

SOUTH DAKOTA AERONAUTICS COMMISSION MEETING

Thursday, February 20, 2025, at 2:00 p.m. CT

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

COMMISSIONER PRESENT: John Taylor, Chairman
Jerry Rieber, Vice-chairman
Dustin Coleman

COMMISSIONER PRESENT

VIA CONFERENCE CALL: Bob Huggins
Kassidy Nelson
Chris Funk

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

OTHERS PRESENT

VIA CONFERENCE CALL: Steve Pendergrass – City of Milbank; Steve Hamilton; Brooke Edgar – Helms and Associates; and Rodd Senn – Mead & Associates

Chairman John Taylor called the meeting of the South Dakota Aeronautics Commission (the “Commission”) to order at 2:00 p.m. CT. Roll call was taken. A quorum was determined.

Taylor 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.

Taylor then moved to the gallery and handed the gavel to Vice-chairman Jerry Rieber at 2:01 p.m.

Dustin DeBoer, Office of Legal Counsel, presented to the Commission three waiver requests disclosed by Commissioner John Taylor concerning a potential conflict of interest regarding Rapid City Regional Airport. Copies of the three waivers are included with these minutes as **ATTACHMENT A**. DeBoer explained that Commissioner Taylor would be recusing himself from the discussion and vote on any item involving the Rapid City Airport.

A MOTION WAS MADE by Funk and seconded by Coleman that the matters disclosed in the written waiver requests by Commissioner Taylor are fair, reasonable, and not contrary to public interest with the condition Commissioner Taylor recuse himself from participation in any discussion or vote over all matters involving the Rapid City Airport. All present voted aye by roll call vote except Taylor, who abstained. The motion carried.

Dustin DeBoer, Office of Legal Counsel, then presented to the Commission a waiver request disclosed by Commissioner Dustin Coleman concerning a potential conflict of interest regarding Rapid City Regional Airport and his connection to Commissioner Taylor. A copy of the waiver is included with these minutes as **ATTACHMENT B**. DeBoer explained that Commissioner Coleman would be recusing himself from the discussion and vote on any item involving the Rapid City Airport.

A MOTION WAS MADE by Huggins and seconded by Funk that the matters disclosed in the written waiver request by Commissioner Coleman are fair, reasonable, and not contrary to public interest with the condition Commissioner Coleman recuse himself from participation in any discussion or vote over all matters involving the Rapid City Airport. All present voted aye by roll call vote except Coleman and Taylor, who abstained. The motion carried.

The gavel was passed back to Chairman Taylor at 2:10 p.m.

Taylor asked for any other potential conflicts of interest. No other members of the Commission disclosed a conflict or requested a waiver.

Taylor asked for a motion to approve the January 17, 2025 Commission meeting minutes.

Commissioner Bob Huggins requested three edits to the minutes:

- *Rieber will become chairman at the beginning of the next meeting* on page 2 should read vice-chairman not chairman.
- *Commission Taylor asked for a discussion item...* on page 2 should read Commissioner not commission.
- *The Department present to the House and Senate...* on page 2 should read presented not present.

A MOTION WAS MADE by Rieber and seconded by Coleman to approve the January 17, 2025 Commission meeting minutes with the suggested edits from Commissioner Huggins. All present voted aye by roll call vote. The motion carried.

Taylor opened the discussion on to South Dakota Codified Law (SDCL) 50-7-3 (*Lease of airport to private operator – Liability for negligent maintenance of airport.*) Taylor had previously provided a proposed amendment to the Commission via email in January and he requested the proposal be added to this month's agenda. Taylor explained his reasoning behind the proposed amendments was based on challenges hangar leaseholders are having regarding lease terms with Sponsors and the general effects the challenges are having on the aviation industry. Secretary Jundt explained to the Commission the process the Department follows regarding "Agency Bills." He explained, as Secretary of the Department, the Governor's office provides direction on what legislation will be proposed and supported by the State Agencies, and the Department will only follow the Governor's direction. Secretary Jundt did offer the assistance of the Legal Office in drafting proposed legislation which would

need to be reviewed by the relevant shareholders and interested parties prior to being submitted for further legislative consideration by the Governor's Office and the Department.

Taylor opened the discussion regarding aircraft registration and enforcement. Jack Dokken, Program Manager for the Office of Air, Rail, and Transit, presented to the Commission the current process, the discrepancy that was found during an informal comparison review between FAA registrations and state registrations, and the plan for a better tracking process, including finding enhanced ways to educate aircraft owners about the need for registration.

Taylor opened the floor to public comment.

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

Secretary Jundt presented the Secretary's Report. He shared the following items:

- **Federal:** the current Continuing Resolution (CR) for all federal funding is set to expire March 14. News coming out of Washington DC is that there is still a lot of work to be completed in order for a full year appropriations bill to be approved by March 14. If Congress is unsuccessful, there will likely be another CR. Another CR may affect airports in getting their grant approved as Federal Aviation Administration (FAA) is not able to award grants in a timely manner.
- With the historical number of Presidential Executive Orders, there have been numerous changes with the federal agencies, including USDOT. But so far with FAA, there has not been any major issues with reimbursements or grant agreement execution.
- **State:** Legislative session is over halfway complete with cross-over day scheduled on February 25, 2025. There were six bills related to aviation.
 - SB184 and SB209 would have raised aircraft registration fee on airplanes. Both bills were withdrawn by the Prime Sponsor.
 - SB178 would raise the tax on aviation fuel and jet fuel and set both rates at 7 cents/gallon. This bill was passed out of committee and now will go to the full Senate.
 - SB132 would provide \$30 million for airport terminals. This bill was passed out of committee and now will go to the Senate Appropriations Committee.
 - HB1189 will extend the funding available for marketing, route restoration, etc., to airports to June 30, 2027. These funds were approved during the 2021 legislative session and are set to will expire June 30, 2025. This bill will provide two additional years to expend those general funds. This bill passed the House and is scheduled for a hearing on February 24.

