructure, i.e. power, water and sewer, telecommunications, streets and will estimate costs associated with necessary upgrades and installations.*

**Accomplishments: The initial inspection, analysis, verification and documentation of SRMSC infrastructure has been completed according to the Scope of Work for The Study (Attachment D.2). Exact costs of upgrades to infrastructure will be determined on a project-by-project basis as re-development goes forward.**

SeaTec, TPG, and BWR has within their respective organizations, extensive expertise in the areas of planning, engineering, environmental issues, and government relations. Upon project start, SeaTec conducted, with help from Jerry Greenwood, site caretaker, an on-site survey which comprised detailed review of existing documents and plans, site inventory and assessment of the state of the SRMSC site buildings, grounds, utilities, and Remote Launch Site (RSLs) sites. The site survey also provided an opportunity for the SeaTec team to become familiar with the surrounding geography and structures, including the near-by Langdon Wind, LLC, wind farm (133 turbines). SeaTec inspected the following SRMSC site structures:

- Chapel
- Gymnasium
- Community Center
- Telephone Building
- Administrative Building
- Industrial Building
- Sentry Building
- Missile Launch Silos
- Missile Site Control Building
- Bunkers
- Helipad

SeaTec assessed the buildings and site assets to determine usability and to understand the scope of improvements required to meet future needs. This included the ease of reuse or conversion to space such as offices, classrooms, labs, housing, dining, recreation, and UAS operations. Roads, parking lots, walkways, access between buildings, condition of paving and proximity to other buildings were also assessed to identify improvements required for future use.

SeaTec analyzed adjacent geography and structures to understand if there will be any interference issues or constraints for the projected future site uses. In order to determine the maximum runway sizes that could be built on the site, an airspace analysis was conducted. UAS operating surfaces were laid out with guidance from CFR Part 77 regulations regarding airspace obstructions and using the planning guidelines in FAA advisory Circular 150/5300-13.

The SRMSC site assessment revealed that the site facilities are in better condition than expected. The existing helipad could be used to launch small UAS vehicles until permanent launch surfaces are built. All the buildings, roads, utility infrastructure, and outdoor spaces require some modifications and refurbishment to mitigate deterioration and bring them up to current codes and standards. However, with modest improvements, the main site can be useable for UAS and other technology as soon as site acquisition is complete or lease agreements are executed.

The analysis revealed that: ***The Study (Attachment D.2), Condition Assessment,***

- Road Infrastructure – The network of roads on the base were well constructed when the base was built. A basic overlay project would upgrade the roads from fair condition to good condition.
- Auto Parking Infrastructure – Similar to the road infrastructure on the base, the parking areas were well constructed when the base was built. A crack seal project would assist in maintaining the parking areas in a good condition.
- Water Distribution System – The water distribution system at the site meets or exceeds the initial capacity requirements of the proposed UAS system.
- Waste Disposal System – Similar to the water distribution system, the Waste Disposal System at the SRMSC meets or exceeds the initial capacity requirements of the proposed UAS program.
- Electrical Distribution System – As with the other types of infrastructure on the SRMSC, the electrical system meets or exceeds the initial capacity requirements of the proposed UAS program.
- Natural Gas Distribution System – The natural gas system meets or exceeds the initial capacity requirements of the proposed UAS system.

***d. In completing the re-development plan for the SRMSC, the recipients and consultant shall include consideration of environmental factors; consult with the***

*U.S. Environmental Protection Agency and the North Dakota Department of Health (and Environment); and follow the environmental protocol established for transfer of Department of Defense facilities.*

**Accomplishments:** As a result of our involvement with the Excess Property Process, CCJDA, UND-COE/UAS and SeaTec met and consulted with team members responsible for the environmental issues portion of the Report of Excess August 25, 2009. The meeting also included a representative of the North Dakota Department of Health, as we found that the correct environmental officials to meet with were from the NDDH and AGEISS.

Because of environmental studies and remediation done in the 1990's, it is known that the SRMSC site has remaining environmental issues that involve removing paint (containing chromium) and some pooled water in the former missile silos that are located in the tactical area of the property. The silos will need to be filled with a permanent material as well. The Excess Property Disposal team, which includes environmental engineers, will outline the environmental clean-up procedures in the Report of Excess. However, the ROE still has not been released to GSA by the Draft Final EDA Report (3/29/11), so we don't know as yet what the Corps of Engineers plan is to remediate the environmental issues. The North Dakota Department of Health will not allow the property to transfer to a new owner until the clean-up is complete. The clean-up is also costly---estimates range from \$3M to \$5M. Additionally, under Federal Government policy, the GSA will be responsible for remediation of the environmental issues prior to ownership transfer. ND Dept of Health Director Curtis Erickson inspected the SRMSC site along with the U.S. Army Corps of Engineers August 25, 2009. The NDDH will be an advocate for CCJDA as we execute the GSA process, as they will require the environmental clean-up to be completed prior to transfer.

