

NMSA Board Meeting Notes
October 25, 2018 at 10:00am
AXIOM Public Accountants Office
316 Osuna Rd NE #401
Albuquerque, NM 87107

Attendees:

- Rick Holdridge (via phone)
- Laura Conniff (via phone)
- Davin Lopez
- Nathan LaFont
- Rebecca Latham
- Michelle Coons

Rick Holdridge:	00:00:51	It is October 25th at 10am. We will call this special meeting to order. We will start with the Pledge of Allegiance.
Unison:	00:01:02	[Recite pledge]
Rick Holdridge:	00:02:01	Now we will take attendance. [see attendance sheet]
Rick Holdridge:	00:02:58	We have a quorum at this point. I'll entertain the motion to approve the agenda.
Laura Conniff:	00:03:03	So moved.
Nathan LaFont:	00:03:03	Second.
Rick Holdridge:	00:03:12	We have a motion and second. All in favor.
Unison:	00:03:18	Aye.
Rick Holdridge:	00:03:21	Motion carries. Dan Hicks can start the next agenda item.
Dan Hicks:	00:03:25	Thank you all for being with us this morning for this quick special session that's focused on three RFP awards that we'd like to get your approval on. Starting with the first one on the agenda, which is the aerospace consulting and I think you should have it all in your package. What we've noticed is there are a number of activities for meetings going on with the space industry around the nation, a lot of it in the DC area. We just don't have people that can cover all of them. So the intent of

this aerospace consultant was to be able to reach out to some experts in the field, hopefully get people that have been in the space industry that are retired, like whether it's a federal employee for the intelligence community or department of Defense or NASA that would want to just give us a few hours and either attend meetings for us and do activities or write the information papers.

Dan Hicks:

[00:04:26](#)

So we put out the solicitation, and got back three very capable companies. And so we selected all of them. The intent is as we go forward with this, it's going to be very task driven. For example, Bryce, one of the companies has some very exceptional talent on them. There's probably a couple of meetings that we would like the leadership of Bryce to attend for us. They've also got some strategic planning business development in the space, community business planning that might help us get forward a little bit on our business plan that we want to do that supports the national sector. So the goal with each of these consultants, they don't do a thing until Karen or I give them a specific task on a work order assignment that says, Hey, we'd like you to do this. Give us a white paper afterwards. This way we can control costs. As you can imagine, consultants are extremely expensive, but it's because of the talent that they have and that's what we've noticed with these three. So that's the first one that we would like to discuss with you. There's any questions on why we're doing this and what the value is to spaceport America.

Rick Holdridge:

[00:05:39](#)

What are the expertise areas for the three companies, for instance, national security, military, NASA, how do they differentiate in that sense?

Dan Hicks:

[00:05:51](#)

Andrew's is got a little bit of NASA background, some expertise with them and Bryce is a little bit of both. The level of talent they have is some retired Generals and the space community from DOD and then the Bougainvillea, which is really a single person, Pete Bythrow, he actually was an expert with the Intel community, with all of our space assets up there. And so when we look at going forward with the Space Force, particularly the responsive space and getting capabilities quickly to space, Pete is one that can say, hey look, we've got to go to an inland spaceport because of his background. So his ability to help papers to get to the right leadership in the Intel community and Dod is important. Andrew, it seems to be a little bit more NASA. Bryce is a little bit of both. Pete is specific to the Intel community, so I think we've got a good coverage of both civil space and Dod space with expertise with this group of leaders.

Rick Holdridge: [00:06:59](#) And how many dollars will we have allocated to the whole thing? Is that in here somewhere?

Dan Hicks: [00:07:06](#) I think Zach can answer that question. I believe for us, how have much we've allocated initially?

Zach DeGregorio: [00:07:11](#) The dollar amounts were in the packets we sent out with the award memos. Basically they range between 100 K to 200 k for a year.

