

SPACEPORT AMERICA: PAST, PRESENT AND FUTURE

October 20, 2014

CHRISTINE ANDERSON
Executive Director
New Mexico Spaceport Authority



SPACEPORT AMERICA

VISION & MISSION

- **SPACEPORT AMERICA VISION:**

Shine a beacon on New Mexico as the Gateway to Space and a hub for innovation

- **SPACEPORT AMERICA MISSION:**

- Preeminently serve our space launch customers
- Inspire and delight our visitors
- Create jobs in New Mexico



NMSA BOARD OF DIRECTORS



Rick Holdridge - Chair



Sid Gutierrez



Jerry Stagner



Irvin Diamond



David Buchholtz



Laura Conniff



Paul Deason



Christine Anderson



Lt. Gov. John Sanchez

NMSA BOARD MEETINGS

- HELD AT LEAST 4 X PER CALENDAR YEAR
- OFTEN SEVERAL SPECIAL MEETINGS
- ALL ADVERTISED IN TWO NEWSPAPERS AND ON NMSA WEBSITE
- ALSO, MONTHLY NMSA NEWSLETTERS HAVE >2500 SUBSCRIBERS

COMMERCIAL SPACE INDUSTRY

--- WHAT IS IT?

- FLIGHT BEYOND THE KÁRMÁN LINE (>62 MILES ABOVE SEA LEVEL) THAT IS CONDUCTED AND PAID FOR BY AN ENTITY OTHER THAN A GOVERNMENT AGENCY



COMMERCIAL SPACE: WHY NOW?

- **AVAILABLE TECHNOLOGY**
- **FEDERAL BUDGET DECLINE**
- **SPACE IS THE “FINAL FRONTIER”**
- **ENTREPRENEURIAL SPIRIT IS THRIVING**
- **SPACE IS “THE GRAND CHALLENGE”**

COMMERCIAL AVIATION INDUSTRY ANALOGY

- THE 1950s AVIATION INDUSTRY WAS BUILT ON MILITARY AVIATION TECHNOLOGY LIKE THE B-29
- THE COMMERCIAL SPACE INDUSTRY IS ABOUT WHERE THE COMMERCIAL AVIATION INDUSTRY WAS IN THE EARLY 1950s

Boeing Stratocrusier
Lockheed Constellation
Douglas DC-6



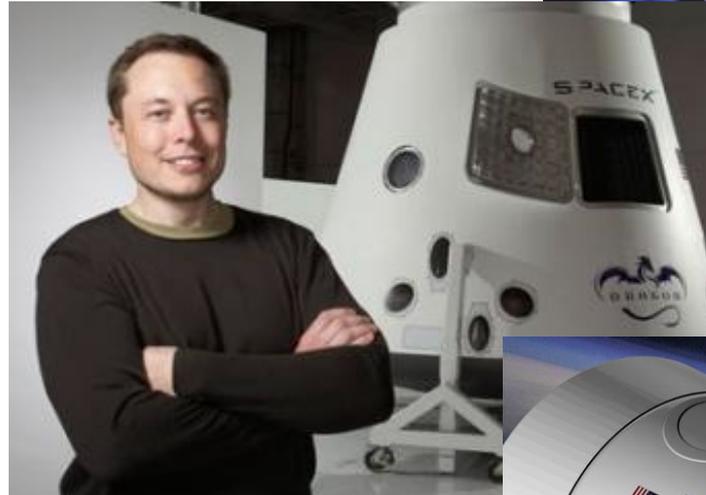
B-29

FACES OF THE COMMERCIAL SPACE INDUSTRY

- VISIONARY LEADERSHIP
- ENTREPRENEURIAL
- TIME TO MARKET
- AGILE “NEW” ORGANIZATION
- STREAMLINED OPERATIONS



Richard Branson



Elon Musk



Jeff Bezos

COMMERCIAL SPACE INDUSTRY MARKETS

- **LONG-TERM VISION**

Commercial Human Space Transportation

Commercial Space Cargo Transportation

Communications

Remote Sensing / Imaging

Exo-Planetary Resource Mining

Space Colonization

- **REGULATED/LICENSED BY
FAA-AST**



COMMERCIAL SPACEFLIGHT FEDERATION (CSF)

- **INDUSTRY TRADE & ADVOCACY ASSOCIATION**

- **40+ MEMBERS**

Spaceflight developers, operators, suppliers and spaceports

- **MISSION**

Promote the development of commercial human spaceflight, pursue ever higher levels of safety, and share best practices and expertise throughout the industry.



COMMERCIAL SPACEFLIGHT FEDERATION

Spaceport America is a founding, Executive Member of the CSF

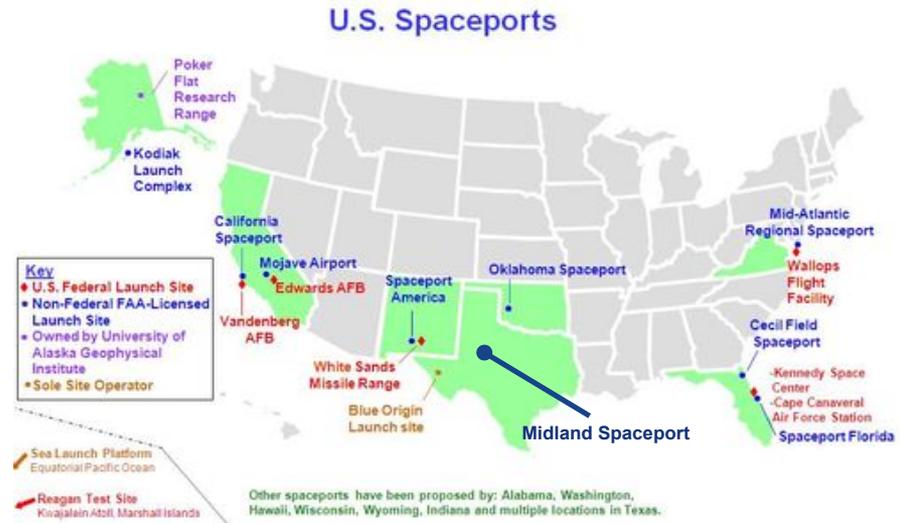
U.S. COMMERCIAL SPACEPORTS



GROWTH IN U.S. COMMERCIAL SPACEPORTS

• TO DATE (9)

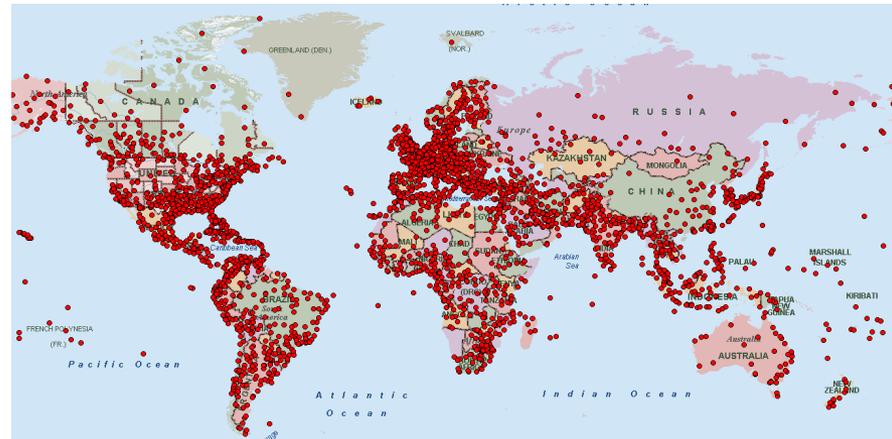
- Spaceport America
- Spaceport Florida
- Mid-Atlantic Regional Spaceport
- California Spaceport
- Oklahoma Spaceport
- Mojave Air & Space Port
- Kodiak Launch Complex
- Cecil Field Spaceport
- Midland Air & Space Port



• PROPOSED

- Front Range Airport, Colorado
- Titusville Airport, Florida
- South Texas Spaceport
- Spaceport Alabama
- Hawaii Spaceport
- Wisconsin Spaceport
- Spaceport Indiana
- Spaceport Washington
- Chugwater Spaceport
- Spaceport Georgia

TODAY



The Year 2014?

SPACEPORT AMERICA QUICK FACTS



- **SPACEPORT AMERICA IS THE WORLD'S FIRST PURPOSE-BUILT COMMERCIAL SPACEPORT**
- **OWNED AND OPERATED BY A STATE OF NM AGENCY (NMSA)**
- **\$218.5M STATE INVESTMENT FOR DEVELOPMENT**
- **1300+ JOBS GENERATED TO DATE**
- **TWO LAUNCH TENANTS: VIRGIN GALACTIC AND SPACEX PLUS OTHER CUSTOMERS**
- **20 LAUNCHES TO DATE**
- **OVER 50% OF OPERATIONS BUDGET HAS BEEN COVERED BY REVENUE FOR PAST 3 YEARS**

Goal: to be self-sustaining and a NM economic engine while inspiring visitors, particularly students

SPACEPORT AMERICA ATTRIBUTES



FAA Licensed Spaceport

18,000 acres—room for many tenants

Great weather with low humidity
High elevation

Suborbital trajectories proven

Orbital trajectories possible

Horizontal and Vertical Launches
supported

Affordable launch costs

Customized service based on customer
needs

20 Vertical launches to date from Spaceport America

CHALLENGE: BUILD A SPACEPORT HERE



SUCCESS!