*e. The recipients and consultant will prepare a detailed report of the above activities to be used by all stakeholders and for long-term planning purposes.*

**Accomplishments:** CCJDA, UND/COE and SeTec will be provided with a copy of the Report of Excess when it has been forwarded to the Government Services Agency. It is noted in our SRMSC Redevelopment Study that any environmental concerns are the responsibility of GSA. We have requested a copy, but it is not available until the Report is handed off to GSA.

CCJDA, UND and consultants have participated in Excess Property Process meetings and conference calls as the components of the final report have been assembled. On numerous occasions, we have been asked in meetings and at conferences if there are any environmental issues, and we have shared the information outlined in Goal 3- D – Above. We are not authorized to prepare or influence any portion of the final Report of Excess; however, with the anticipated conclusion of the report we will have that information to use as we go forward.

#### **4. University of North Dakota –**

*a. The recipients and consultant will prepare a plan to re-develop SRMSC into a premier research location for Unmanned Aircraft Systems.*

**Accomplishments: CCJDA, UND-COE/UAS and SeaTec completed The Study (Plan) by April 30, 2010. See Section D.8, “Summary Presentation” for the process and the path going forward.**

CCJDA, UND-COE/UAS and SeaTec conducted the research and preparation of the development plan for SRMSC which was finished April 30, 2010. UND has developed a list of potential uses for the site as a part of the UAS SRMSC Redevelopment Study. Consideration was given to UAS Applications, Airspace regulations, UAS Standards, UAS-Specific Redevelopment guidelines and assessment of the condition of the building(s) UND may occupy at points along the 2010-2020 timeline.

Two changes in personnel at the UND COE/UAS department took place in November, 2010. Doug Marshall, Principle Investigator (PI) for the Center of Excellence took a similar position at New Mexico State University. Brig. Gen. (Ret) Al Palmer who retired from the ND Air Guard and as Flight Operations Director for the UND John D. Odegard School of Aerospace Studies simultaneously, assumed the position of COE Director. In addition, Dr. Bruce Smith, Dean of Aerospace Studies and Dr. Phyllis Johnson, VP/Research at UND, have provided leadership for UND/UAS research and development, and Dr. Smith assumed the Principle Investigator responsibility for the project. The UAS Center of Excellence for Research, Education and Training has increased Federal funding from \$1.0M in FY2005 to \$6.4M in 2010. The Center has supported development and implementation of a bachelor degree program with an

emphasis in Unmanned Aircraft Systems. The first classes were held in September, 2009. **See Attachment J** for UND Unmanned Aircraft Systems Center of Excellence 2010 Annual Report to the ND Department of Commerce.

*b. The recipient and consultant will identify and prioritize the site facilities necessary to support research, testing, administrative and maintenance UAS activities, and will identify funding sources to upgrade those facilities.*

**Accomplishments: The Study, Attachment D.2-Condition Assessment, analyzes each of the existing buildings and their current condition. It also suggests a possible new use scenario for each building. Because of its proximity to the proposed runways, the Community Center has been targeted for the first re-development project.**

CCJDA, UND and consultants have determined that the Community Center will assume the role of UAS Headquarters. The location is ideal because it is in proximity to the planned runways and the launch-and-recovery areas. At 33,620 square feet, the building can be refurbished as a location for headquarters operations as well as a satellite of the UND School of Aerospace Science, an educational center and as a location for private business offices. Potential funding sources include:

- State funds and economic development programs
- Center of Excellence program funds
- federal investment and research funds
- UAS industry partners

The Rapid Conceptualization charrette scheduled for May 3-4, 2-11, will expand the findings of **Attachment D.2** into an SRMSC Master Plan.

*c. The recipient and consultant will research, estimate building costs and plan for long-term researcher support services, i.e. sleeping areas, food, dining, laundry and limited recreation.*

**Accomplishments: (1) CCJDA, UND-COE/UAS, and SeaTec have developed a Concept of Operations (CONOPS) for future development of SRMSC, which is outlined in the “Ground CONOPS” section of The Study, Attachment D.3.**

**Specific costs to provide the services will continue to be developed during the “Pathfinder” Stage and beyond as users are identified and the site becomes operational.**

Sections “ CONOPS “ and “ Redevelopment Plan” of The Study contain a detailed analysis of the refurbishment of the existing primary site. Potential funding sources will be specifically identified as we develop each specific re-development project. The Summary Section, page 5, of The Study shows that development of the site will take place over a well-defined timeline that includes Pathfinder and Phases 1, 2, and 3. Each phase of the timeline lists tasks to be accomplished.

