

SOUTH DAKOTA AERONAUTICS COMMISSION MEETING MINUTES FEBRUARY 25, 2020 at 2:00 p.m. CST

Becker-Hansen Building/Commission Room – 700 E. Broadway Ave, Pierre, South Dakota

COMMISSIONERS PRESENT: Eric Odenbach, Chairman
Rolf Johnson, Member
Gerald “Jerry” Rieber, Member
Christopher Funk Member (arrived at 2:19 p.m.)

**COMMISSIONERS PRESENT
VIA CONFERENCE CALL:** Bob Huggins, Vice-chairman
Kassidy Nelson, Member

DOT STAFF PRESENT: Joel Jundt, Dustin DeBoer, Karla Engle, Bonnie Olson, Jack Dokken, Tom Koch, Jenny Boehm, Jon Becker, Brad Remmich, and Kari Kroll

**OTHERS PRESENT
VIA CONFERENCE CALL:** Steve Hamilton – South Dakota Pilots Association (SDPA); Mike Scherschligt – Mitchell Airport/City of Mitchell; John Cossette – Spearfish Aviation Inc.; and Toni Broom – Rapid City Airport

Chairman Eric Odenbach called the meeting of the South Dakota Aeronautics Commission (the “Commission”) to order at 2:00 p.m. CST. A roll call was taken to verify a quorum.

Odenbach opened the floor to the Commission members to disclose potential conflicts of interest and to present requests for waiver pursuant to the South Dakota Codified Law (SDCL) chapter 3 – 23.

Karla Engle, Office of Legal Counsel, presented an annual disclosure and a waiver request from Jerry Rieber concerning potential conflicts of interest. A copy of the waiver request is attached to and incorporated into these minutes as **Attachment A**. Rieber serves on the Watertown Airport Board for the city of Watertown, South Dakota, and is an aviation advisory board member for the Lake Area Technical Institute. Rieber also leases his Cessna 150 to the Lake Area Technical Institute for flight training of students. Rieber’s spouse is an elected board member for the Watertown School District, which oversees Lake Area Technical Institute.

A MOTION WAS MADE by Johnson and seconded by Huggins that the matters disclosed in the annual disclosure and waiver request are fair, reasonable, and not contrary to the public interest. All present voted aye by roll call vote, except Rieber who abstained. The motion carried.

Odenbach asked for a motion to approve the January 28, 2020, Commission meeting minutes.

A MOTION WAS MADE by Rieber and seconded by Johnson to approve the January 28, 2020, Commission meeting minutes. All present voted aye by roll call vote. The motion carried.

Odenbach delayed the public input portion of the agenda until after the Secretary's Report.

Deputy Secretary Joel Jundt presented the Secretary's Report. Jundt provided an update on the three bills filed with the South Dakota Legislature directly related to aviation. HB1060 and HB1102 have both been tabled. HB1066 passed both the House and the Senate and has been signed by the Governor.

Jundt provided a graph to the Commission and members of the audience depicting the aeronautics fund projections, excluding city allocation, based on recent federal and state funds received. The graph is reflective of the change made by the Commission to reduce the state match to 3.5% beginning in Fiscal Year 2021.

Commissioner Funk joined the meeting at 2:19 p.m.

Jon Becker, Office of Aeronautics, presented the consideration of funding request from the Mitchell Airport for the Mitchell Air Venture Cup. The Mitchell Airport requested to reimburse expenses for advertising, incidentals, and lunch for the pilots, staff, and volunteers in the amount of \$3,000.00.

A MOTION WAS MADE by Funk and seconded by Johnson to approve the funding request in an amount up to \$3,000.00 from the Mitchell Airport for the Mitchell Air Venture Cup.

A SUBSTITUTE MOTION WAS MADE by Huggins and seconded by Funk to approve the funding request in an amount up to \$1,500.00 for the Mitchell Air Venture Cup. All present voted by roll call vote. 5 ayes (Huggins, Funk, Johnson, Nelson, and Rieber), 1 nay (Odenbach). The motion carried.

Odenbach opened the floor to public input. No members of the public addressed the Commission or offered input.

Becker presented the consideration of a funding request from the Rapid City Regional Airport. The Federal Aviation Administration (FAA) has awarded the Rapid City Regional Airport a supplemental grant in the amount of \$2 million for the replacement of passenger boarding bridges. The Rapid City Regional Airport is requesting a 5% participation match from the state in the amount of \$111,111.11.

Toni Broom, Rapid City Regional Airport, provided information on the project and answered questions from the Commission.

A MOTION WAS MADE by Johnson and seconded by Funk to approve the funding request for a 5% match or \$111,111.11 to the Rapid City Regional Airport for new passenger boarding bridges.

A SUBSTITUTE MOTION WAS MADE by Huggins and seconded by Rieber to table the request for state match on the Rapid City Regional Airport project to the March Commission meeting until terminal funding history can be presented. All present voted aye by roll call vote. The motion carried.

Becker presented the consideration of the 2020 Airport Improvement Program (AIP) projects to the Commission. Becker explained the Capital Improvement Plan (CIP) process including a timeline and the Commission's role. Becker provided an updated 2020 Proposed AIP Project list to the Commission and members of the public.