GATEWAY AT SUNRISE



GATEWAY TO SPACE



GATEWAY AT SUNSET



SPACEPORT AMERICA ASSETS



FUEL STORAGE DEPOT



12,000 FT SPACEWAY 16-34



WASTEWATER TREATMENT PLANT



**1.3M GAL WATER STORAGE &
BOOSTER STATION**



COMMUNICATIONS SYSTEM



AWOS III WEATHER STATION

SPACEPORT AMERICA ASSETS



SPACEPORT OPERATIONS CENTER



MAIN ACCESS CONTROL
UNDER CONSTRUCTION



SOC MISSION CONTROL ROOM



EMERGENCY RESPONSE VEHICLES



VLA LAUNCH PADS



VLA MISSION CONTROL TRAILERS

VERTICAL AND HORIZONTAL SPACE LAUNCH



TOURISM



2 major lines of business – both are needed for long-term success

LAUNCH STATUS

Preparing for SpaceX F9R

Preparing for Virgin Galactic
first flight

UP Aerospace scheduled for
October 2014





TENANT AGREEMENTS

VIRGIN GALACTIC LEASE



- **LEASE**

- 20 years Facilities Lease

- \$1M / year for 5 years

- ~\$3M / year for next 15 years

- **USER FEES**

- \$600k / year in minimum annual user fees

- User fees on sliding scale based on number of total spaceflights, test flights and passengers per year

- At low flight rate (<100), revenue as high as \$135k per flight

- At high flight rate (>100), revenue as low as \$4k per flight

- **PERFORMANCE GUARANTEE \$2M**

- **REQUIREMENT THAT $\geq 75\%$ OF FLIGHTS TAKE PLACE FROM NM**

- **LEASE**

3 years Land Lease, with two 1-year options

~\$60k / yr

- **USER FEES**

User fees on sliding scale based on number of total test flights

At low flight rate (<25), revenue as high as \$25k per flight

At high flight rate (>100), revenue as low as \$10k per flight

- **SPACEX HAS INVESTED OVER \$2M TO DATE IN SPACEPORT INFRASTRUCTURE IMPROVEMENTS**



FINANCIAL OVERVIEW

NMSA TWO TYPES OF BUDGETS



- **CAPITAL BUDGET**
 - General Fund/Severance Tax Capital Funds
 - Gross Receipts Tax Capital Funds (Doña Ana & Sierra Counties)
- **OPERATIONAL BUDGET* (DAY TO DAY OPERATIONS)**
 - Appropriated Operational Funds
 - NMSA Revenue
 - GRT Excess Pledged Bond Revenue

*All funds are non-reverting, per Spaceport Development Act §58-31-1 - §58-31-17

Eventually NMSA will only have one type of budget: Operational



EXCESS GRT PLEDGED REVENUES

EXCESS PLEDGED REVENUES

- **DEBTOR (NMSA) BORROWS MONEY FROM ISSUANCE OF BONDS**
- **BOND HOLDER (NMFA) ADMINISTERS FUNDS TO PAY BONDS IT ISSUED**
- **THE NMSA BOND PLEDGE IS 75% OF $\frac{1}{4}$ CENT GRT**
- **PLEDGED REVENUE IS REVENUE PLEDGED TO PAY DEBT SERVICE COSTS, INCLUDING BONDS AND RESERVE FUNDS**
- **IF THERE IS AN ANNUAL “EXCESS” IN PLEDGED REVENUE ABOVE DEBT SERVICE, THE BOND HOLDER MAY SEND THE PROCEEDS TO THE DEBTOR’S PROJECT UPON REQUEST**

NMSA = New Mexico Spaceport Authority
NMFA = New Mexico Finance Authority

NMFA EXCESS PLEDGED REVENUE REQUEST PROCESS



SARSD, NMSA AND NMFA BOARDS APPROVED THE RELEASE OF EXCESS PLEDGED REVENUE TO NMSA

1. NMSA BOARD MOTION: AUGUST 24, 2011

Begin process to submit application to NMFA to release funds for any lawful purpose

2. SARSD BOARD MOTION: NOVEMBER 30, 2011

Begin process to submit application to NMFA to release funds for any lawful purpose

3. NMSA MEMO TO NMFA: NOVEMBER 30, 2011

Request to NMFA to release funds to NMSA

4. NMFA BOARD RESOLUTION: MARCH 22, 2012

Approve amendment to bond documents to release funds to NMSA for any lawful purpose

5. NMSA BOARD RESOLUTION: MARCH 28, 2012

Approve amendment to bond documents to release funds for use by NMSA for any lawful purpose

SARSD = Spaceport America Regional Spaceport District

EXCESS PLEDGED REVENUES

- EXCESS PLEDGED REVENUE CAN BE RELEASED BY NMFA TO NMSA ON AN ANNUAL BASIS FOR ANY PURPOSE AUTHORIZED BY LAW
- GRT BOND PROCEEDS CANNOT BE USED FOR OPERATIONAL PURPOSES, BUT EXCESS PLEDGED REVENUES CAN BE USED FOR OPERATIONAL PURPOSES, PER NMFA BOND COUNSEL
- EXCESS PLEDGED REVENUE IS CRITICAL FUNDING FOR SPACEPORT TO OPERATE DURING INITIAL YEARS
- FY16 EXCESS PLEDGED REVENUE TO BE USED FOR CONSTRUCTION (I.E. WILL NO LONGER BE USED FOR OPERATIONS)

EXCESS PLEDGED REVENUES

- FUNDS RELEASED TO NMSA TO DATE

2011: \$293,683

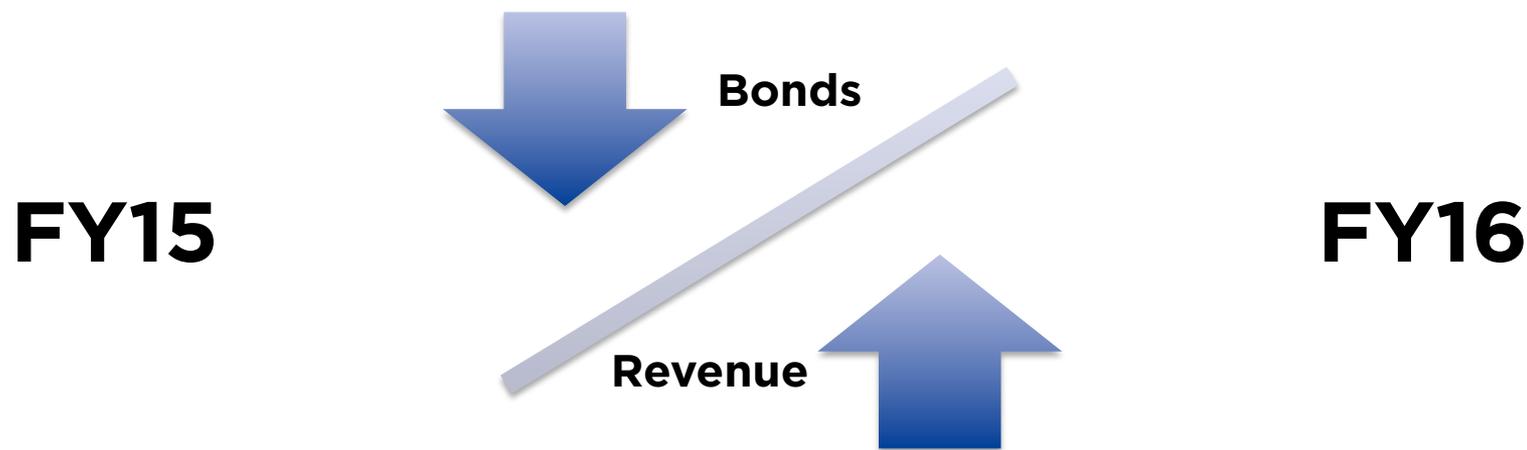
2012: \$139,683

2013: \$341,177

2014: \$626,839

FY15/FY16 CRITICAL TRANSITION YEARS

- PRE-OPERATIONS TO OPERATIONS
- BONDS TO REVENUE



Goal: Spaceport America is self-sustaining

CAPITAL FUNDING: \$218.5M



- **GENERAL FUND/SEVERANCE TAX CAPITAL FUNDS (\$142.1M)**

Managed by DFA/SBOF

Balances as of 8/31/14:

Spent:	\$126.6M
Encumbered:	\$1.2M
Available for southern road:	\$14.2M
Available for hangar:	\$114K

- **GROSS RECEIPTS TAX CAPITAL FUNDS (DOÑA ANA & SIERRA COUNTIES) (\$76.4M)**

Managed by NMFA

Balances as of 8/31/14:

Spent:	\$72.0M
Encumbered:	\$2.7M
Available:	\$1.7M

(Approx. 94% from Doña Ana County and 6% from Sierra County)

CAPITAL APPROPRIATIONS HISTORY



Year	Type	Amount
1998	General Fund	\$1.0M
1998	General Fund	\$8.6M
2001	General Fund	\$1.5M
2004	Severance Tax	\$4.0M
2006	Severance Tax	\$100.0M
2007	Severance Tax	\$10.0M
2008	Severance Tax	\$7.5M
2013	Severance Tax	\$3.0M
2014	Severance Tax	\$6.4M
2014	Severance Tax	\$114K
TOTAL		\$142.1M

GRT BOND HISTORY



Year	Type	Amount
2009	Gross Receipt Tax	\$58.0M
2010	Gross Receipt Tax	\$18.4M
TOTAL		\$76.4M

(Approx. 94% from Doña Ana County and 6% from Sierra County)

- **CAPITAL FUNDS PROCESS**

Severance Tax managed by DFA

GRT Bonds managed by NMFA

All invoices sent with contract info to either DFA or NMFA for payment

- **OPERATIONAL FUNDS PROCESS**

Revenue goes to State Treasurer's Office bank account

All payments made by DFA

NMSA does not issue checks to pay invoices

NMSA FINANCIAL OVERSIGHT & SUPPORT



- **NMSA BOARD OF DIRECTORS**

- **BOD AUDIT COMMITTEE**

Irvin Diamond, CPA

Jerry Stagner, Branch President, Citizen's Bank

David Buchholtz, Esq.