**Accomplishments: (2) URS Corporation will lead a Rapid Conceptualization design charrette May 3-4, 2011. See Attachment F.3.**

The URS-led charrette results will be used to prepare the SRMSC Master Plan, schematics and drawings.

*d. The recipients and consultant will determine the costs associated with paving an area approximately 1,500 feet long to be constructed on the west end of the SRMSC property.*

**Accomplishments: CCJDA, UND-COE/UAS and SeaTec have determined the location of two runways at SRMSC, to be operational in Phases II and III of redevelopment.**

One of the anticipated upgrades is a 2,500 foot long paved runway. The Scope of work identified a 1,500’ runway, but analysis of the site determined that the initial runway could be expanded to 2,500 feet long. The Redevelopment Study identifies the Community Center as the initial UND/UAS Headquarters building. **(See Attachment D.2 pages 16-17)**

The costs of the runways, aprons, and Launch and Recovery area have been estimated by URS at the following amounts: **See Attachment F.1 Appendix C**

- 1,500 foot runway - \$1,237,500
- 2,500 foot runway - \$2,475,000
- Apron - \$815,925
- Launch and Recovery Area - \$25,000

There also is a possibility that a grass strip runway may provide additional capabilities.

## 5. Cavalier County Job Development Authority

- a. *The recipients will designate the Cavalier County Job Development Authority as the administrator of the EDA grant, with responsibilities for financial management, facilitation of all necessary documents and plans and for assuring the submission of timely reports associated with the grant.*

**Accomplishments: CCJDA is the administrator of the EDA Grant Award #05-69-04785, has carried out the financial management and documentation as required, and will continue to do so to the end of the grant period.**

The Cavalier County Job Development Authority (CCJDA) is the administrator for the EDA Economic Adjustment Assistance Grant. CCJDA is the economic development arm of the Cavalier County Government. Cavalier County, located in northeastern North Dakota, is the location of the SRMSC site. The North Dakota Department of Commerce, the University of North Dakota, and the Langdon City Commission all authorized CCJDA as the administrator of the EDA grant. All documents pertaining to the EDA grant, including financial, record keeping, the partnership with the consultants, and official reports are on file in the CCJDA office, 901 3<sup>rd</sup> St. – Langdon, ND 58249. CCJDA prepared the EDA Mid-Point Progress report as well as the Final Report.

CCJDA oversees the Cavalier County Strategic Plan, which the SRMSC redevelopment project falls under, thereby establishing the grounds on which CCJDA was charged with carrying out the redevelopment of the SRMSC site. The Cavalier County Strategic Plan consists of seven benchmarks:

1. Agricultural Opportunities of Cavalier County
2. Business Development Opportunities for Cavalier County
3. Advance Educational Opportunities for Lifelong Learning
4. Improvement of Health Care
5. Provide Adequate Housing Opportunities
6. Improvements to County Infrastructure
7. Increase Tourism Activity in the Area

The SRMSC redevelopment project fits under several of these categories, principally: Business Development Opportunities of Cavalier County, Advance Educational Opportunities for Lifelong Learning, and Increase Tourism Activity in the Area.

One of primary responsibilities of CCJDA as grant administrator is the fiscal management of the grant.

CCJDA adheres to accepted accounting procedures, and participates in an annual financial audit for Cavalier County.

- b. The Cavalier County Job Development Authority and the University of North Dakota will assess and assign responsibilities within the organization, allowing dedicated time to ensure the success of the EDA grant.*

**Accomplishments: CCJDA and UND have assigned responsibilities as required by the EDA grant.**

CCJDA Executive Director Carol Goodman and CCJDA Strategic Plan Coordinator Shannon Duerr have managed the responsibilities of administrating the EDA grant. As anticipated, approximately 50% of Carols' time and 30% of Shannons' time have supported the grant activities. However, as we have progressed into the second half of the grant period, the management of the many components of this complex project has increased the time involved from a CCJDA standpoint. The CCJDA Board of Directors has designated the Redevelopment of SRMSC as our #1 priority.

With Doug Marshalls' (UND/Principle Investigator) departure for a position at New Mexico State University in November, 2010, the PI duties were assumed by Dr. Bruce Smith, Dean of the UND School of Aerospace Studies, with responsibilities for the day-to-day operations being shared with Al Palmer, UND UAS/COE Director, and other COE staff members.