Dan Hicks: [00:07:32](#) But again, they don't start on any task until we give them something. And I suspect that we may not spend all of that, like Andrew's, i doubt we'll use all of them. Same thing with Bryce. Pete was the cheapest one and we may go through him a little bit first for some of the white paper information papers that we want. With each of these contracts we had to put a dollar value on it. And so that's like a 100, 200 for each one. They weren't all the same though. I think Pete was the lowest one. Bryce was probably the more expensive one.

Rebecca Latham: [00:08:12](#) So collectively it can be up to \$600,000 in contract awards?

Dan Hicks: [00:08:18](#) Collectively, I don't think it quite gets up there and it was more closer to 400 because I think Pete was closer to one. I mean Andrew's in the middle. Bryce was the high end, so it's about maybe \$450 total.

Rick Holdridge: [00:08:29](#) It is at the bottom of this piece of paper. It is closer to 550 or something like that.

Dan Hicks: [00:08:42](#) Okay. But again my intent is certainly not to use Bryce because they could quickly go through that. None of them really want to spend all the money, but I do want them to focus specifically on a couple of information papers and some business planning documents that will help us. One of the things, the legislature wants is to update the business plan and so to get a little bit of input from them I think would be helpful. Looking at where the space industry is and how us as an inland spaceport can reflect with some of the sectors going. So that's probably a task that we would give them, but we would control that to say, you know, here's the business plan update we would like you to do, here's our amount.

Dan Hicks: [00:09:33](#) But the reflection of those amounts were based on their dollar values. It's amazing what consultants get paid. I was surprised to see that when I looked at Bryce's menu of their expertise and

there's a couple of them that are like \$400 an hour. So we don't want to use that gentleman very often.

Nathan LaFont:

[00:10:33](#)

Can you give some examples of the advantages and disadvantages of using the consulting firm for some of these projects as opposed to doing it in house?

Dan Hicks:

[00:10:44](#)

So the advantages is the experience you have tapped into. Right now I just don't have on staff and I've got three aerospace engineer vacancies I'm trying to fill and ideally I could get somebody that's a really sharp aerospace engineer that's been around, but what I'm realizing is the talent I'm able to recruit at 80k, which is about what the pay band is. We're an aerospace engineer in New Mexico. Uh, they can get a little bit higher at 88k. Those same people are getting paid 130k and 140k for mid level at any of the space companies. So it's really hard to get that talent. So that's one of the advantages I've got with working with a consultant is I immediately get some very good experience to quickly do some work I need them to do, without bringing on staff because none of them at that level, at least \$400/hr guys or even \$200/hr guys are going to want to come work in New Mexico for 80k. Right? So what we're focusing on with these aerospace engineer vacancies I have is to try and get some good, good talent out there, you know, that have been working for maybe years in the industry but have experience.

Dan Hicks:

[00:12:01](#)

That's the advantages of having the consultant where I can get a little bit higher talent experience on our short term to get through some activities that I need

Rebecca Latham:

[00:12:13](#)

I think the goal is being that you generate enough revenue resulting from what the consultants can put in place for you or can advise you on to then increase the amount that you're able to pay because while the pay band currently locks you into this amount as a spaceport evolves as an agency, the governance structure, should evolve as well to be more public, private, or to have more opportunity within your enterprise fund to hire outside of the pay band or however.

Dan Hicks:

[00:12:48](#)

No, Rebecca, that's exactly where I think we're striving to go ahead and I had a really good discussion with Keith when he came down for the southern road ceremony. And one of the things I thanked him for was the in band increase. I was able to get my staff because my management team, I mean each one of them should be in six figures anywhere in the country for general counsel or CFO. Their capabilities, what they have, but they're working here in the state because they love the mission. But you're right, as we get more revenue coming in and we're at

10 million coming up this year when we get to 15 and 20 million people saying, okay, yeah, we'll get a little more flexibility working with SPO. Set your pay more reflective right now has been a little bit of a battle to get them. Keith has been supportive. But I think as we go through the next couple of years, hopefully we'll be able to get, you know, we're never going to match Space X or Blue and what they pay, but at least we'll get a little closer to the rest of these startup companies that are having the same pay issues with their talent.