- **NMSA STAFF**

Doreen Sieburg, CFO

Belinda Lucero, ASD

Aaron Prescott, Bus. Ops

- **ANNUAL INDEPENDENT AUDIT (PUBLIC RECORD)**

Clifton Larson Allen

PROJECTS FUNDED TO DATE



Category	Example	Spent
Architecture	Architects	\$23,637,671.52
Planning/Design/ Enabling	Business Plan, Ranchers, Consultants	\$12,890,051.68
Construction	Roads, Electrical, Airfield, SOC, Gateway	\$138,981,332.05
Professional Services	Protective, General, IT, Legal Services	\$25,256,010.64
Emergency Equipment	Ambulance, ARFF, Brush Truck	\$1,633,446.01

PROJECT SPENDING: ARCHITECTURE



PROJECT	CONTRACTOR	SEVERANCE TAXES	GROSS RECEIPTS TAX	GENERAL	BALANCE	CONTRACT STATUS
SITE ARCHITECT	AECOM	13,066,789.89	826,335.22	3,341,025.00		Complete
GATEWAY ARCHITECT	URS	3,495,225.80		2,410,862.49		Complete
SOC ARCHITECT	E & D	231,324.12				Complete
SOC FIT-OUT ARCHITECT	SMPC		266,109.00			Complete
TOTAL ARCHITECTS	\$23,637,671.52	\$16,793,339.81	\$1,092,444.22	\$5,751,887.49		

PROJECT SPENDING: PLANNING/DESIGN/ENABLING



PROJECT	CONTRACTOR	SEVERANCE TAXES	GROSS RECEIPTS TAX	GENERAL	BALANCE	CONTRACT STATUS
SITE ENABLING	FNF	3,482,600.06				Complete
CAPITAL CONTRACT MANAGEMENT	ALATEC		365,495.46			Complete
STATE LAND OFFICE		115,702.28				Complete
RANCHER IMPROVEMENTS		2,491,774.53	192,710.55	2,114,887.61		Complete
DONA ANA COUNTY		49,276.30				Complete
CONSULTING	TETRA TECHNOLOGIES			1,285,426.00		Complete
PLANNING	VARIOUS SMALL CONTRACTS	382,597.55	480,436.57	1,929,144.77		Complete
TOTAL PLANNING/DESIGN/ENABLING		\$12,890,051.68	\$6,521,950.72	\$1,038,642.58	\$5,329,458.38	

PROJECT SPENDING: CONSTRUCTION 1



PROJECT	CONTRACTOR	SEVERANCE TAXES	GROSS RECEIPTS TAX	GENERAL	BALANCE	CONTRACT STATUS
CONSTRUCTION MANAGEMENT	SDV	443,929.83	203,459.41		70,760.57	In Progress
CONSTRUCTION MANAGEMENT	GERALD MARTIN	4,223,952.80	169,447.24			Complete
QUALITY ASSURANCE	AMEC		462,557.06			Complete
INTERNAL ROADS	CMC	3,094,170.14	841,002.62			Complete
AIRFIELD	DAVID MONTOYA		29,308,097.22			Complete
RUNWAY EXTENSION	A.S. HORNER	5,089,034.95	4,776,180.67			Complete
FENCING	APACHE	1,027,192.66				Complete
ON SITE ELECTRICAL	MCDADE WOODCOCK		3,889,107.23			Complete
SOC	BATEMAN-HALL	4,359,247.14				Complete
SOC FIT-OUT	R-CON	673,199.56				Complete

PROJECT SPENDING: CONSTRUCTION 2

PROJECT	CONTRACTOR	SEVERANCE TAXES	GROSS RECEIPTS TAX	GENERAL	BALANCE	CONTRACT STATUS
GATEWAY CONSTRUCTION MANAGEMENT	SUMMIT WEST PFM MANAGEMENT	36,632,585.46	559,702.23			Complete
CONSTRUCTION MANAGEMENT	PROGRESSIVE CONSTR	52,420.74				Complete
CONSTRUCTION ADMINISTRATION	SOUTHWEST GENERAL CONST	53,425.00				Complete
VERTICAL LAUNCH AREA	NMSU-PSL	77,954.67				Complete
NORTHERN ROAD	NMDOT			1,633,433.78		Complete
INDEPENDENT TESTING	WESTERN TECHNOLOGIES			10,000,000.00		Complete
APRON	DAVID MONTOYA	452,750.98				Complete
WASTE WATER SYSTEM	AUI	6,163,993.64				Complete
			2,555,698.84			Complete

PROJECT SPENDING: CONSTRUCTION 3



PROJECT	CONTRACTOR	SEVERANCE TAXES	GROSS RECEIPTS TAX	GENERAL	BALANCE	CONTRACT STATUS
SUBSTATION	SIERRA ELECTRIC	5,633,083.00				Complete
COMMUNICATIONS B & D		6,288,697.54				Complete
AWOS INSTALL	VALCOM	61,447.00				Complete
FUEL STORAGE	FNF		991,717.40			Complete
WATER DISTRIBUTION	SMITHCO		7,198,181.05			Complete
MAIN ENTRANCE	HIGHLAND	914,691.63			700,058.39	In Progress
TRAILERS/ CONTAINERS	OTHER	154,079.69	172,991.65			Complete
COMMUNICATIONS	NM DOIT	823,899.22				Complete
TOTAL CONSTRUCTION	\$138,981,332.05	\$76,219,755.65	\$51,128,142.62	\$11,633,433.78	\$770,818.96	

PROJECT SPENDING: PROFESSIONAL SERVICES 1



PROJECT	CONTRACTOR	SEVERANCE TAXES	GROSS RECEIPTS TAX	GENERAL	BALANCE	CONTRACT STATUS
GENERAL SERVICES	WESTERN		4,379,791.79		899,575.17	In Progress
GENERAL SERVICES	TRANE		74,418.78		74,418.75	In Progress
GENERAL SERVICES	PURE OPS		82,711.68		77,715.00	In Progress
GENERAL SERVICES	EASI		193,723.51			Complete
PROTECTIVE SERVICES	FIORE		4,413,505.66		1,130,050.02	In Progress
WATER SERVICES	TELGIAN		19,450.70			Complete
CAPITAL FINANCIAL SERVICES	BATEMAN		335,962.31			Complete
VISITOR EXPERIENCE	IDEAS		9,422,633.50		261,066.05	In Progress
PUBLIC RELATIONS	WILSON BINKLEY ADV.			140,084.10		Complete
IT	FIORE - IT		381,433.45			Complete

PROJECT SPENDING: PROFESSIONAL SERVICES 2



PROJECT	CONTRACTOR	SEVERANCE TAXES	GROSS RECEIPTS TAX	GENERAL	BALANCE	CONTRACT STATUS
IT	AEROBYTE		7,225.82			Complete
LEGAL	RODEY/SUTIN THAYER/MULTIPLE SMALL CONTRACTS		1,239,576.71	967,694.96	173,736.23	In Progress
ENVIRONMENTAL	VAN CITTERS/ JEMEZ/ ZIA/ PARAMETRIX/OAS/ NM MINING	2,753,828.00	153,718.59		448,083.23	In Progress
SPACE OPERATIONS	WSRD		690,251.08		82,229.18	In Progress
TOTAL PROFESSIONAL SERVICES	\$25,256,010.64	\$2,753,828.00	\$21,394,403.58	\$1,107,779.06	\$3,146,873.63	

PROJECT SPENDING: EQUIPMENT



PROJECT	CONTRACTOR	SEVERANCE TAXES	GROSS RECEIPTS TAX	GENERAL	BALANCE	CONTRACT STATUS
ARFF	OSHKOSH	693,954.00				Complete
AMBULANCE	FRAZER	176,675.00				Complete
BRUSH TRUCK	SIDDONS MARTIN	144,590.00				Complete
PUMPER TRUCK	ARTESIA	438,727.01				Complete
RUNWAY SWEEPER	H & E	179,500.00				Complete
TOTAL EMERGENCY EQUIPMENT	\$1,633,446.01	\$1,633,446.01				

BIGGEST MANAGEMENT CHALLENGES

- **MANAGING THE SCHEDULE TO ACCOUNT FOR NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) COMPLIANCE ASSOCIATED WITH ARCHAEOLOGICAL FINDS AND ENVIRONMENTAL IMPACT STATEMENT (EIS) COMPLIANCE**
- **MANAGING THE BUDGET TO ADJUST TO DYNAMIC LAUNCH SCHEDULES**



FY15 OPS BUDGET

FY15 & FY16 BUDGET ASSUMPTIONS



Virgin Galactic begins commercial flights in June 2015

NMSA Visitor Experience opens to the public in April 2016

SpaceX is flight-testing beginning March 2015

One new customer begins flying in FY16

FY15 NMSA OPERATIONAL BUDGET (\$K)



USES	Total
200 - Personnel	1,329.7
300 - Contractual	408.9
400 - Other	878.9
TOTAL	2,617.5

SOURCES	Total
111 - General Fund	463.1
130 - Other Revenue	2,994.2
150 - Fund Balance	1,642.8
TOTAL	5,100.1

NMSA received flat-line of \$463.1k. Remainder comes from revenue

FY15 BUDGET (\$K)

CATEGORY 200 (PERSONNEL)



Exempt Positions (3)	\$266.6
Executive Director	
Chief Financial Officer	
General Counsel	
Permanent Positions (6)	\$397.8
Technical Operations (2)	
Business Operations	
General Operations	
Admin Operations (2)	
Term Positions (9)*	\$288.6
Aerospace Operations (2)	
General Operations (4)	
Marketing/Branding	
IT Operations (2)	
Benefits	<u>\$376.7</u>
TOTAL	\$1,329.7

*3 out of 9 Term positions hired as of 10/20/14. Currently NMSA has 12 FTE.

