

SOUTH DAKOTA AERONAUTICS COMMISSION MEETING

Thursday, July 17, 2025 at 2:00 p.m. CT

Becker-Hansen Building/ Commission Room – 700 E. Broadway Ave, Pierre, SD 57501

COMMISSIONERS PRESENT

VIA CONFERENCE CALL: Bob Huggins, Chairman
Dustin Coleman
David Howard
Rolf Johnson
Kassidy Nelson

DOT STAFF PRESENT: Joel Jundt, Karla Engle, Kellie Beck, Jack Dokken, Jon Becker, Tom Koch, Brock Antijunti, and Nancy Hiller

OTHERS PRESENT

VIA CONFERENCE CALL: Trudy Waterman – City of Gregory; Channing Wagner – Spearfish / Black Hills Airport; Charlie Baker - KLJ

Chairman Huggins called the meeting of the South Dakota Aeronautics Commission (the “Commission”) to order at 2:01 p.m. CDT. Roll call was taken. A quorum was determined.

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

Karla Engle, Office of Legal Counsel, presented new conflict of interest waiver requests for consideration by the Commission.

First, Engle presented a waiver request for Commissioner Dustin Coleman related to the ownership of his business and the grants his business receives from South Dakota Governor’s Office of Economic Development (SDGOED). Engle noted that these grants are not administered by the Department of Transportation (the “Department”) or voted on by the Commission. A copy of the waiver request is included in these minutes as **ATTACHMENT A**.

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

Next, Engle presented two conflict of interest waiver requests for David Howard in relation to his wife, Tessa Howard, who is the acting airport manager for the Winner Regional Airport, which receives state and federal funds awarded by the Commission and administered by the Department of Transportation (the “Department”). Also, Howard is a co-owner of Howard Aviation LLC, which provides various services at the Winner Airport and leases land from the City of Winner for the hangars the entity owns.

Howard plans to recuse himself from discussion and vote on matters related to the Winner Airport. A copy of the waiver requests is included in these minutes as **ATTACHMENT B**.

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

Engle acknowledged the Board's receipt of two annual disclosures submitted by Dustin Coleman and Rolf Johnson for their hangar leases, attached to these minutes as **ATTACHMENT C** and **ATTACHMENT D**. The disclosures will be filed as required by law.

No other members of the Commission disclosed a conflict or requested a waiver.

The election of a new vice-chairman was held due to the resignation of Vice-chairman Rieber. Huggins asked for nominations for vice-chairman. Commissioner Rolf Johnson nominated himself for vice-chairman. No other nominations were made.

Huggins requested a roll call vote on the nomination for vice-chairman. All present voted aye by roll call vote, except Johnson who abstained. Johnson was elected Vice-chairman.

Huggins asked for a motion to approve the May 15, 2025 Commission meeting minutes.

Three edits were noted in the minutes.

- Under elections of officers, it references Rolf Johnson as Chairman and he is not. It should be changed to Commissioner.
- Under the Secretary's Report, the word released was used multiple times. It was asked that the words "*just recently released*" be removed from the sentence when talking about the federal budget in the first sentence.
- Under the section regarding airport weather cameras, the 2nd to last paragraph has a Grammar correction. Currently it reads "... *where to installing these...*" and it should read "install."

A MOTION WAS MADE by Johnson and seconded by Howard to approve the June 12, 2025 Commission meeting minutes with the three edits as described by the Commission. All present voted aye by roll call vote. The motion carried.

Huggins opened the floor to public comment.

No members of the public addressed the Commission or offered input.

Secretary Joel Jundt presented the Secretary's Report.

- Federal Budget Reconciliation: This bill would have reduced the Essential Air Service (EAS) funding and negatively impacted the airports that receive this funding. The proposed language in the bill did not pass. The House T&I Appropriations bill was being voted on in the morning on July 17. This appropriations bill would increase funding to Federal Aviation Administration (FAA) by \$514 million. The Department is waiting on the Senate Environment and Public Works (EPW) Committee to pass its appropriation bill later in the year.
- The administrative rules concerning airport approval, that were amended at the Commission's last meeting, were approved by South Dakota Legislative Rules Committee.
- Commissioner Chris Funk has resigned for personal reasons. Any Commission suggestions for appointment are appreciated and will be shared with the Governor's Office.
- State fiscal year ended on June 30, 2025. The Department is working on a budget for the fiscal year ending June 30, 2027.