Rebecca Latham:

[00:13:52](#)

Well, and I think as long as you are, you know, just a function of government or an arm of government, then you are going to be tied into state personnel and pay bands. I would say look at the New Mexico partnership, for example, that they are contracted by the state but able to be funded by the state without necessarily being a state agency and they're performing a very specific function for the state and economic development. I would say that it's, you know, look at that. Whereas spaceport is contracted by the state to operate, but you are a nonprofit corporation perhaps or you know, something where you're not necessarily state employees.

Dan Hicks:

[00:14:43](#)

Right. So have you been talking to Zach? Zach's got to get a strategic plan on something like that where there'd be a core group of state employees, but then there's an element that's almost operates as a nonprofit that functions as a kind of like at the federal level you have these for FFRDC. What they do is, it's like Sandia labs a lot. Aren't they where they can, they're actually kind of agents of the government, they're not really for profit but they're pay is totally different and that's where I think, you know, that kind of concept is where we want to go to one or two years. I'm looking at, you know, what we've been through the last two years and just working with some of the sentiment in the state about, hey, why isn't virgin flying? Everybody's focused on the old promises. I think we're working through that emotion to where we're at a place now where people see, oh this is real, this space sector is a good economic engine. And I think it will be easier once we are up and running to go to the legislature and the executive branch and say, Hey, here's an idea. So let us set up like this.

Dan Hicks:

[00:16:07](#)

I think Zach's point is the timing right now, this year, last year wasn't the right timing, but we'll get there and that's a good concept that will help us because spo is always going to have a mentality on what their pains are and it's tough to get them to change. Rick, any, any questions on your end, on these rfps? Any other questions?

Rick Holdridge: [00:16:37](#) No, I think it's actually essential for the kind of work that we're getting ourselves involved in, especially if we want to stay more broadly connected to the rest of the industry and to the government. We need people like this because one thing they have the expertise and then they'll make themselves available whereas we're multitasking here locally.

Laura Conniff: [00:17:03](#) I'd just like to add. My son is a partner in an international consulting company so I'll retire early and hope he can take care of me in his old age. But it has been a progression in learning what other people do and it is impressive and one of the things they do and his company, if they are not allowed to tell anyone, including their Mama, who they're working for because it makes that much of a difference to the company they're working. So I think this is very good way to go.

Rick Holdridge: [00:17:54](#) Okay. At this point I'll entertain a motion to accept and approve the staff recommendation to hire all three on a task basis.

Michelle Coons: [00:18:02](#) I move.

Laura Conniff: [00:18:26](#) Second.

Rick Holdridge: [00:18:31](#) We have a motion to second. All in favor?

Unison: [00:18:38](#) Aye.

Rick Holdridge: [00:18:38](#) Motion carries. Thank you Dan. Construction accounting, right?

Dan Hicks: [00:18:46](#) The next one is the construction accounting RFP on the books and has, as you know, we've got fuel farm and some other construction getting ready to occur at the spaceport. Ideally I will have some great news in February and have our capital outlay requests approved. So there'll be a lot of construction happening at the spaceport. It's actually starting today with some small projects, and it will continue over the next couple of years as we get some infrastructure in place. So one of the things we realized as an agency, Zack, our CFO has been spending way too much time, managing receipts, invoices and we have a big construction project like a hanger or a payload processing facility or a taxi way. We really have to work close with the company and ensure that each week we understand what the income outgo is for any of these projects and have that balance as we go forward and to just manage the cost.

Dan Hicks: [00:19:51](#) The example we had recently was mountain states with the southern road, you know, \$14,000,000 to get that built. The

advantage we had is Dona Ana county had all the accounts and was doing all that management for us, but when we do these projects, it's us on our own. So having this kind of accountant that'll help us manage these constructions projects specifically is important to us. And that was the, the genesis of this RFP. We put it on the street, we had a couple of companies come in, one didn't seem to be as strong as the other and we selected the Fiore contract. Working with them, they seem to understand we didn't really need a big accounting firm. We just needed an accountant assigned to us. And so we already got it. And that's what we're really looking for with some other stuff we do. I remember seeing the Owner at a board meeting.