NMSA STAFF SALARIES FY15



Title	Type	Salary	Benefits	Total
Executive Director	Exempt	\$127,221	\$44,776	\$171,997
General Counsel	Exempt	\$75,456	\$26,557	\$102,013
Chief Financial Officer	Exempt	\$64,976	\$22,868	\$87,844
General Ops Manager	Permanent	\$91,710	\$32,277	\$123,987
Technical Ops Manager	Permanent	\$89,095	\$31,357	\$120,452
Technical Ops Analyst	Permanent	\$70,805	\$24,920	\$95,725
Business Ops Manager	Permanent	\$70,759	\$24,904	\$95,663
Administrative Ops Mgr	Permanent	\$42,230	\$14,863	\$57,093
Administrative Specialist	Permanent	\$34,739	\$12,226	\$46,965
Maintenance Manager*	Term	\$68,900	\$24,249	\$93,149
IT Manager*	Term	\$68,900	\$24,249	\$93,149
Maintenance Technician*	Term	\$40,000	\$14,078	\$54,078
Aerospace Engineer*	Term	\$37,500	\$13,198	\$50,698
Marketing/Outreach Manager*	Term	\$18,750	\$6,599	\$25,349
Flight Control Specialist*	Term	\$32,500	\$11,438	\$43,938
Maintenance Technician*	Term	\$25,000	\$8,799	\$33,799
Maintenance Technician*	Term	\$25,000	\$8,799	\$33,799
TOTAL		\$983,541	\$346,159	\$1,329,700

*Note: Salaries in FY15 reflect “partial” year due to hiring lag/vacancy savings

FY15 BUDGET (\$K)

CATEGORY 300 (CONTRACTUAL)



Protective Services	\$220.8
24/7 Fire Protection	
24/7 Armed Security Protection	
24/7 Emergency Medical	
Specialty Maintenance Services	\$62.6
Water/Wastewater	
HVAC/Electrical Maintenance	
Runway Maintenance	
Hazmat Services	
Fueling Support	
Other Contracts	<u>\$125.4</u>
Audit	
Public Relations	
Web hosting	
TOTAL	\$408.9

FY15 BUDGET (\$K)

CATEGORY 400 (OTHER)



Utilities - Electricity	\$360.0
DoIT Communications	\$186.4
Property Insurance	\$105.0
Rent of Land and Buildings	\$51.4
Other Expenses	<u>\$176.1</u>
Maintenance Supplies	
State Vehicles; Travel	
BOD Per diem	
TOTAL	\$878.9

FY15 NMSA PRIMARY REVENUE



VG Facilities Lease and Ground Rent	\$1.0M
Excess Pledged Revenues	\$627K
VG User Fees	\$600K
State General Fund Appropriations	\$463K
Utilities cost share	\$328K
Lease of Spaceport for special events	\$155K
Other Launch customers revenue	\$177K
Tourism / Merchandising	\$78K
FY14 Rollover	<u>\$1.6M</u>
TOTAL	\$5.1M



FY16 OPS BUDGET

FY15 & FY16 BUDGET ASSUMPTIONS



Virgin Galactic begins commercial flights in June 2015

NMSA Visitor Experience opens to the public in April 2016

SpaceX is flight-testing beginning March 2015

One new customer begins flying in FY16

FY16 NMSA OPERATIONAL BUDGET (\$K)



USES	Total
200 - Personnel	1,586.6
300 - Contractual	3,974.4
400 - Other	1,339.7
TOTAL	6,900.7

SOURCES	Total
111 - General Fund	463.1
130 - Other Revenue	3,955.0
150 - Fund Balance	2,482.6
TOTAL	6,900.7

NMSA to request flat-line of \$463.1k. Remainder comes from revenue

FY16 RECOMMENDED BUDGET (\$K)

CATEGORY 200 (PERSONNEL)



Exempt Positions (3)	\$267.7
Executive Director	
Chief Financial Officer	
General Counsel	
Permanent Positions (6)	\$399.3
Technical Operations (2)	
Business Operations	
General Operations	
Admin Operations (2)	
Term Positions (9)*	\$537.5
Aerospace Operations (2)	
General Operations (4)	
Marketing/Branding	
IT Operations (2)	
Benefits	<u>\$382.1</u>
TOTAL	\$1,586.6

*NMSA will have all 9 Term positions hired in FY16, for a total of 18 FTE.

NMSA STAFF SALARIES FY16



Title	Type	Salary	Benefits	Total
Executive Director	Exempt	\$127,221	\$43,657	\$170,878
General Counsel	Exempt	\$75,456	\$25,893	\$101,349
Chief Financial Officer	Exempt	\$64,976	\$22,297	\$87,273
General Ops Manager	Permanent	\$91,710	\$31,471	\$123,181
Technical Ops Manager	Permanent	\$89,095	\$30,573	\$119,668
Technical Ops Analyst	Permanent	\$70,805	\$24,297	\$95,102
Business Ops Manager	Permanent	\$70,759	\$24,281	\$95,040
Administrative Ops Mgr	Permanent	\$42,230	\$14,491	\$56,721
Administrative Specialist	Permanent	\$34,739	\$11,921	\$46,660
Maintenance Manager	Term	\$78,600	\$26,972	\$105,572
IT Manager	Term	\$69,210	\$23,750	\$92,960
Maintenance Technician	Term	\$50,388	\$17,291	\$67,679
Aerospace Engineer	Term	\$79,082	\$27,137	\$106,219
Marketing/Outreach Manager	Term	\$75,288	\$25,836	\$101,124
Flight Control Specialist	Term	\$60,910	\$20,902	\$81,812
Maintenance Technician	Term	\$50,389	\$17,291	\$67,680
Maintenance Technician	Term	\$50,390	\$17,292	\$67,682
TOTAL		\$1,181,248	\$405,352	\$1,586,600

Note: Salaries in FY16 reflect “full” year

FY16 RECOMMENDED BUDGET (\$K)

CATEGORY 300 (CONTRACTUAL)



Protective Services	\$2,805.4
24/7 Fire Protection	
24/7 Armed Security Protection	
24/7 Emergency Medical	
Specialty Maintenance Services	\$766.7
Water/Wastewater Maintenance	
HVAC Maintenance	
Electrical Maintenance	
Janitorial Services	
Landscaping Services	
Other Contracts	<u>\$402.3</u>
Audit	
Public Relations	
Environmental	
Legal	
TOTAL	\$3,974.4

FY16 RECOMMENDED BUDGET (\$K)

CATEGORY 400 (OTHER)



Utilities - Electricity	\$367.2
Rent of Land and Buildings	\$241.0
Rancher Lease Payments	
State Land Office Lease	
DoIT Communications	\$194.8
Facilities Maintenance	\$152.1
Property Insurance	\$103.7
Field Supplies	\$54.0
Other Expenses	<u>\$226.9</u>
Maintenance Supplies	
State Vehicles; Travel	
BOD Per diem	
TOTAL	\$1,339.7

FY16 NMSA PRIMARY REVENUE



VG User Fees	\$1.3M
VG Facilities Lease and Ground Rent	\$1.0M
Other Launch customers revenue	\$360K
State General Fund Appropriations	\$463K
Lease of Spaceport for special events	\$425K
Utilities: Elec. / Comm. / Fuel / Water	\$385K
Tourism / Merchandising	\$308K
Sponsorship Target	\$100K
FY15 Rollover	<u>\$2.5M</u>
TOTAL	\$6.9M



SPECIAL EVENTS

-- OTHER REVENUE OPPORTUNITIES



BLACK SALT RACING





AFTER EARTH PRESS JUNKET











ASTON MARTIN





SOUTHERN ROAD

SPACEPORT SOUTHERN ACCESS ROAD (23.7 MILES)