A MOTION WAS MADE by Johnson and seconded by Huggins to approve the 2020 proposed AIP projects as presented with the exception of the Rapid City Regional Airport project, which was tabled to the next meeting. All present voted aye by roll call vote. The motion carried.

Jenny Boehm, Office of Aeronautics, presented an appeal from John Cossette of Spearfish Aviation, Inc. to waive the requirement pursuant to SDCL 50-12-14 to sell or broker at least six aircraft in the past 24 calendar months in order to renew his dealer license for another two years.

A MOTION WAS MADE by Funk and seconded by Johnson to approve the waiver request submitted by John Cossette due to demonstration of reasonable cause for not meeting the required six aircraft sales/brokerage in the past two years and to authorize the renewal of Mr. Cossette's dealer license for another two years. All present voted by roll call vote. 4 ayes (Huggins, Funk, Johnson, and Nelson), 2 nays (Rieber and Odenbach). The motion carried.

The Commission discussed attendance and the next Commission meeting at the Airport Conference in Rapid City in March 2020. The March 11, 2020, Commission meeting will begin at 8:00 a.m. MDT/ 9:00 a.m. CDT.

With no other business to come before the Commission, Odenbach adjourned the meeting at 3:23 p.m. CST.

STATE OF SOUTH DAKOTA

(insert name of board/commission/authority)

REQUEST FOR STATE BOARD WAIVER
PURSUANT TO SDCL CHAPTER 3-23

THIS IS A PUBLIC DOCUMENT

Date: 2-22-20

Name of Board Member or Former Board Member: GERARD RIEBER

Name of Board, Authority or Commission: Aeronautics Commission

Brief explanation of contract for which a waiver is requested:

a) Parties to the contract

Lake Area Technical Institute

b) Board Member's role in the contract

Lessor - dry lease for aircraft

c) Purpose and objective of the contract

I am leasing my Cessna 150 to Lake Area Technical School for flight training of students of LATI

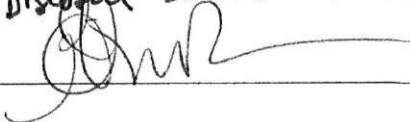
d) Consideration or benefit conferred or agreed to be conferred upon each party

Remuneration on a per hour basis below market value for the use of the aircraft. LATI provides labor for maintenance repairs while they are using it.

e) Duration of the contract

Annual renewal

f. See also Annual Disclosure Dated 2/25/20

Signature of Requesting Party:  Date 2/22/20

ANNUAL DISCLOSURE FOR AUTHORITY/BOARD/COMMISSION MEMBER
PURSUANT TO SDCL CHAPTER 3-23

THIS IS A PUBLIC DOCUMENT

Name of Member: GERARD RIEBER

Name of Board, Authority or Commission: SD Acoustics Commission

The Member shall disclose below any contract in which the Member has an interest or from which the Member derives a direct benefit if the contract is:

- 1) With the state agency to which the Member's board, authority or commission is attached for reporting or oversight purposes and which contract requires the expenditure of government funds;
- 2) With the state and which contract requires the approval of the Member's board, authority or commission and the expenditure of government funds; or
- 3) With a political subdivision of the state if the political subdivision approves the contract and:
 - a. Is under the regulatory oversight of the authority, board, or commission, or
 - b. Is under the regulatory oversight of the agency to which the Member's board, authority or commission is attached.

The Member shall disclose the contract even though no additional authorization is needed from the Member's board, authority or commission to have an interest or derive a benefit from the contract.

The Member shall also identify every entity in which the Member possesses an ownership interest of five percent or greater if:

- 1) The entity receives grant money from the State, either directly or by a pass-through grant or
- 2) The entity contracts with the State or any political subdivision for services.

1. **Contracts in which you have an interest pursuant to SDCL Chapter 3-23 and which do not violate any other provision of law** - Provide the following for each contract in which you have, or will have, an interest. For further information see SDCL 3-23-2.1 and 3-23-3.1.

Description of the contract	Parties	Description of your interest/role in the contract	Date contract was previously disclosed, if applicable
① Watertown Airport Board	City of Watertown	Board member - Volunteer Appointment no direct compensation no financial interest	
② Watertown School District	Tommy Richter (Spouse) School board member	elected position nominal compensation oversight of LAKE AREA Technical Institute	

③ *Attach additional pages, if necessary.*
 LAKE AREA Technical Institute *CELENA RIBBON* *ANITA HARRIS Board Member*
 - volunteer - no direct/indirect compensation

2. **Contracts in which you have a direct benefit pursuant to SDCL Chapter 3-23** - Provide the following for each contract from which you derive, or will derive, a direct benefit. For more information see SDCL 3-23-2, 3-23-2.2 and 3-23-3.1.

Description of the contract	Parties	Description of the direct benefit	Date contract was authorized

Attach additional pages, if necessary.

3. **Entities in which you possess an ownership interest of five percent or more that receive grant money from the State, either directly or by a pass-through grant, or that contract with the State or any political subdivision for services** – Provide the following for each such entity. See SDCL 3-23-3.1.

Description of the contract or grant	Party in which you possess the interest	State agency or subdivision

Attach additional pages, if necessary.

The member shall complete a separate authorization request for any contract identified above that requires authorization from the Member's board, authority or commission in order for the Member to legally derive a direct benefit.

Signature of Member:  Date: 2/25/20