Dan Hicks:

[00:20:48](#)

Fiore also does our safe team, so the security and the firefighters and the paramedics, that's Fiore. This wasn't a part of their contract. So we went out differently. You know, we wanted to look at kind of accounting firms. Fiore also said, hey, we can do that too. And they actually came across the best of the ones that responded.

Rick Holdridge:

[00:21:14](#)

Great.

Zach DeGregorio:

[00:21:20](#)

I would say that they're pretty separate functions. So, for instance, this person's not going to be doing any accounting that's related to their other contract. We're going to have this person focused really on these capital construction projects.

Rebecca Latham:

[00:21:40](#)

Will they be housed in your office or will they work independently?

Zach DeGregorio:

[00:21:51](#)

We've been having conversations about how it would work. We do have an expectation that they would spend some time on site because a lot of work is needed, I mean in construction projects, we want somebody there taking photos and writing reports. So they are an Albuquerque based company. And so the people who are staffing this up, well it's primarily just one person. And so they're aware that we expect them to be on site at least once a month,

Speaker 7:

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More than that initially as we do the initial training period. If you were to look at an office right at the SOC, we expect your accountant would be there, you know, whatever it makes sense in the project they're working on it maybe once a week they come down. I don't want to pay for excess travel that's not needed, but I think we can find a balance on being onsite versus being in the office.

- Nathan LaFont: [00:22:51](#) One other comment I know that we recently had that big audit, I guess it was in the summer actually with axiom, but I might definitely want to get axiom and whoever is awarded this contract to make sure that they know any of the short falls or any of the concerns that our auditor's had had in the past. In that way, especially since they're going to be acting as our accountant, that they're following all the state procedures because as a private firm, maybe, I'm not sure if they were ever aware of all the state requirements, but make sure that they have communication with our auditing firms so that, that way they can do things correctly up front instead of in the back end.
- Dan Hicks: [00:23:28](#) That's a good idea. That's really good, Nathan.
- Rick Holdridge: [00:23:34](#) One thing I'll mention is when we did the major construction, we had a fairly large multiperson full time contract to do this for the actual build of the spaceport. So I totally agree that this is a necessary thing.
- Dan Hicks: [00:23:50](#) And, with our staff right now, I don't think we've got anybody on board as a construction management will probably do, just like we did when we built the hangar and the runway. We had an outside firm come to do construction management on behalf of the state. So they were, they're kind of running the projects, being our interface to the contractor as we go through these projects from the capital request and get them. It'll be a similar thing. We'll still do that and we'll let them know that their responsibility isn't necessarily they accounting because we've got this person doing that, but we will need them managing these contractors onsite with more experience than I or some of my staff have. So that's a good point.
- Rick Holdridge: [00:24:40](#) I forgot the name of the company that did it before, but I think we had built in to that multimillion dollar contract, the accounting in addition to the actual construction oversight.
- Rebecca Latham: [00:25:01](#) How many construction projects again?
- Dan Hicks: [00:25:05](#) So right now there's the fuel farm expansion, then we've got the 500 k for the horizontal launch area upgrades. There's a couple projects that we're doing with those funds. Like the soc has got a settling problem. So it's those smaller projects under that \$500k window that we'll be doing. Then if the Capital outlay request is approved. That's six projects of 61.5 million and we hope to start in July. So it's good to have this kind of accountant on board. Now as we go through some of the smaller ones to get prepped up for that.

Nathan LaFont: [00:25:59](#) The dollar amount on this accounting RFP?

Michelle Coons: [00:26:05](#) It's right here at 54,998. So 55,000, right?

Zach DeGregorio: [00:26:16](#) It's essentially staffing for one person.

Michelle Coons: [00:26:19](#) Do you see that a lot occupied all their time or do you feel you're really kind of getting like a halftime person?

Zach DeGregorio: [00:26:25](#) Well it's kind of like the consultants where we're going to do it on an as needed basis. So you know, with the construction projects they're all at different schedules and so at certain periods of time we're going to need them full time, but I'm not anticipating them to be full time forever for the whole year, which is one of the reasons why we're approaching it this way.