- **TWO ROUTES TO SPACEPORT**

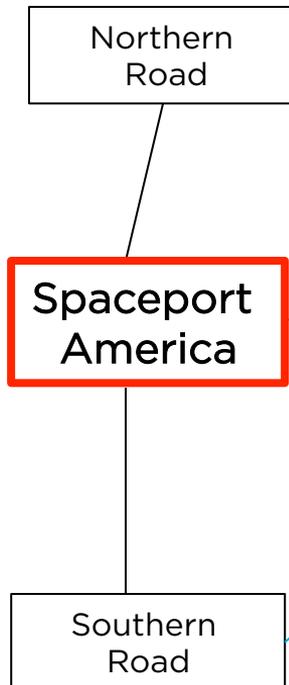
Paved northern road from T or C

Unpaved southern road from Upham

- **FROM LAS CRUCES:**

Northern road takes 2 hrs

Southern road takes 50 min



Southern road critical for Spaceport America success

SOUTHERN ROAD

- **YOST AND RINCON DRAWS SHUT DOWN ROAD AFTER SEASONAL RAINS**



Bone-jarring road shuts down with heavy rains

SOUTHERN ROAD (SEP 2014)



SOUTHERN ROAD BACKGROUND

- **NMSA SIGNED AN MOA WITH DOÑA ANA COUNTY AND SIERRA COUNTY IN SEPT 2010 FOR IMPROVEMENTS TO:**

Doña Ana County Roads E-070, E-071 and E-072
Sierra County Road A-013
- **DOÑA ANA AGREED TO CONSTRUCT AND MANAGE THE ROAD PROJECT**
- **DOÑA ANA AND SIERRA AGREED TO MAINTAIN THE ROAD**
- **NMSA AGREED TO FUND THE CONSTRUCTION AND RELATED NEPA COMPLIANCE**

NMSA SOUTHERN ROAD FUNDS

- **\$12M CARVED OUT OF BUDGET (2011)**
- **DOÑA ANA ESTIMATED \$15M BUDGET**
- **NMSA SOUGHT AND RECEIVED ADDITIONAL \$3M CAPITAL OUTLAY (2013)**

SOUTHERN ROAD FACT OF LIFE CHANGES

- **DOÑA ANA AND SIERRA PROTRACTED DISCUSSION (2011-12)**
- **NMSA BUDGET CHANGES**
 - Virgin Galactic flight delays
 - Runway extension
 - NMSA used \$6.9M to keep Spaceport development on track
- **NMSA PROPOSED TWO PHASE APPROACH IN 2013 WHILE SEEKING PHASE 2 FUNDING**
 - Phase 1 - \$8.1M
 - Phase 2 - \$6.9M
- **NMSA SOUGHT \$6.9M CAPITAL OUTLAY; RECEIVED \$6.4M IN FY15**

SOUTHERN ROAD FACT OF LIFE CHANGES

- **TWO PHASE APPROACH NOT NEEDED AS DOÑA ANA COUNTY HAS NOT YET ISSUED RFP**
- **\$14.5M BUDGETED**
 - \$14.2M Available
 - \$0.2M spent on NEPA survey, EA prep and ROW negotiation
 - \$0.1M encumbered on archaeology
- **ROAD PROJECT MANAGED BY DOÑA ANA COUNTY**
 - Build two concrete box culverts
 - Elevate the road in a few locations
 - Fence both sides of the road; cattle guards and gates
 - Accommodate CenturyLink cable as needed
 - Archaeological mitigation
 - Base course top surface with millings in select locations



DOÑA ANA COUNTY SOUTHERN ROAD REPORT



VISITOR EXPERIENCE

VERTICAL AND HORIZONTAL SPACE LAUNCH



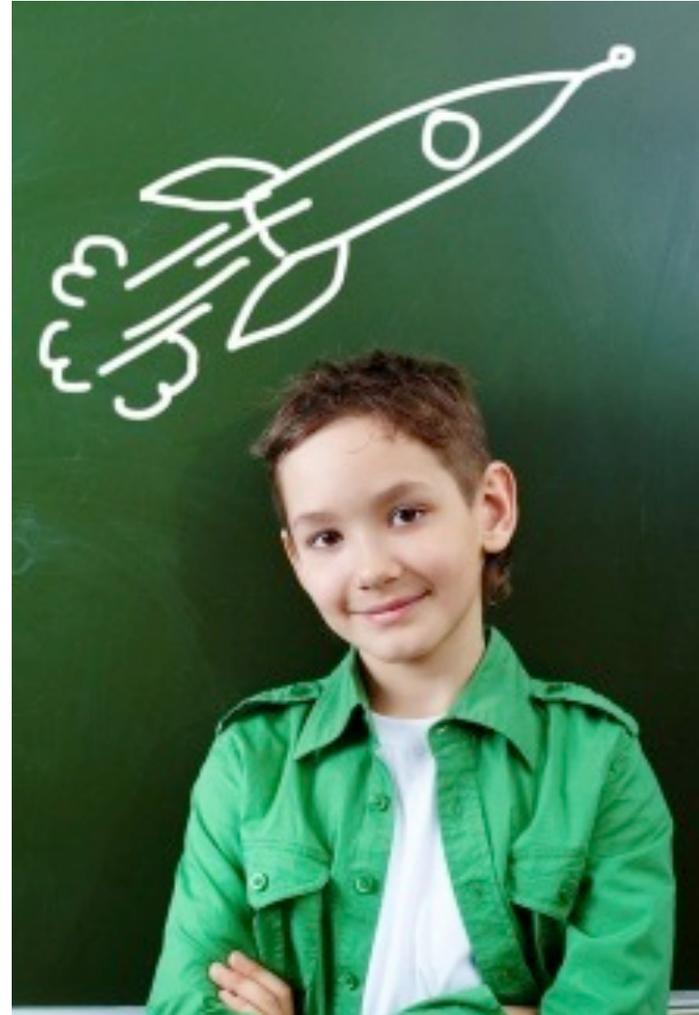
TOURISM



2 major lines of business – both are needed for long-term success

VISITOR EXPERIENCE (VE) OVERVIEW

- FUN, IMMERSIVE, INTERACTIVE
- SCIENCE, TECHNOLOGY, ENGINEERING & MATH EDUCATIONAL FAMILY EXPERIENCES
- HIGHLY PERSONALIZED
- BROAD INDUSTRY PARTICIPATION
- UNIQUE GLIMPSE INTO THE FUTURE OF TRANSPORTATION



VISITOR EXPERIENCE COMPONENTS



SPACEPORT VISITOR CENTER

Starting point for Visitor Experience

6,000 sq.ft. transportation & story hub near highway



SHUTTLE TRANSPORTATION

Mobile theater

1-hour inbound / outbound journey to & from Spaceport



GATEWAY GALLERY/FLIGHTLINE TOUR

1-hour escorted Spaceport property tour, including Virgin Galactic Gateway To Space (4,000 sq.ft.)

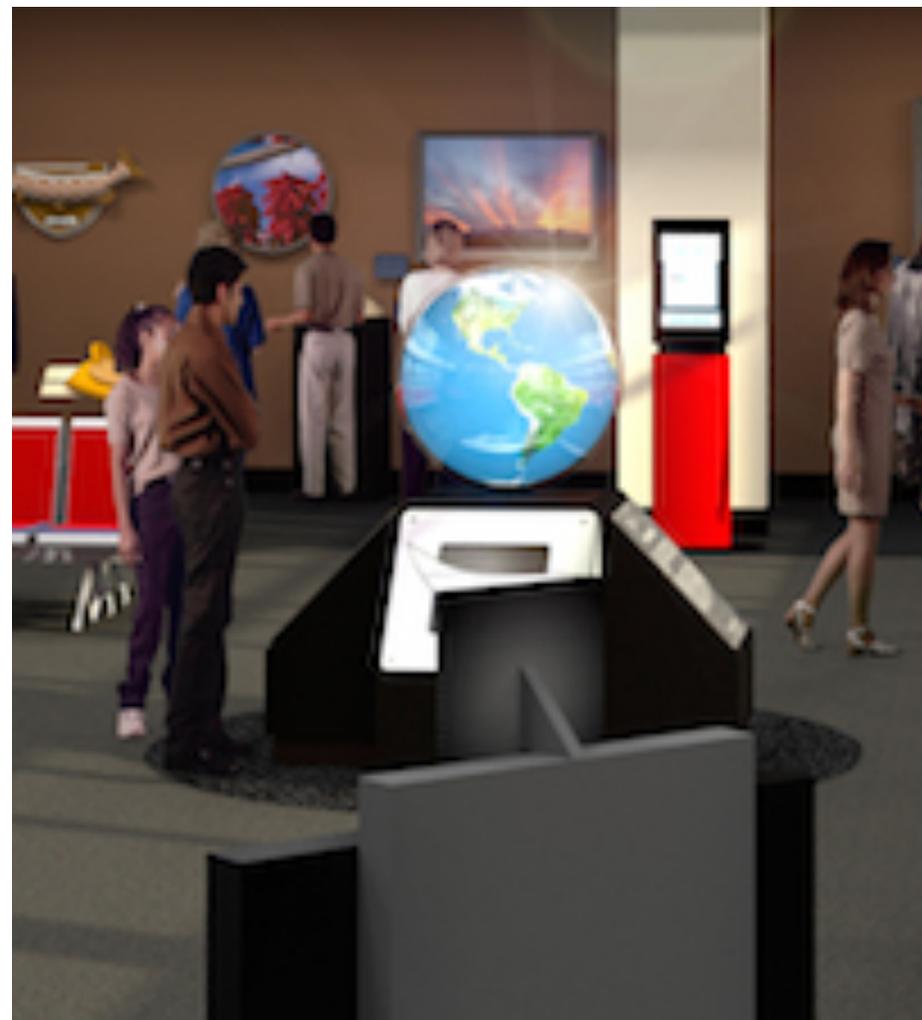
KEY ELEMENTS

- 20 EXHIBITS
- 11 WALL MURALS (SOME DIGITALLY ENHANCED)
- 5 INTERACTIVE KIOSKS WITH ORIGINAL GAME CONTENT
- 8 VIDEO MONITORS
- ORIGINAL MEDIA CONTENT ON SHUTTLE TRANSPORTATION