## **6. Strategic Planning Process**

- a. The recipients and consultant will prepare a strategic plan for short and long-term redevelopment of SRMSC, incorporating the in-put and resources of all key stakeholders as well as all the activities outlined in the Scope of Work.*

**Accomplishments: CCJDA, UND-COE/UAS and SeaTec prepared the SRMSC Redevelopment Study (strategic plan), Attachment D over a six-month time frame, October 1, 2009-April 30, 2010, which is provided to EDA with this report.**

Following the site assessment information-gathering stage and analysis (November, 2009), the Cavalier County Job Development Authority, the University of North Dakota and consultants SeaTec, TPG & BWR began work on the redevelopment plan with a Concept of Operations (CONOPS), followed by analysis of likely usage scenarios, requirements for operation, and the final redevelopment plan. The methodology consisted of regularly scheduled In Progress Reviews (IPRs) using GoToMeeting software, allowing CCJDA, UND/COE, consultants and key stakeholders (i.e. UND, North Dakota Department of Commerce) to participate from various locations. Between and following the IPRs, the recipients and consultants were assigned tasks to obtain and verify necessary information and approvals from stakeholders. The target date for completion of the SRMSC Redevelopment Study was agreed to be on or around March 31, 2010. The following is a review of the process:

- ***SRMSC Redevelopment Study, Attachment D.3, Section CONOPS*** – The University of ND-COE/UAS need for a test bed for UAS development is the driving force for the redevelopment of SRMSC. However, the rapid growth in the UAS industry and the available space and buildings at the site are incentives for a variety of development . Consequently, we focused on three areas for future use: 1) UAS Flight Testing for UND, the North Dakota University System (NDUS), Department of Homeland Security, NASA, and UAS-related manufacturing; 2) UAS + associated activities including all of #1 plus Department of Defense, law enforcement, and commercial development; and 3) a technology park for all of the above plus non-UAS development and commercial entities. A range of potential activities was developed for each of the three areas. In addition, we addressed Base Management Functions, Base Security Functions, Facilities –Services-Business Development Functions.
- ***SRMSC Redevelopment Study, Attachment D.4, Section Scenarios*** – The scenarios were developed to assist us in envisioning and forecasting future usage of the SRMSC site in terms of test bed and airspace needs, the “sizing” of the existing buildings, and identification of funding streams over a 10-year timeline. The analysis of turboprop aircraft usage

for military, civil, commercial and academic entities would be an example. *Pages 2-10*

The future activities were developed with CCJDA, UND and North Dakota values and priorities in mind, and agreement was reached for selecting and prioritizing opportunities and also criteria for NOT selecting an activity. **See Attach D.4, p. 12.**

It is likely that UND/COE/UAS and related defense activities will play a major role in usage of SRMSC; however, we also developed an extensive list of a non-UAS presence through input from Lake Region State College, North Dakota State University, private companies and educational components. **See Attachment D.4, p. 13-17.**

- ***SRMSC Redevelopment Study, Attachment D.5, Redevelopment Requirements.*** – Using System Engineering disciplines and the experience of the consultants, we developed specific requirements for the CONOPS and Scenarios for SRMSC. *Requirements are statements of need expressed in terms of results and are not concerned with detailed design.* The System Engineering discipline guided us in the formation of a Requirements Outline (*Page 4*), that addressed detailed requirements for runways, ground work areas, meeting rooms & auditoriums, service buildings & structures, utilities, air vehicle operations, security, business activity & operations, education and historical preservation. A Gap Analysis was then applied to the Requirement Outline to determine what we had or didn't have and what was necessary and what wasn't.
- ***SRMSC Time Phased Site Redevelopment Design Plan, Attachment D.6.*** This section proposes potential building uses and timelines for development.
- ***SRMSC Study Economic Model, Attachment D.7.*** The model is included in The Study as *an example* of a software program that can be used as we build the future business plan for SRMSC. Actual costs and funding sources (i.e., local, state, federal, research, economic development and private business) will be refined for each individual development project.