Rebecca Latham: [00:26:48](#) I think for the amount that you have and what you need, it would be hard to find an FTE to make the haul out there. Plus if you add in salary or benefits it's going to be much more than 55 k right?

Rick Holdridge: [00:27:16](#) Okay. Hearing no more questions or comments, I'll entertain a motion to approve the recommendation to hire Fiore as the uh, construction, uh, auditing or construction, financial consultant or whatever it is.

Michelle Coons: [00:27:33](#) I so move

Nathan LaFont: [00:27:37](#) I second.

Rick Holdridge: [00:27:42](#) All in favor?

Unison: [00:27:43](#) Aye.

Rick Holdridge: [00:27:48](#) Motion carries. Thank you Dan.

Dan Hicks: [00:27:51](#) So the last one for this morning's session is the RFP for the payload processing integration facility. Last year at the capital outlay, we were able to get 500 k. Now our original request was for \$20,000,000 facility and in talking with the capital outlay bureau, we didn't have a good set of design ready to go in for that. So they recommended, we just asked for the design concept funding, which is they gave us 500 k. So we put the RFP out. Our intent was to go to the industry and find a company that really had experience with integration facilities, and payload processing capabilities infrastructure. And we got a couple architectural firms that came back that could do that

design. We selected Brph because they were kind of the industry standard at Kennedy, at Wallops Vandenberg. They've done integration of facilities at each one of those.

Dan Hicks: [00:28:51](#) The other one was a very good architectural firm, actually from New Mexico, but with little experience with the specific project that we were dealing with. So we selected Brph. Neither of them came in under the 500 k. So what we're going to do is with some of the funding that we've got is to use the one we selected which came in for 640 k.

Dan Hicks: [00:29:42](#) It is a little bit interesting as we went through the state process them. We couldn't define a lot of the specific criteria, so we put out something broad. When we started negotiating with Brph during the award phase, we said, look, we want 100 percent design drawings. If we're going to give you 640k, we want 100 percent drawings, and their point was, well, if you have a cafeteria, that's a whole different set of standards. And we said, well, we're not having a cafeteria in this building, so take that out. We do need clean rooms, we need processing, we need this. And they understood that. And so they agreed to come into a 100 percent design by 30 June.

Dan Hicks: [00:30:32](#) So when we do the award next year, we'll have a good set of drawings. So it was a good company and it was a good negotiation and I think the amount is realistic. The input that we were getting after the award was made, last legislative session, we're getting some advice from a lot of companies. They said there's no way you're going to get 100 percent drawings for \$500k for a facility like this. For a \$20 million facility, it's going to be closer to a million. So we were a little bit worried going into this. But when we did the down select and then we started the initial discussion with Brph and once we told them, look, this is what we're focused on. It's a small sat community. It's projects that'll be coming in with our launch capabilities.

Dan Hicks: [00:31:17](#) These are the areas. They were like, oh, okay, we will commit to the 640k and give you 100 percent design drawings. So that's kinda where we're at today with this company. We think we selected the right one obviously with their background and their experience. Um, the total amount will be not only the 500 k that we got from capital outlay, but we're going to use 140 k of our funds to, to be able to meet this project. But that's how we're going to meet them, make the project successful.

Rebecca Latham: [00:32:00](#) So you are going to the legislature in January to request the funds for this project effective July one because the drawings will be done before June 30.

Dan Hicks: [00:32:14](#) Yeah. And so that's a good, good question. Kind of on the timeline of what we asked them to do, we said, we got to go to the legislature with some concept. What normally happens at the 30, 60, 90 percent drawings is at the 30 percent. You have a fairly good ROM of what the cost is going to be and then the 60 and the 90 percent are more actual defined details of some of the materials and the ducting and things like that. So what we told them is what we want from them is in the January timeframe, can you get close to a 45 percent where you can give us confidence factor of a good estimate and you can tell us then if this \$19.5 million, which is still on the books, is that adequate or is it going to be now we underbid or we over-estimated?