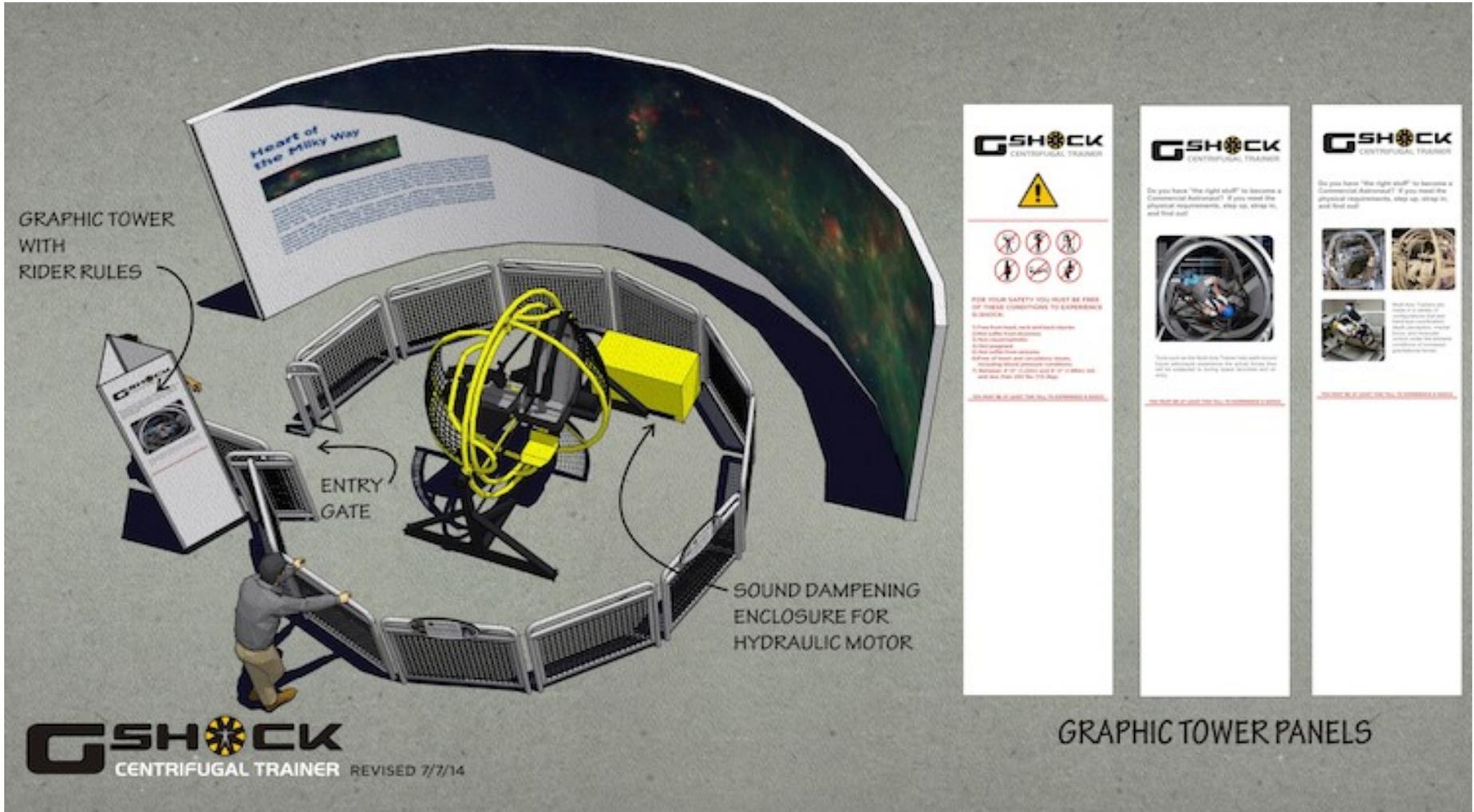
VISITOR EXPERIENCE ATTRACTIONS

- NEW MEXICO TRUE TRAILHEAD
- KIDSPACEPORT
- NAV KNOWLEDGE
- LIFT-OFF INTERACTIVE
- SPACE MEDICINE
- MAGIC PLANET
- G-SHOCK TRAINER
- INTERACTIVE KIOSKS
- JOURNEY UPWARD
- HISTORICAL ARTIFACTS



MAGIC PLANET

VISITOR EXPERIENCE ATTRACTIONS



G-SHOCK CENTRIFUGAL TRAINER

VISITOR EXPERIENCE ATTRACTIONS



JOURNEY UPWARD MURAL

VISITOR CENTER



VISITOR EXPERIENCE

FEASIBILITY / MARKET STUDY



- **WORLD-CLASS MARKET RESEARCH TEAM**

Veteran researchers formerly of Walt Disney Company

- **DEMAND FORECAST INDICATES ~200,000 ANNUAL ATTENDANCE**

400 person primary research survey* among non-New Mexico US households, ages 18-70, who have traveled overnight on vacation within the past year.

Source	Attn (000)
Current U.S. Visitors to NM	53
New U.S. Visitors to NM	<u>70</u>
Subtotal U.S. Visitors	123
International	28
NM/TX School groups	29
Residents of NM	<u>22</u>
Demand in stabilized year	202

*2011 Demand Forecast/Feasibility Study, Team IDEAS/Integrated Insight

VISITOR EXPERIENCE

PROJECTED ECONOMIC IMPACT



- **JOBS**

Direct - 38 (e.g. hospitality, marketing, tour employees)

Indirect - 156 (e.g. supplier businesses like catering, special events)

Induced - 529* (e.g. visitor spending on hotels, restaurants, other attractions)

- **PROJECTED REVENUE**

Operating revenue ~\$9M

(e.g. admissions, food and beverage, merchandise)

Operating expenses ~\$7M

(e.g. staff salaries, marketing, maintenance, transportation)

Net NMSA revenue ~\$2M in full year (200,000 visitors)

VISITOR EXPERIENCE TIMELINE

- **VISITOR CENTER**

Secure construction funding - in process

Construction - 12 months

Show content installation - 4 months

- **GATEWAY GALLERY**

Fit-out construction - March 2015

Show content installation - June 2015

- **HOSPITALITY MANAGER RFP**

RFP released 3 months after construction starts

GATEWAY GALLERY STATUS

- **GATEWAY GALLERY FIT-OUT DESIGN COMPLETE**
- **WILL BE SUBMITTED TO CID FOR CONSTRUCTION PERMIT**
- **CONSTRUCTION TO BEGIN AFTER PERMITTING GRANTED, APPROXIMATELY NOVEMBER 1 2014**
- **CONSTRUCTION COMPLETION APPROX. MARCH 1 2015**
- **DISPLAYS/EXHIBITS INSTALLED APPROX. JUNE 1 2015**

VISITOR EXPERIENCE STATUS

✓ VISITOR CENTER DESIGN

✓ VISITOR CENTER SHOW CONTENT

✗ VISITOR CENTER CONSTRUCTION

✓ GATEWAY GALLERY DESIGN

✓ GATEWAY GALLERY SHOW CONTENT

✓ GATEWAY GALLERY FIT-OUT

✓ HOSPITALITY MANAGER RFP

✓ FUNDED

✗ NOT FUNDED

T OR C VISITOR CENTER FINANCING

- **\$6.5M NEEDED FOR**
 - Construction
 - Land purchase
 - Construction Administration
 - Construction Management
- **EXPLORING A VARIETY OF FINANCING OPTIONS**



An abstract graphic of a bird in flight, rendered in shades of gray, occupies the right side of the slide. The bird is shown from a side profile, with its wings spread wide, moving from the top right towards the bottom left. The background is white.