Nancy Hiller from the Office of Air, Rail and Transit presented a request from the City of Gregory for the use of \$690.34 of the city's fuel tax funds for four signs and a hangar fee drop box. The current balance in the city's fuel tax account is \$3,018.55.

A MOTION WAS MADE by Coleman and seconded by Johnson to approve the request of \$690.34 for the city of Gregory for signs and a hangar fee drop box. All present voted aye by roll call vote.

Becker presented for Commission consideration the following Airport Improvement Program (AIP) and Infrastructure Investment and Jobs Act (IIJA) grant applications:

Belle Fourche 3-46-0072-021-2025

AIP: Phase 3 reconstruct middle and west hangar taxilane (1,123').

Federal Share	\$ 978,500.00
State Share	\$ 25,750.00
Local Share	\$ 25,750.00
Total	\$ 1,030,000.00

Belle Fourche 3-46-0072-022-2025

IIJA: Phase 3 reconstruct east taxilane (213').

Federal Share	\$ 171,000.00
State Share	\$ 4,500.00
Local Share	\$ 4,500.00
Total	\$ 180,000.00

Custer 3-46-0011-021-2025

IIJA: Conduct environmental assessment for reconstruction, extension and widening of 8-26.

Federal Share	\$ 406,623.00
State Share	\$ 10,701.00
Local Share	\$ 10,701.00
Total	\$ 428,025.00

Faith 3-46-0076-018-2025

IIJA: Renumber runway to 14/32; obstruction analysis, obstruction lighting design.

Federal Share	\$ 131,100.00
State Share	\$ 3,450.00
Local Share	\$ 3,450.00
Total	\$ 138,000.00

Faith 3-46-0076-020-2025

AIP: Replace beacon, flight check.

Federal Share	\$ 89,432.00
State Share	\$ 2,353.00
Local Share	\$ 2,354.00
Total	\$ 94,139.00

Gettysburg 3-46-0017-017-2025

AIP: Design revenue-producing T-hangar/ aquatic and cultural resource survey.

Federal Share	\$ 142,500.00
State Share	\$ 0.00
Local Share	\$ 7,500.00
Total	\$ 150,000.00

Harding County 3-46-0006-011-2025

IIJA: Phase 1 preliminary environmental services for wildlife perimeter fence.

Federal Share	\$ 76,000.00
State Share	\$ 2,000.00
Local Share	\$ 2,000.00
Total	\$ 80,000.00

Martin 3-46-0030-021-2025

IIJA: Design taxiway connector, reconstruct/expand GA apron, runway pavement maintenance, reconstruct taxilane.

Federal Share	\$ 137,750.00
State Share	\$ 3,625.00
Local Share	\$ 3,625.00
Total	\$ 145,000.00

Pierre 3-46-0044-051-2025

IIJA: Replace runway 7-25 supplemental wind cones; demolition old and installation of foundations.

Federal Share	\$ 90,535.00
State Share	\$ 2,383.00
Local Share	\$ 2,382.00
Total	\$ 95,300.00

Platte 3-46-0066-016-2025

IIJA: Airport master plan, ALP update, approach survey.

Federal Share	\$ 300,000.00
State Share	\$ 7,895.00
Local Share	\$ 7,895.00
Total	\$ 315,790.00

Sioux Falls 3-46-0050-066-2025

AIP: Construct terminal apron expansion; construct taxiway phase 1.

Federal Share	\$ 8,429,674.00
State Share	\$ 468,316.00
Local Share	\$ 468,316.00
Total	\$ 9,366,305.00

Sioux Falls 3-46-0050-067-2025

BIL /ATP: Construct passenger terminal expansion – phase 1.

Federal Share	\$ 8,000,000.00
State Share	\$ 2,561,801.00
Local Share	\$ 3,852,917.00
Other	\$ 8,852,980.00
Total	\$23,267,698.00

A MOTION WAS MADE by Johnson and seconded by Huggins to approve all AIP and IIJA grant applications as presented. All present voted aye by roll call vote. The motion carried.

Becker presented for Commission consideration airport weather camera installation funding. He reminded the Commission that the Department did research and had discussions with medical pilots as to which airports would be most benefitted by camera installation.

Huggins opened the discussion on how much the Commission would like to contribute to weather camera installation. The City of Spearfish is seeking state funding for installation of cameras at the Black Hills Airport. Channing Wagner from the Black Hills Airport confirmed the quote of \$13,500 for camera installation at the airport.