Dan Hicks: [00:33:00](#) So they'll give us a confidence factor that with the money that's in there, we'll get the facility we need. And so that's kind of a data point there. Our expectation to them is to provide us with a couple of images, drawings of what the concept is and a rough order of magnitude that here is what it's going to cost, whether it's 18.9 or 19.5. So that's what they're going to give us some drawings and an estimate. So we can go to the legislature with fairly good competence.

Rebecca Latham: [00:33:46](#) What's their temperature for it?

Dan Hicks: [00:33:47](#) So we think it's going to be supported. Last year they thought the project was very reasonable. It's just they didn't think we had a good ROM and that's why they gave us the design concept funding. So this year going back to them with, you know, a good kind of concept, we think it will be supported. The other thing, maybe more specific to your question, the temperature of the climate that we got when I presented the Capital Outlay Bureau, they all thought the projects are reasonable.

Rebecca Latham: [00:34:26](#) So this would all go through capital outlay.

Dan Hicks: [00:34:29](#) Yeah. This is all through Capital Outlay. This is not anything with general funds

Rebecca Latham: [00:34:33](#) Because if you need something from General Fund, this is the time to ask.

Dan Hicks: [00:34:37](#) Well what I've got, and you are a lot closer to the climate up there, but when we were in silver city at the LFC meeting, presenting kind of our budget request, the input from John Arthur and Patti Lundstrom was, they're not looking at any

recurring funds for the surplus that we have gone in. They want to put it in investments, into infrastructure in the state. That'll help grow the state. There's a lot of needs, as you know, better than I do throughout the state, whether it's in a prison system, the school system, the health system, but to kind of take care of some things that had been lacking over the last few years. But there was a strong desire to go put infrastructure in places like the spaceport where they know the economy can really grow with that investment. So when we were at, when I presented at the capital outlay, I said, you know, I'm moving forward, this project, which was the visitor center and I'm moving forward this one in the boot hill, but I explained why, because the projects are needed. They all thought it was reasonable.

Dan Hicks:

[00:35:43](#)

In fact, I was the only state agency. They came back and said, yeah, could you please update your chart? Usually you don't do that after you submitted June or July. They allowed me to do that update. The second data point came at the budget request. Just last week that we went up to, the temperature there was reasonable. And then actually talking with Keith, at the southern road, I asked him about our capital outlay, but he's still writing it and he said, you know, all those projects are reasonable, so we're hoping that there's a good temperature to get these supported. It comes down where as a state do we invest. Where can you really grow the economy? When they look at it that way. And if say they earmark, you know, \$200, million of the surplus for projects that can really grow the economy, I think these will be very favorably received. So that's getting a little bit of good signals. But if you're closer, you know, these next couple of months, please let me know if there's somebody that I can talk to if you're at a meeting with the governor.

Rebecca Latham:

[00:36:56](#)

The only feedback I have a with regards to the legislature. And I wasn't even in the LFC. I followed Dan at an Economic and Rural Development Committee hearing recently and after you left the room and I presented our economic impact, representative Lundstrom, made the comment that, essentially that, House Appropriations would really want to see more kind of economic impact and the return on investment of what they're putting at spaceport. I don't know if that's something you all have an angle that you could take, but that was one thing is that she mentioned feeling uncertain about the investments moving forward and how they would play out.

Dan Hicks:

[00:37:43](#)

So that's a good point. There's something about an analysis that we can discuss maybe under public comments, but thank you for that insight because when I left Patricia's Lundstrom

perspective was a little bit of what is the real return on these investments. We haven't clarified that strongly but we can. Okay. That's good. That's good insight. I think we can go back and do that.

Rebecca Latham: [00:38:17](#) That's really good to hear that the proposals have been well received and that they are in a good space to want to support the growth of space.

Dan Hicks: [00:38:28](#) Senator Cisneros at his committee. He was there at the science technology committee in Deming and again, yesterday when we at the LFC subcommittee, I got some good accolades from him. But in Deming when we presented, his thought was now is a year out of any year that we'd have, to put money in investments in infrastructure projects. And so his guidance was to lay it all out there. Everything you think you need now, get it in now because the next year, maybe one of the few years where the state can do the right investment.