VISITOR CENTER SITE SELECTION

HISTORY OF SPACEPORT VISITOR CENTERS



- **NMSA BOD RESOLUTION #2007-003 AND #2008-001 CREATED CONCEPT OF “WELCOME CENTERS” LOCATED IN HATCH AND SIERRA COUNTY, RESPECTIVELY. HATCH WOULD BE THE FIRST CENTER, PER #2007-003**
- **NMSA SET ASIDE \$500K IN BUDGET FOR EACH CENTER IN 2008**
- **NMSA SIGNED MOA WITH SIERRA COUNTY OCT 7, 2010**
Narrowed Sierra County location to City of T or C limits
Established model of local site selection committees



HATCH SITE SELECTION

HATCH VISITOR CENTER SITE SELECTION



- **NMSA REQUESTED HATCH VILLAGE MAYOR NOMINATE SITE SELECTION COMMITTEE ON MAY 12, 2011**
- **NMSA TASKED THE COMMITTEE TO NOMINATE UP TO TWO (2) SITES ON JULY 7, 2011**
- **SIX (6) RANK-ORDERED SITES SUBMITTED JULY 29, 2011 WITH EXIT 41 SITE AS CLEAR PREFERENCE**
- **NMSA BOD SUBCOMMITTEE REVIEWED OPTIONS WITH HATCH OFFICIALS, DETERMINED PREFERRED SITE REQUIRED >\$2M IN INFRASTRUCTURE TO GET TO THE SITE**
- **NMSA DECIDED TO ISSUE RFP**

VISITOR CENTER SITE SELECTION EVALUATION CRITERIA (SUMMER 2012)



- **MANDATORY REQUIREMENTS**

- Between Exit 32 and 41 on I-25 (Hatch)

- Within City of T or C limits (T or C)

- Not a cultural/historic property

- Between 6 and 8 acres

- Easy access to I-25

- Must be owned free and clear

- Must have utilities and/or plan to install at owner's expense

- Must allow NMSA input to adjacent owner-controlled property

- **EVALUATION FACTORS**

- Existing Conditions (e.g. "pad readiness" of site) 12.5%

- Boundaries (e.g. rectangular parcel) 5%

- Adjacent Development (e.g. compatible neighbors) 17.5%

- I-25 Exposure 20%

- Downtown Relationship (e.g. distance to downtown) 22.5%

- Cost 22.5%

HATCH VISITOR CENTER SITE SELECTION

- **NMSA ISSUED RFP ON MAY 17, 2012**
- **ONE (1) PROPOSAL RECEIVED AND EVALUATED; PROPOSAL DEEMED RESPONSIVE BUT SCORED LOW**
Proposed site located in residential area without visibility from I-25
- **NMSA MADE NO CONTRACT AWARD**
- **NMSA AMENDED RESOLUTION # 2007-003 TO REFLECT THAT VISITOR CENTER IN HATCH MAY NOT BE FIRST, BUT RATHER AS SOON AS PRACTICABLE**



T OR C SITE SELECTION

T OR C VISITOR CENTER SITE SELECTION

- **NMSA REQUESTED SIERRA COUNTY MANAGER NOMINATE SITE SELECTION COMMITTEE ON MARCH 15, 2011**
- **NMSA TASKED THE COMMITTEE TO NOMINATE UP TO TWO (2) SITES ON JULY 7, 2011**
- **FIVE (5) SITES SUBMITTED JULY 31, 2011; WITH THREE (3) MORE “WALK-ONS”**
- **NMSA CONCLUDED NO CLEAR COMMUNITY CHOICE; DECIDED TO ISSUE RFP**

T OR C VISITOR CENTER SITE SELECTION

- **NMSA ISSUED RFP ON MAY 17, 2012**
- **SIX (6) PROPOSALS RECEIVED ON JUNE 14, 2012; TWO (2) DEEMED UNRESPONSIVE DUE TO NON-COMPLIANCE WITH OCT 7, 2010 MOA**
- **SITE PROPOSED BY “CITY OF T OR C” RECOMMENDED TO NMSA BOARD ON AUG 1, 2012**
- **NMSA APPROVED RECOMMENDATION**

T OR C VISITOR CENTER SITE SELECTION

- **PROTESTS FILED, UPHeld BY EDD LEGAL COUNSEL**
- **SITE PROPOSED BY “CITY OF T OR C” HAD U.S. PATENT FILED IN 1959 THAT PREVENTED THE USE OF THE LAND FOR A VISITOR CENTER**
- **NMSA BOARD SELECTED NEXT BEST PARCEL (ASHBAUGH) ON SEP 24, 2012**

T OR C VISITOR CENTER LAND APPRAISAL



- **APPRAISAL OF ENTIRE HOT SPRINGS RETAIL CENTER SUBMITTED WITH ASHBAUGH PROPOSAL (MARCH 2011)**
Market Value \$5,247,000
By G. Vincent Barrett, Ph.D., MAI, Barrett Appraisal Services, LLC of Elephant Butte
44.92 acres
- **FIRST APPRAISAL OF 6 ACRE ASHBAUGH SITE (JULY 2014)**
Commissioned by NMSA on June 16, 2014
Market Value \$1,244,000
By G. Vincent Barrett, Ph.D., MAI, Barrett Appraisal Services, LLC of Elephant Butte

T OR C VISITOR CENTER LAND APPRAISAL

- **FIRST APPRAISAL PROTESTED AGAINST APPRAISER**
Filed with Regulations and Licensing Dept. on August 20, 2014
Basis: claimed conflict of interest by appraiser
Appraisal Board Complaint Committee to adjudicate
- **SECOND APPRAISAL OF 6 ACRE ASHBAUGH SITE (DUE NOVEMBER 2014)**
Commissioned by NMSA on October 3, 2014
Dominion Property Advisors of Albuquerque



ECONOMIC IMPACT/DEVELOPMENT

- **PRIMARY OBJECTIVE**

Enable economic growth and jobs in New Mexico by taking advantage of the emerging commercial space industry in and around Spaceport America

- **TWO TARGET AREAS**

Aerospace Support Services and Infrastructure

Tourism and Hospitality Support Services and Infrastructure

- **FOUR STEPS**

1. Requirements Identification
2. Gap Analysis
3. Implementation
4. Workforce Development

STEP 1 - REQUIREMENTS IDENTIFICATION EXAMPLES

- **IDENTIFYING THE REQUIREMENTS OF SPACEPORT CUSTOMERS IN ORDER TO SUPPORT THEIR OPERATIONAL NEEDS**
- **AEROSPACE SUPPORT SERVICES AND INFRASTRUCTURE**
 - Manufacturing
 - Offline testing facilities
 - Quality control testing capabilities
 - Technical and analytical support
 - Etc.
- **TOURISM AND HOSPITALITY SERVICES AND INFRASTRUCTURE**
 - Transportation and logistics
 - Accommodation and attractions
 - Food services
 - Southern Spaceport road
 - Etc.

STEP 2 - GAP ANALYSIS



- **IDENTIFY GAP BETWEEN CUSTOMER REQUIREMENTS AND AVAILABLE SUPPORT SERVICES AND INFRASTRUCTURE**
- **SHORT-TERM OPTIONS TO FILL THE GAP**
 - Import the service
 - Attract new businesses to relocate to New Mexico
- **LONG-TERM OPTIONS TO FILL THE GAP**
 - Evolve to fill the requirement via educational pipeline

STEP 3 – IMPLEMENTATION

- **WORK WITH EXISTING BUSINESSES ON SPECIFIC CAPABILITY ENHANCEMENT, WHERE POSSIBLE**
- **TARGET SPECIFIC COMPANIES FOR RELOCATION/EXPANSION**
- **CREATE ECONOMIC DEVELOPMENT PACKAGES FOR RECRUITMENT**
- **RECRUIT**

STEP 4 – WORKFORCE DEVELOPMENT

- **WORK WITH EDUCATORS TO ENHANCE CURRICULUM TO FILL SKILL/KNOWLEDGE GAPS**
- **DEVELOP OPPORTUNITIES FOR UNIVERSITY / SPACEPORT COLLABORATIVE PROJECTS**

CURRENT ECONOMIC DEVELOPMENT STATUS

- **REQUIREMENTS IDENTIFICATION COMPLETE**

Data gathered from tenants and contractors

- **GAP ANALYSIS COMPLETE**

Example gaps:

- Machine shops
- Raw materials
- Technical analysis services
- Transportation / 3rd party logistics
- Catering / Vending services
- Uniforms

CURRENT ECONOMIC DEVELOPMENT STATUS



- **IMPLEMENTATION**

- Supplier Seminar for Tourism held Dec 5, 2013

- Identified existing NM suppliers that likely fill gaps

- >60 supplier referrals to tenants made so far this year

- Developed free online Supplier Registry

- Soliciting NM suppliers via local chambers and SA website

- **SUCCESSES SO FAR**

- Hotel Encanto de Las Cruces

- Sierra Grande Lodge

- World Class Gourmet

- Ultramain

- Enterprise Rent-a-car

- RMKM Architecture

- HB Construction

- Volvo Equipment

- **PROMOTE SUPPLIER REGISTRY**

Announced in Spaceport America Newsletter

- **COORDINATE WITH PARTNERS ON RECRUITMENT**

Economic Development Department

Local EDCs

Local CVBs / Tourism Boards

NM Partnership

- **SUPPORT WORKFORCE DEVELOPMENT**

WorkKeys implementation by contractors/tenants

University collaborations (e.g. internships, capstone projects)

ECONOMIC IMPACT OF SPACEPORT AMERICA



- **CONSTRUCTION AND PRE-OPERATIONS**
Over 1300 New Mexicans to date
140+ NM companies
- **9 NM COUNTIES**
Doña Ana
Sierra
Bernalillo
Valencia
Eddy
Lincoln
Santa Fe
Curry
Sandoval
- **NMSA GROSS RECEIPTS TAX GENERATED ON CONSTRUCTION AND PRE-OPERATIONS TO DATE: ~\$12.4 MILLION**

ECONOMIC IMPACT OF SPACEPORT AMERICA



- **ECONOMIC ANALYSIS (RIMS II) SHOWS FOLLOWING IMPACTS FROM CONSTRUCTION OF SPACEPORT (\$138.9M)**
- **JOBS**
 - Direct employment - 1220
 - Total salaries - \$40M
- **SPENDING**
 - Total output - \$264M
 - Earnings - \$84M
 - Total employment - 2452