*b. The key stakeholders and partners will be identified but are not limited to:*

**The Partners and the resources they bring to SRMSC Re-development include--**

- Stanley R. Mickelsen SAFEGUARD Complex – Dept/Defense property, on Excess Property list.
- Cavalier County Job Development Authority – Economic Development Agency.
- North Dakota State University, Langdon Research Extension Center – Research, training, connection to North Dakota University System.
- University of North Dakota, UAS Center of Excellence – Leader in UAS Research & Development.
- Lake Region State College – Devils Lake, ND – Cooperative training opportunities.
- North Central Regional Planning Council – Funding source and administrator of federal Community Economic Development Plan (CEDS)
- State and Local government agencies – Technical assistance and funding.
- Governors’ Task Force on Military Issues (Task Force MIND) – Task Force MIND identifies SRMSC as priority goal for development.
- Cavalier County Board of Commissioners and Langdon City Commission – Authority for project and funding.
- North Dakota Department of Commerce – Technical assistance and funding.
- Red River Research Corridor – Initiative to connect North Dakota’s two research universities. Also sponsor for annual UAS Summit Conferences.
- North Dakota Army National Guard – UAS Training
- North Dakota Congressional Delegation – Governmental advocacy for the project.
- USDA/Rural Development – Regional and State offices – Technical assistance and funding.

**Accomplishments: All key stakeholders have been a part of the SRMSC Redevelopment Study activities, with the addition of two others:**

- **Grand Forks, ND, Economic Development Corporation – Business Development**
- **Grand Forks Base Re-alignment Impact Commission (BRIC) – Direct reporting access to the Grand Forks community**

All the key stakeholders listed in the Scope of Work have been consulted and informed on a regular basis through board and commission meetings, seminars,

individual briefings, and the media. Most have also provided input to the SRMSC Re-development Study. Town Hall meetings were held in Langdon at the North Dakota State University Research & Extension Center in December, 2009, and November, 2010, attended or represented by most of the key stakeholders. **See Attachment H for an updated list of meetings (3-29-11).**

The PowerPoint presentation used at the above meetings is **Attachment I.**

*c. The recipients and consultant will submit the strategic plan to EDA and key stakeholders for regular comments and approval.*

**Accomplishments: The Study, Attachment D, was finished April 30, 2010. It is available for review on the CCJDA website, [www.ccjda.org/srmisc](http://www.ccjda.org/srmisc)**

The SRMSC Redevelopment Study was completed, printed and available by April 30, 2010. Distribution of copies to date has been to U.S. Department of Commerce Economic Development Administration (Denver Region), UND/COE/UAS, Grand Forks Economic Development Corporation, SRMSC caretaker Jerry Greenwood, North Dakota Department of Commerce and a staff member from Senator Dorgans' Fargo office, and the BRAC Excess Property contractor. We have been pleased with the response and feedback from each meeting and presentation involving our stakeholders. We have generated excitement, shown the potential of SRMSC, and educated participants on the complexity of this project and the recruitment of the UAS Industry to North Dakota. **See Attachment I.**

## **7. Additional Industry & Research Opportunities & Historical Significance**

*a. The recipients and consultant will research and identify opportunities for cooperative research for all entities in the North Dakota Higher Education System.*

**Accomplishments: CCJDA, UND-COE/UAS and SeaTec have developed a network of potential re-development partners within the North Dakota University System.**

Lake Region State College and their Center of Excellence (for Optimized Agriculture) provided potential scenarios for the Study. North Dakota State

University has requested a presentation of the final SRMSC Redevelopment Study, which will be scheduled with key researchers and administrators. With the completion of the Study, similar presentations were scheduled for a wide range of potential partners. **See Attachment D.4.** An example of opportunities to network with industry partners would be the annual UAS Summit, which is hosted by the Red River Valley Research Corridor organization and UND. The 5<sup>th</sup> UAS Summit will be held in Grand Forks June 2-3, 2011. Also, CCJDA has joined the Association of Defense Communities, a national organization for communities that have experienced a base re-alignment or closure, and Carol Goodman attended the 2011 ADC Conference in San Antonio, TX. The resources, information and expertise that the organization has available will be helpful when we begin negotiations with GSA for transfer of the SRMSC.

b. *The recipients and consultant will identify additional concurrent and synergistic development opportunities to include:*

- Support Military UAV training and operations: Air National Guard(ANG), Army National Guard(ARNG), and Air Force (AF), (Predator, Global Hawk, and Shadow). - **CCJDA attended field hearing conducted by Senator Byron Dorgan in Grand Forks September 13, 2010, regarding UAS integration into the National Air Space.**
- Section 106 consultation (site significant with Cold War historical value), in partnership with local community project to interpret SRMSC. – **URS Corporation has the expertise on staff. See Attachment F.1 pages 13, 18-19, 24, and 29,**
- Remote training site for military and civilian agencies, i.e. HAZMAT training site, bunker and silo clearing), and Military Operations in Urban Terrain (MOUT) training site. – **Marketing to agencies with training needs is part of “Pathfinder.”**
- As an international Emergency Disaster Border Response Training Site – **Also addressed in our future marketing efforts in the “Pathfinder” stage.**
- As a training site to support the Conflict Resolution Center (peace training, 2-week course before deploying to support a foreign nation.) – **Will be discussed with ND National Guard.**
- Wind power generation in proximity to, and complimentary of, Langdon Wind Energy LLC—research and testing to mitigate environmental and other issues related to wind industry development. – **NextEra Energy (formerly Florida Power & Light).**