Rick Holdridge: [00:39:02](#) One thing I noticed or I recall, we had been working with the Arrowhead Center on doing what secretary Latham was saying, which is look at the economic effects or analysis on these capital projects. I don't think we've been working with them that much lately. That might be something to do, including even setting aside a little, I don't know if you had a contract where we could give them some money to do some of these economic analyses of our proposed capital projects.

Dan Hicks: [00:39:39](#) So I'll jump into it right now. One of the comments I got from AJ yesterday when I talked to him on my way back from Santa Fe is exactly that same thing. And then what you said, Rebecca, there's nick meniatis at the film commission. He actually hired a company for about 50 k.

Rebecca Latham: [00:40:05](#) We contract with a tourism specific economic impact firm. Our contract is I think 55k per year.

Dan Hicks: [00:40:18](#) My point is exactly like a Secretary Latham said, is that we need to just get somebody in, given the data for like, you know, here's the next launch. We had a couple hundred people for a couple of weeks for each one of those launches. Here's all of our current employees at the spaceport. Here's the other ones that come and go give them that data and just have them give the second, third order effects. Everything from spending in the hotels to just our, salaries, They can come in very quickly and give that to us. He mentioned the one that nick had used with the film industry. They came out with a very good one and he said that's on the news all the time. The impact of the film

industry is making in the state. And his point is we've got to get that same thing on the news with the space industry. Here's the impact we're making. I know we're making a good impact just for the events that we've had out there, but it's not getting a perspective. It's not getting out there.

Rebecca Latham: [00:41:35](#) It doesn't sound like you're gonna really have to defend it because you are being met with warm reception already, but being able to say your \$20 million dollar investment in this payload processing center is going to return by creating this many more jobs and with that revenue, this is how much tax revenue will be generated by, you know, and how much, how many more grocery store employees will need to be hired because of these people who are now making this much money in the area. Just being able to, to give them some sort of an ROI. That has worked very well for us.

Nathan LaFont: [00:42:20](#) Look at the film industry especially. All that business. I mean that's all because of what the film industry has been pushing with that whole campaign. What's the economic impact of that agency?

Nathan LaFont: [00:42:35](#) Has BRPM given any a response to you as far as the timeline of being able to get a 40 percent plans by mid January, late January?

Dan Hicks: [00:42:35](#) Yeah. So the Rom and the charts, the design will be done. I mean the conceptual kind of overlay charts will be there by January. The 45 percent maybe in February timeframe. We haven't figured that exact timeline with them yet. Now we just have to sign a contract with them once we get approval today and then we can get the final dates. They know the legislative session and are very comfortable in giving us a good competence on a rom and the charts. But as far as the 45 and then 90 percent design, I can't tell you whether that's February and then April, but the overall design of the facilities could be based on some of those old drawings.

Nathan LaFont: [00:43:41](#) Was that the multiuse welcome center slash processing center that had the silver dome structure similar to the soc or is it going to be more of like a terminal, like a commercial hangar facility?

Dan Hicks: [00:43:55](#) So it'll be a little of both. We have to work through shippo because of our site license with the FAA. We're going to have to get the consulting parties and our programmatic agreement that we've got to come and say, "we're going to build this facility." They're going to give input, they're going to want it just

as unique as a terminal hangar facility. But we don't have the money for that obviously. So we're going to say, well, we'll paint it brown or a nice earth tones. So the view shed blends in a little bit better, but it's not going to be kind of the original drawings that you saw functionally we want a little bit more functional, right?