NMSA EMPLOYMENT AT SPACEPORT AMERICA



- **CURRENT NMSA AND SUPPORT CONTRACTOR OPERATIONAL FULL TIME STAFF OF 33, PLUS 39 IN PART TIME SUPPORT**

- **CONTRACTORS FROM 18 NM COMPANIES**

Fiore Industries (Doña Ana, Sierra, Bernalillo)

Western Building Development (Doña Ana, Sierra)

White Sands Research & Developers (Doña Ana)

Zia Engineering and Environmental (Doña Ana)

Jemez Mountain Research Center (Santa Fe)

Van Citters Historic Preservation (Bernalillo)

Parametrix (Bernalillo)

Office of Archaeological Studies (Santa Fe)

New Mexico Tech (Socorro)

LE Electric (Doña Ana)

Pure Operations (Doña Ana)

At Your Service Pest Control (Sierra)

Dimar Fire Systems (Doña Ana)

SMPC Architects (Bernalillo)

SDV Construction Management (Bernalillo)

Follow the Sun Tours (Sierra, Bernalillo)

Horizons of New Mexico (Doña Ana)

Clifton Larson Allen (Bernalillo)

FUTURE EMPLOYMENT OPPORTUNITIES

- **NMSA AND ITS CONTRACTORS ARE HIRING UP TO 18 FULL TIME POSITIONS IN FY15**
- **VISITOR EXPERIENCE TO EMPLOY 30-40 IN FY16**
- **VIRGIN GALACTIC HAS LOCAL STAFF OF 15, WITH 5 MORE CURRENT OPENINGS. ~50+ JOBS ADDED IN NM BEFORE OPERATIONS BEGIN**
- **ALL OPENINGS LISTED ON SPACEPORTAMERICA.COM**

TENANT SPENDING IN NEW MEXICO



- **VIRGIN GALACTIC ESTIMATES ~\$3-4M IN FIT-OUT WITHIN GATEWAY TO SPACE FACILITY**
- **VIRGIN GALACTIC HAS SPENT MORE THAN \$3.6M WITH NM SUPPLIERS**
- **SPACE X HAS SPENT MORE THAN \$2M ON INFRASTRUCTURE AT SPACEPORT AMERICA**
(e.g. pads, electrical utilities, buildings, etc.)
- **TOTAL TENANT RENTS, UTILITIES AND USER FEES TO DATE**
\$2.729M

ECONOMIC IMPACT OF VISITOR EXPERIENCE

- **FOLLOW THE SUN, INC.**
 - NM owned and operated
 - Owns all transportation assets
 - Based in Bernalillo & Sierra counties
 - Licensed by NMSA to conduct Spaceport America site tours Fri-Sun
 - FTS pays royalty to NMSA, not vice versa
 - Total Visitors to Spaceport America since 2011: >6,000



ECONOMIC IMPACT OF VISITOR EXPERIENCE

- **CURRENT VISITOR EXPERIENCE**
 - ~\$40 per capita on admission

- **FUTURE VISITOR EXPERIENCE**
 - \$38.50 per capita on admission
 - \$3 per capita on food and beverage
 - \$3 per capita on merchandise

 - **\$44.5 total per capita spending**



ECONOMIC IMPACT OF VISITOR EXPERIENCE

- **ECONOMIC ANALYSIS (RIMS II) SHOWS FOLLOWING IMPACTS FROM OPERATION OF FUTURE VISITOR EXPERIENCE (\$9M REVENUE/YR)**
- **JOBS**
 - Direct employment - 38
 - Total salaries - \$1.2M
- **SPENDING**
 - Total output - \$16M
 - Earnings - \$5M
 - Total employment - 194

LOCAL BUSINESS/SUPPLIER REGISTRY



- AVAILABLE NOW AT
SPACEPORTAMERICA.COM
- CURRENTLY NEARLY 100
ENTRIES ACROSS MANY
SUPPLIER CATEGORIES
- NMSA WILL CONTINUE TO
REFER/MAKE AVAILABLE
REGISTERED SUPPLIERS TO
ALL TENANTS

Supplier Registration Form - Multistep

Step 2 of 3

66%

Registered New Mexico business?



Registration Number

Primary Product / Service Offered

Product / Service Commodity Number

Description *

Please describe the nature of your business. This description will be made public on the website.

PREVIOUS

NEXT

FUTURE CONTRACT OPPORTUNITIES

- **CONSTRUCTION OF SOUTHERN ROAD**
- **CONSTRUCTION OF VISITOR CENTER**
- **HOSPITALITY MANAGEMENT**
- **RE-COMPETITION OF SERVICE CONTRACTS IN 2015**
Protective Services

- **DIVERSIFICATION BEYOND SPACE LAUNCH ACTIVITIES AND TOURISM IS CRUCIAL FOR SUSTAINABILITY**

- **EXAMPLES**

Ancillary space supply chain

Corporate events / conferences

Commercial film / photography

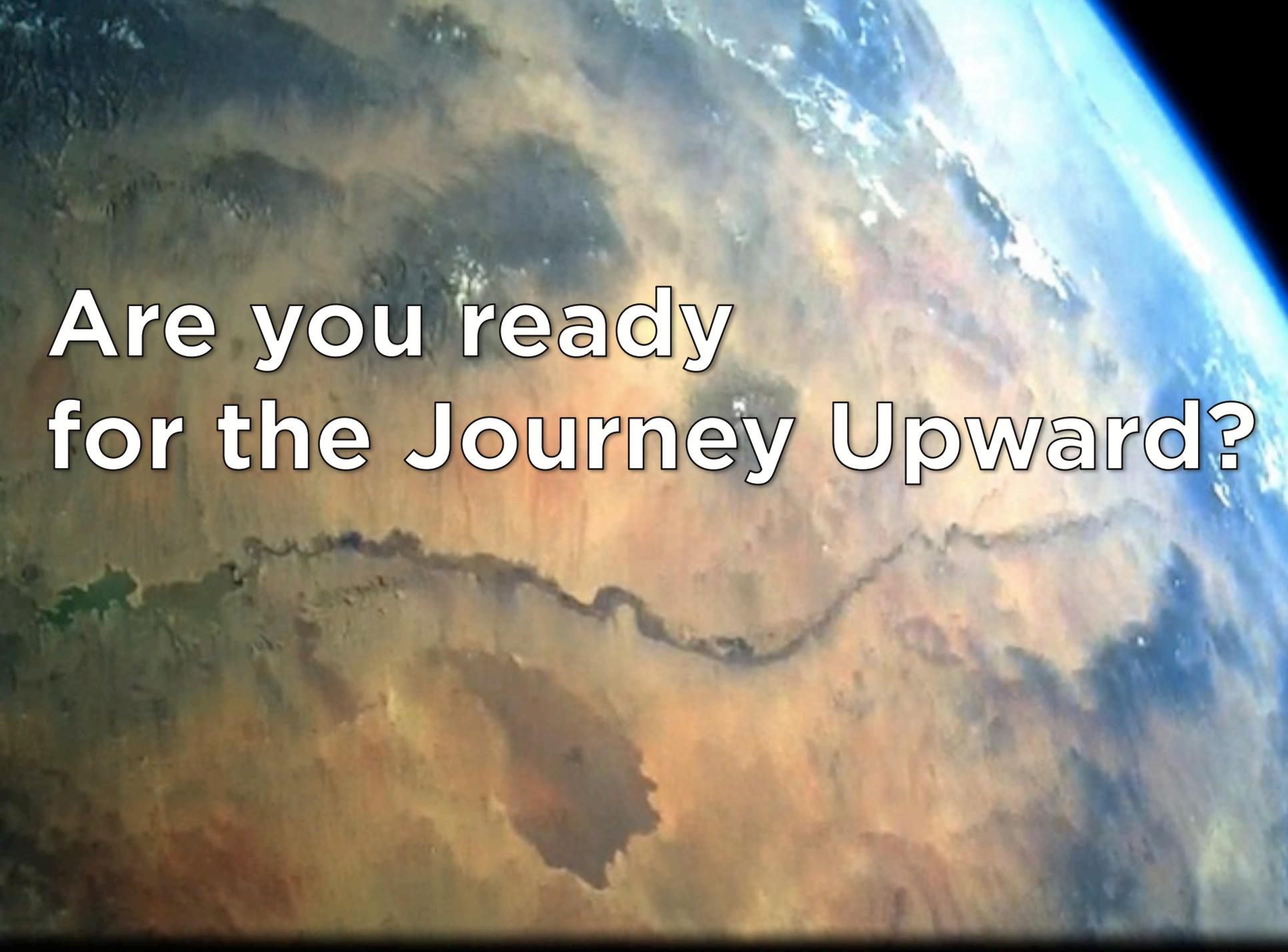
UAV / UAS support

Sporting events

Alternative energy

MEDIA VISITS BY COUNTRY (18)

- AUSTRALIA
- CANADA
- COLUMBIA
- FRANCE
- GERMANY
- ITALY
- JAPAN
- KOREA
- MEXICO
- NETHERLANDS
- NORWAY
- POLAND
- RUSSIA
- SPAIN
- SWEDEN
- SWITZERLAND
- TAIWAN
- UNITED KINGDOM



**Are you ready
for the Journey Upward?**