A MOTION WAS MADE by Huggins and seconded by Coleman to authorize funding for weather camera installation at the Black Hills Airport in Spearfish of 75% state aeronautics funds and 25% local funds. The local funds may, at the city's option, be fuel tax funds allocated to the city. All present voted aye by roll call vote. The motion carried.

A discussion ensued concerning cameras installed by the City of Sturgis at its airport. Those cameras did not receive the same level of state and local funding as was just approved for the City of Spearfish.

A MOTION WAS MADE by Huggins and seconded by Johnson to authorize reimbursing the Sturgis Airport for weather camera installation based on a funding allocation of 75% state aeronautics funds and 25% local funds. The local fund contribution may, at the city's option, be fuel tax funds allocated to the city. All present vote aye by roll call vote. The motion carried.

A request for a summary of funding, cash balance, and anticipated grant expenditures was made for the September meeting.

With no further business to come before the Commission, Chairman Huggins adjourned the meeting at 2:53 p.m. CT.

STATE OF SOUTH DAKOTA
AERONAUTICS COMMISSION

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

THIS IS A PUBLIC DOCUMENT

Date: 7/17/2025

Name of Board Member or Former Board Member: Dustin Coleman

Name of Board, Authority, or Commission: Aeronautics Commission

Brief explanation of contract for which a waiver is requested:

a) Parties to the contract

SDGOED and Cole-TAC LLC

b) Board Member's role in the contract

40% owner in Cole-TAC LLC

c) Purpose and objective of the contract

Cole-TAC receives training grants occasionally from SDGOED to train it's employees.

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

Cole-TAC receives financial support through the grant program to assist with business growth and expansion.

The State of South Dakota receives economic benefits including job creation, increased manufacturing output, and local investment in Rapid City.

e) Duration of the contract

Ongoing

Signature of Requesting Party:  Date 7/17/2025

STATE OF SOUTH DAKOTA
AERONAUTICS COMMISSION

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

THIS IS A PUBLIC DOCUMENT

Date: July 14, 2025

Name of Board Member or Former Board Member: David Howard

Name of Board, Authority, or Commission: Aeronautics Commission

Brief explanation of contract for which a waiver is requested: Contract to manage the Winner Regional Airport.

a) Parties to the contract

My wife Tessa Howard is the airport manager for the Winner Regional Airport. Tessa is also a co-owner of Howard Aviation, LLC which operates a Fixed Base Operation at the airport.

b) Board Member's role in the contract

I am married to Tessa.

c) Purpose and objective of the contract

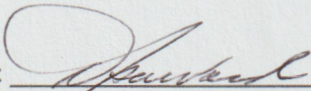
To provide management services to the City of Winner, SD.

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

The airport receives State and Federal funds for its projects. Howard Aviation LLC leases land from the City of Winner for the hangars the entity owns.

e) Duration of the contract

One (1) year.

Signature of Requesting Party:  Date 7-14-25

STATE OF SOUTH DAKOTA
AERONAUTICS COMMISSION

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

THIS IS A PUBLIC DOCUMENT

Date: July 14, 2025

Name of Board Member or Former Board Member: David Howard

Name of Board, Authority, or Commission: Aeronautics Commission

Brief explanation of contract for which a waiver is requested: My wife Tessa has a contract to manage the Winner Regional Airport.

a) Parties to the contract

I am a co-owner of Howard Aviation, LLC which has a Fixed Base Operation which includes flight instruction, aircraft repair /maintenance, and fueling at the Winner Regional Airport.

b) Board Member's role in the contract

I am married to Tessa.

c) Purpose and objective of the contract

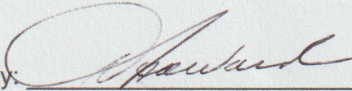
Tessa's role is to provide managment services to the City of Winner.

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

Howard Aviation, LLC leases land from the City of Winner for the hangers the entity own s.

e) Duration of the contract

One (1) year.

Signature of Requesting Party:  Date 7/14/2025

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

THIS IS A PUBLIC DOCUMENT

Name of Member:

Name of Board, Authority, or 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
Hangar Lease	Rapid City Regional Airport and myself	I store my airplanes there.	2/20/2025

Attach additional pages, if necessary.

2. **Contract 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 7/17/2025

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

THIS IS A PUBLIC DOCUMENT

Name of Member: Rolf Johnson

Name of Board, Authority, or Commission:
South Dakota Aeronautics 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.

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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
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Attach additional pages, if necessary.

2. Contract 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
HANGAR TENANT - Quest Aviation - TENANT		
5-9-2024		

Attach additional pages, if necessary.

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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

7-11-2025