- Dan Hicks: [00:44:39](#) So we're going to need to have these big access bay doors to the integration facility. We're going to have to have it a little bit more of a utility for bringing in cargo and bring it out. So it's probably won't be that, but we do have to comply with shippo and so we'll get them involved early, get their inputs and then we'll tell the company here are things that we agree with as the agency. That's probably a better bang for your buck because the original design probably cost triple of what you need. So we are going to want to go with something functional. So there's always that trade off. I mean you can have a block building which was very functional but it doesn't look nice. And so there's that trade off of getting it to meet some of the view shed standards that we will be wrestling with for the first couple months of the design concept. My intent is to make it more functional. Obviously we want pretty, I mean, don't take me wrong, but I do want to do a functional building.
- Laura Conniff: [00:46:25](#) This also very much showcases the area. It is not only the economic input immediately. It is also the long term impact on what people see and how they will want to come and do here in the future. I think that is also important to be emphasized.
- Dan Hicks: [00:46:56](#) We totally agree. In fact, we had a meeting with our environmental contractors yesterday up in Santa Fe at the shipo. We didn't meet with Dr Pappas or his team, but just bringing in the cultural aspect as we grow the spaceport is going to be important
- Rick Holdridge: [00:48:29](#) Okay. Thank you Laura. We've done a pretty good job so far. It would've hurt my head to see a big white cube out there, so we'll do modern metal buildings. They can be pretty attractive without the expense that we went to for the gateway to space building. In any case, if there's no more discussion, I'll entertain a motion to approve the recommendation to hire Brph.
- Michelle Coons: [00:48:57](#) I move.
- Nathan LaFont: [00:48:57](#) Second.
- Rick Holdridge: [00:49:04](#) All in favor?

Unison: [00:49:05](#) Aye.

Rick Holdridge: [00:49:09](#) Motion carries. At this point, I'll also entertain a motion to approve the three resolutions associated with these three contracts. That would be resolution 2018 - 12, 13 and 14, which basically reflect the approval of the contract recommendations. I suppose it might have been the same thing, but we'll go ahead and vote on those as resolutions also.

Michelle Coons: [00:49:35](#) So move.

Nathan LaFont: [00:49:43](#) I second,

Rick Holdridge: [00:49:45](#) I have a motion and a second to approve the resolutions 2018, 12, 13 and 14 related to approval of the aerospace consulting, construction accounting, and payload processing. All in favor?

Unison: [00:50:02](#) Aye.

Rick Holdridge: [00:50:05](#) Motion carries.

Rick Holdridge: [00:50:07](#) Thank you. Dan. Is there any public that would like to make a comment or any of the board want to say anything?

Zach DeGregorio: [00:50:14](#) Hi Rick. This is Zach. Can I also get approval from you to have somebody here sign the resolutions for you?

Rick Holdridge: [00:50:24](#) Yeah, whoever's in the room is welcome to sign them on my behalf.

Dan Hicks: [00:50:43](#) So member LaFont has the pen and the papers and on your behalf they'll go ahead and sign them for you.

Rick Holdridge: [00:51:01](#) One more thing real quick. I would like to, and I have another meeting that's a more, a broader based review of where we are, especially maybe having virgin come in and talk before the end of the year, which probably means before thanksgiving. So maybe we can discuss that and set a date and place for that.

Dan Hicks: [00:51:30](#) So we're looking at the 17th or 18th of December.

Rick Holdridge: [00:59:58](#) Once we pick a date, see if virgin can show up.

Rick Holdridge: [01:01:00](#) Zach, can you also check with David Matthews on exactly what the status of all the board members are? who's been confirmed? Are there formal areas of their service on four years

or two years? And does it automatically end out of the administration change? I don't know any of those details.

- Dan Hicks: [01:02:55](#) Unless one of you resigns, I think you continue to serve, even though your term maybe for two or four year by appointment confirmation, you still continue to serve until you were replaced, unless you resigned. But we'll get dave matthews to kind of formulate, define that for us. Ideally we can keep this board family going well into the future as we continue to grow for the next few years. So we have one vacancy with David when he left.
- Rick Holdridge: [01:03:53](#) And then we have the two ex officios. One is lieutenant governor's office with Mark Van Dyke and the other one is myself.
- Nathan LaFont: [01:04:22](#) I make a motion to adjourn the meeting.
- Michelle Coons: [01:06:17](#) I second it.
- Rick Holdridge: [01:06:20](#) Motion to adjourn. All in favor?
- Unison: [01:06:23](#) Aye.
- Rick Holdridge: [01:06:26](#) Motion carries. Meeting is adjourned.

Approved 

Date 17 Dec 2010 ✓