- Defense related manufacturing – **Identified through URS, Dakota Defense Alliance, SeaTec, and economic development networks.**
- Bio-materials research and development – **Through the North Dakota University System.**
- Secure location for “server farms” – **Identify through North Dakota Telecommunications networks.**
- Agricultural research and development (a North Dakota State University Research Extension Centers is in Langdon) – **Partnerships with NDSU Research Departments and the NDSU Research & Technology Park.**
- Transportation training-testing site for industry – **Through ND Department of Transportation.**
- Training and operations site for US Customs & Border Patrol – **Develop through the US CBP headquarters in Grand Forks, ND.**

**Accomplishments: The Study (Attachment D.1-D.8) reveals that the size, scope and condition of the site infrastructure will support the development of activities associated with the possibilities listed above.**

All of the entities listed in this section of the Scope of Work have participated in or been aware of the potential redevelopment of SRMSC. Most will be provided with at least the Executive Summary, if not the full Study. A key opportunity to brief many in the developing UAS industry came at the 4th Annual UAS Summit hosted by Senator Byron Dorgan and the Red River Research Corridor in May, 2010. Carol Goodman gave a presentation on the site to the 400+ attendees. This conference has experienced tremendous growth in just four years, which reflects the rapid industry growth. There is increasing interest in the SRMSC project as well, due to the expanding realization that North Dakota has huge potential for air space usage.

Also, other contacts have been added to the list of potential partners including GE Aerospace, CIBER, Inc., several FAA contacts, North Dakota Aeronautics Commission and Honeywell.

***SRMSC Redevelopment Study, Attachment D.8 Section Summary Presentation –***

This section has become our guideline for the next steps, leading to acquisition of the property and the work that needs to be done prior to utilization by the earliest tenants, i.e. UND/COE, and the stage has been designated as “Pathfinder.” It is a summary of the site condition findings, the vision, the

anticipated build-out by 2016+, the 2010 timeline, near-by funding needs, and finally on page 8, all of the activity that has to almost occur at one point if we are able to go forward with the project.

The historical interpretation of SRMSC is included in the final plan, using the former sentry station for the actual interpretive center. The determination of exactly how much of the “tactical site” that will be preserved remains under consideration at this time.

## 8. Coordination with Key Stakeholders to Maximize Opportunities

*a. The recipients and consultant will inform key stake holders of planning grant progress on a quarterly basis at a minimum.*

**Accomplishments: The SRMSC key stakeholders have been informed on a continuous basis, and many of them provided extensive input for the SRMSC Redevelopment Study.**

All of our stakeholders have been kept apprised of planning grant progress since October, 2009, through regular and special meetings, involvement in the Internal Progress Reviews, events, media, work on data sheets and individual conversations. Two recent partners in the UAS/North Dakota initiative are the Grand Forks Economic Development Corporation and the Grand Forks Base Re-alignment Impact Commission (BRIC). In addition, Carol Goodman met with Dr. Robert Kelley, President of the University of North Dakota July 1, 2010, to brief him on the SRMSC project and to provide him with a copy of the SRMSC Redevelopment Study.

A comprehensive Power Point presentation was developed by SeaTec and CCJDA for the CCJDA Town Hall Meeting held at the Langdon NDSU (North Dakota State University) Research Extension Center November 10, 2010 (**See Attachment D.8**). Notice of the meeting was carried out through print, radio, email and phone networks. The purpose of the meeting was to inform our local and northeast ND stakeholders of the progress of our SRMSC project and to “create the buzz” within the community. The meeting was well attended and included Don Ferrel/SeaTec as well as UND Dean of Aerospace Sciences Bruce Smith, UND COE/UAS Director Al Palmer, and Doug Marshall, who was at that time finishing his work with UND before moving on to New Mexico State University. Joshua

Simmers, Manager/UAS Development with ND Department of Commerce (ND DOC), also attended. Josh also represents DOC on the Upper Great Plains UAS Coalition.

The presentation is an excellent overview of the complex SRMSC project and has been used by CCJDA for funding request presentations, stakeholder meetings and for distribution for general information.

