



## **SRMSC Redevelopment Study Final Report – Executive Summary, April 30, 2010**

### **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 underway to transfer ownership to Cavalier County Job Development Authority (CCJDA) during 2010.

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:

- 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 local area
- Education—to provide learning opportunities for North Dakota students of all ages
- Historic preservation—to maintain remaining structures and to interpret SRMSC's role in the Cold War for public benefit.

CCJDA retained SeaTec LLC to conduct a detailed site assessment and to devise a strategic redevelopment plan for SRMSC to fulfill the three missions. SeaTec formed a study team with experts from The Padina Group and Bucher, Willis, & Ratliff Corporation (BWR). The SeaTec study began in October 2009 and this document is the final report.

### **Report Overview**

The SeaTec team determined the state of the SRMSC buildings and other facilities, conducted workshops with CCJDA and UND representatives to gather requirements, and developed detailed forecasts of user needs, required site capabilities, and financial projections. SeaTec also determined that airspace access is critical to success for SRMSC's UAS technology mission. The result is a practical and low risk plan for SRMSC redevelopment and future operations as a non-profit business entity for Cavalier County and North Dakota.

### **Summary of Study Findings and Recommendations**

#### Site Condition

The on-site assessment revealed that the existing infrastructure is in better working condition than expected. However, all buildings, roads, utilities, and outdoor spaces require some modifications and upgrades to mitigate deterioration and bring them up to current standards. With only modest improvements, the MSR site can be ready to be used for UAS testing and other technology as early as mid-2011. Some environmental cleanup will be required. Under Federal Government policy, the GSA will be responsible for remediation of the environmental issues prior to ownership transfer.



## Redevelopment Plan Recommendations

Recommendations for the physical plant include:

- Refurbishment of buildings to house services, offices, labs, classrooms, leisure activities, and hotel or dormitory accommodations
- Construction of UAS operating runways, launch pads, aprons, and hangars
- Addition of technical infrastructure for both UAS and non-UAS activities
- Construction of additional buildings and facilities to develop a Technology Park for educational and industrial tenants
- Preservation of historical structures and addition of visitor amenities
- Creation of a public park in the wetlands portion of the MSR site.

The SeaTec team recommends that CCJDA accomplish planning, redevelopment, and operational activities over ten years beginning in mid 2010 in four phases, each intended to achieve specific objectives:

- Pathfinder Phase – finalize SRMSC ownership transfer terms; secure initial redevelopment funding; accomplish overall land use planning and civil engineering; initiate airspace access advocacy and stakeholder outreach communications.
- Phase I – achieve initial small UAS operational capability; secure and service early technology tenants; begin building refurbishment; plan and design educational mission facilities, historical mission facilities, and public park.
- Phase II – add medium altitude/long endurance (MALE) UAS capability and primary runway; expand UAS operations services and facilities; continue building refurbishment; perform new construction as planned.
- Phase III – add high altitude/long endurance (HALE) UAS capability and second runway; construct hangars and aprons; expand operations and tenancy to fully occupy refurbished and new facilities including RSL sites; obtain UAS Center of Excellence (COE) recognition.

## **Economics Model**

The SeaTec team prepared a detailed ten year Economics Model for SRMSC redevelopment and operation as a non-profit business. The model considers revenue from operations, financing from loans and government grants, operating expenses, and capital investments. The Economics Model predicts approximately \$36M in revenue from all sources, and approximately the same amount for expenses — \$14M of which is allocated to capital improvements.

## **Key Challenges**

Successful SRMSC redevelopment depends on three critical concerns:

- **Airspace Access:** Federal Aviation Administration (FAA) standards for UAS airspace access are in development and their formulation will require close attention and proactive participation to assure success for the intended operation of SRMSC for academic, military, civil, and commercial UAS flights.
- **Funding:** Obtaining Government funds, winning grants and loans, and booking user revenues will require persuasive requests and marketing on all fronts.
- **Redevelopment and Operations Management:** The effective management of ongoing operations while undergoing facility refurbishment and expansion will require a dedicated team in residence plus the help of outside experts in aviation, civil engineering, marketing, and procurement.