## 9. Reporting Process & Dissemination of Information

- a. *The recipients and consultant will prepare and submit a Mid-Point Scope of Work Progress report to EDA and key stakeholders.*

**Accomplishments: CCJDA and UND prepared and submitted the Mid-Point Progress report June 30, 2010.**

Mid-Point Progress Report submitted to EDA and key stakeholders, June 30, 2010. Information for the report was compiled by CCJDA and Doug Marshall, PI, UND UAS/COE.

- b. *The recipients and consultant will prepare a Draft Final Report for review and comments from key stakeholders and EDA.*

**Accomplishments: CCJDA, UND and SeaTec collaborated on the draft Final Report, due to EDA March 29, 2011. Information provided for the report included the SRMSC Re-development Study, the Upper Great Plains UAs Coalition, the ND Airspace Access Advocacy Initiative, and the URS Proposal.**

- c. *The recipients and consultant will submit a Final Report to EDA and key stakeholders in accordance with federal and state final report guidelines.*

**Accomplishments: Following EDA approval of the Draft Final Report submitted to EDA March 25, 2011, CCJDA, UND/COE and consultants will submit the final report by April 30, 2011.**

- d. *The recipient and consultant will document or identify any challenges encountered during this process so they can be avoided by others.*

**Accomplishments: CCJDA, UND and SeaTec have identified several challenges during the Study process. They are not negative challenges, but rather complex pieces of the entire initiative that need to be carefully thought out.**

Challenges –

- Complexity of the project – The final page in the SRMSC Re-development Study illustrates the complexity of the project, with numerous agencies whose UAS activities all must close at a relatively small window of time. As of March 29, 2011, we feel the tasks associated with the “Pathfinder” phase are on track in spite of the need to re-assess the priority order. We will be positioned to carry out the Re-development Study Phase I activities.
- Environmental clean-up of the site, which may delay transfer of the site to a new owner while GSA manages the necessary clean-up of the missile silos. However, this may work to our advantage, as GSA has been open to at least the *suggestion* of lease agreements that will allow us to begin Phase I redevelopment activities while environmental clean-up requirements are being addressed. As mentioned previously, GSA has negotiated a lease with Laserlith so they can begin testing their munitions safety devices when the SRMSC site is available.
- Access to the National Airspace to allow UAS research and testing to go forward. We anticipate a continuing relationship with our consultants to leverage their expertise and long-term relationships with FAA. The UND UAS/COE prepared an application for state funding for the ND Airspace Access Advocacy Initiative, now underway, resulting in a \$100,000 grant to complete the project. The consulting contract between the Grand Forks Base Re-Alignment Impact Commission and SeaTec to develop airspace access for the North Dakota state-wide initiative to establish the UAS industry in ND will address all UAS airspace issues.
- Historical preservation and considerations, with plans for an interpretive center, marketing and managing. We have determined that the re-development of the SRMSC Sentry Station is a top priority, since it has the potential to be a significant revenue-generator. Dr. Phyllis Johnson, VP/Research at UND; and Michael Moore, VP/Research & Licensing at UND toured the SRMSC October 22, 2010, and in spite of our focus to develop SRMSC initially as a primary research test-bed, they both were especially interested in the development of the historical aspect as well. The history departments at both UND and North Dakota State University are excellent resources for envisioning the design and interpretation.

- Changes in Personnel – The changes at UND have already been noted earlier in this report. The 2010 General Election brought significant changes with regard to the North Dakota Governors’ Office and our Congressional delegation. Governor John Hoeven (2001-2010) won the Senate seat formerly held by Senator Byron Dorgan, who announced his intention to retire in January, 2010. Also, U.S. Representative Earl Pomeroy lost the election to long-time state representative Rick Berg. Lt. Governor Jack Dalrymple was sworn in as our new Governor on December 7, 2010. All of these changes will involve becoming familiar with new state and Congressional staff members. However, Governor and now Senator Hoeven has supported and been involved with UAS development throughout his administration and is the creator of the Centers of Excellence. The Task Force on Military Issues in ND (TF MIND) was also created at the beginning of his governorship administration, and the redevelopment of SRMSC is one of the objectives in that organizations’ Strategic Plan (Al Palmer and Carol Goodman are charter members of the TF MIND). Shane Goettle, who has been Commissioner of the ND Department of Commerce, has taken the position of State Director for Senator Hoeven. The only real challenge at this point will be to establish the relationship with Representative Berg and his staff. He has peripheral knowledge of the UAS Initiative(s), so this will not be the challenge it could have been.
- Funding – we have a complex project which will require complex funding plans, as outlined in the SRMSC Re-development Study, **Attachment D**. We will need to focus on a steady, organized development time-line. However, as we have moved forward with the re-prioritized “Pathfinder” phase, we have secured funds for:
  1. The Redevelopment Partner Identification Competition - \$110,000.00, from local economic development sales tax fund and from community stakeholders.
  2. The Airspace Access Advocacy Initiative - \$100,000.00, from state Base Re-alignment Impact Commission funds through the ND Department of Commerce (Legislative appropriation, 2009 Session).
  3. SRMSC Engineering Study – Est. \$100,000.00, with \$50,000.00 from ND Department of Commerce, and remainder from CCJDA local economic development sales tax fund and from community stakeholders.

Fund-raising going forward will focus on expanding the investment from local and regional stakeholders, a potential appropriation from the ND 2011 Legislative session (\$600,000), resources from the firm selected as the Redevelopment Partner, and grant applications to public and private agencies and organizations. One of our challenges is to be able to provide the required local match for grant applications—which translates into CASH—and it is important to note at this time that CCJDA has a history of “stepping to the plate” in our grant work. While we are a small organization and community with comparatively limited resources, we have successfully been awarded and have administered \$1.2M+ in grant funds over the past 10 years. We have the philosophy of matching up to 50% of a grant request, if required, and it is the nature of the community that we don’t expect an outside entity to “come in and save us.” Those guiding principles form the basis of our Cavalier County Strategic Plan. If that plan and philosophy were not in place, a project of this size and complexity would not be possible, nor would we have accomplished as much with regard to SRMSC as we have.

*e. The recipient and consultant will document in the report the process in completing the Scope of Work and point out key elements that can be replicated by others.*

**Accomplishments: The EDA Grant Award #05-69-04785 Scope of Work guided all of our work on this project, beginning with the Request for Proposal process. The proposal from SeaTec was based on the SOW, as was the recently completed SRMSC Redevelopment Study.**

#### **Scope of Work Process – Key elements to recommend**

- A well-thought-out, carefully written Scope of Work is critical to the process. However, the applicant must realize that there are many unknowns and undetermined critical factors that will become apparent as the project goes forward. The key is flexibility and patience.
- The methodology used by SeaTec, the In-Progress Reviews, and the wide range of expertise that their consortium brought to the project is highly recommended. We were fortunate to establish our relationship with SeaTec.

- A unique component of this project has been the “economic development/University System” partnership. The North Dakota University System is charged with a responsibility to be “engines of economic development,” and our relationship with the UND School of Aerospace UAS Center of Excellence is a positive example of how both entities can collaborate.
- The EDA grant process itself is a user-friendly system. We would recommend it to any economic development group for project assistance.
- The success of this grant effort to date is largely due to the exceptional expertise that SeaTec , TPG and BRW have brought to the process. They have a very high level of integrity and a solid reputation within the developing UAS industry. At this point, we will note that CCJDA also has a well-developed reputation within North Dakota and an extensive network of contacts and partners, which has evolved over the past 10-12 years. A strong and comprehensive community Strategic Plan is highly recommended. The CCJDA Strategic Plan was developed through the USDA/Rural Development Empowerment Zone process, and we would be pleased to share what we have learned with other communities and grant applicants.

*f. Upon completion of the project the recipients and consultant will make presentations of the Final Report to key stakeholders, EDA or any other community or official entity upon request.*

**Accomplishments: CCJDA, UND/COE and SeaTec have concluded the SRMSC Redevelopment Study portion of the EDA grant, and it is being circulated to all key stakeholders. SeaTec prepared an Executive Summary of the Study, which is used as a hand-out on numerous occasions. The Mid-Point Progress report and the Final EDA project report will be available upon request.**

*g. The recipients and consultant will produce an executive summary of the Final Report that can be distributed to community members, government officials, elected and appointed, and any others who may request the report.*

**Accomplishments: Similarly, CCJDA, UND/COE and SeaTec will base the Final Report to EDA on the Mid-Point Progress report, incorporating information and**

successes that occur during the next six months, or “Pathfinder” Stage. Following approval of the report by EDA we will make the report and executive summary(s) available to the stakeholders and general public as required.

*h. The recipients and consultant will utilize the Final Report in the preparation of further grants and funding opportunities leading to full development of the SRMSC.*

**Accomplishments:** CCJDA , UND/COE and SeaTec will prepared the Draft Final Report and the Final Report according to EDA guidelines. All or portions of the Report, the Mid-Point Progress Report and the SRMSC Redevelopment Study will be continuously utilized to write future grants, develop funding requests, conduct additional supportive studies and to market the development of the UAS industry in North Dakota. The EDA grant has allowed us to position our community, region and state to attract the rapidly emerging UAS industry to North Dakota.