- SB40, which was a bill DOT sponsored, was a cleanup bill, but it also reinstated the Commission’s authority to promulgate rules for airport licensing/certification. This bill passed both houses and was signed by the Governor.

Kellie Beck, Director of the Division of Finance & Management, presented to the Commission for its information the current Aeronautics Fund balance projection as requested by the Commission. Beck stated the projections are best guesses based on what the airport sponsors have shared for future projects due to the uncertain status of Congress’ appropriations and funding resolutions.

Commissioner Coleman requested a list of all airports that have used the \$200,000 cap of state funds over the past 5 years to help finance their airport terminal project.

Nancy Hiller, Office of Air, Rail, and Transit, presented to the Commission for its consideration a funding request for \$600 to cover the remaining cost of the prizes for the 2025 International Aviation Art Contest. The winners received an award certificate, a laminated copy of their submission, and a prize which was a deluxe art kit and model airplane to build. The total cost for the prizes was \$1200. The other \$600 was donated by the South Dakota Pilots Association (SDPA).

A MOTION WAS MADE by Rieber and seconded by Taylor to approve the request for \$600 from the aeronautics trust fund for the purchase of prizes for the 2025 International Aviation Art Contest. All present voted aye by roll call vote. The motion carried.

Jon Becker, Office of Air, Rail, and Transit, presented to the Commission for its consideration a request for \$3,193.72 of Milbank Municipal Airport’s fuel tax funds to pay for repairs necessary for its fuel system. This amount is the same as the Airport’s current balance.

A MOTION WAS MADE by Rieber and seconded by Taylor to approve the fuel tax funding request of \$3,193.72 to Milbank Municipal Airport. All present voted aye by roll call vote. The motion carried.

Becker presented to the Commission for its consideration the following Airport Improvement Program (AIP) and Bipartisan Infrastructure Law (BIL) grant applications:

Bison 3-46-0003-017-2025

AIP: Design and bidding for 6-unit revenue-producing T-hangar.

Federal Share	\$ 235,600.00
State Share	\$ 0
Local Share	\$ 12,400.00
Total	\$ 248,000.00

Lemmon 3-46-0027-020-2025

AIP: Design and bidding for apron and hangar taxilane reconstruction.

Federal Share	\$ 204,250.00
State Share	\$ 5,375.00
Local Share	\$ 5,375.00
Total	\$ 215,000.00

Presho 3-46-0047-004-2025

BIL: Master plan for improvement/development of Presho Municipal Airport.

Federal Share	\$ 204,250.00
State Share	\$ 5,375.00
Local Share	\$ 5,375.00
Total	\$ 215,000.00

Spearfish 3-46-0065-038-2025

AIP: Construction of terminal building, including utilities, design, construction admin.

Federal Share	\$ 375,500.00
State Share	\$ 0.00
Local Share	\$ 19,750.00
Total	\$ 395,000.00

A MOTION WAS MADE by Rieber and seconded by Coleman to approve all AIP and BIL grant applications. All present voted aye by roll call vote. The motion carried.

Becker presented to the Commission for its information a list of projected airport Capital Improvement Program (CIP) projects for 2026 – 2028. It was pointed out that the lists are very tentative and should only to be used for planning purposes.

With no further business to come before the Commission, Chairman Taylor adjourned the meeting at 3:25 p.m. CT.

STATE OF SOUTH DAKOTA

AERONAUTICS COMMISSION

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

THIS IS A PUBLIC DOCUMENT

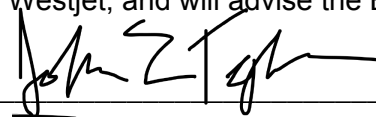
Date: 2-12-2024

Name of Board Member or Former Board Member: John E. Taylor

Name of Board, Authority or Commission: Aeronautics Commission

Brief explanation of contract for which a waiver is requested:

- a) Parties to the contract
Westjet Air Center, Inc., ("Westjet") tennant of the Rapid City Regional Airport ("Airport")
John E. Taylor, of Taylor Law Firm, P.C.
- b) Board Member's role in the contract
The Board Member is retained counsel for Westjet, hired to advise, counsel and represent it's interests with respect to contractual negotiations with the Airport.
- c) Purpose and objective of the contract
The purpose and objective of the contract is to negotiate contractual matters on behalf of Westjet with resepect to the Airport.
- d) Consideration or benefit conferred or agreed to be conferred upon each party
The Board Member is representing Westjet on an hourly fee basis.
- e) Duration of the contract
Presently the duration of the representation is unspecified but the matter between Westjet and the Airport is expected to be resolved in due course. The Board Member anticipates an ongoing representation of Westjet, and will advise the Board at the time of resolution of the matter at hand.

Signature of Requesting Party:  Date 2-12-2025

STATE OF SOUTH DAKOTA
AERONAUTICS COMMISSION

STATE BOARD DISCLOSURE LAWS
WAIVER AUTHORIZATION
PURSUANT TO SDCL 3-23 (current member)

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A written request for waiver dated February 12, 2025, was received from John E. Taylor.
The request was acted upon by the members of the Aeronautics Commission during a meeting held on February 20, 2025.

(check one)

_____ The request for waiver was denied for the following reasons:

_____ The request for waiver was authorized for the following reasons:

X The request for waiver was authorized subject to the following conditions:

Recusal from participating in discussion or vote over all matters involving the R.C. Airport.

Jerry Rieber *mic Chair* *2/20/25*
Signature of Chairperson or Authorized Member Date

Printed Name: *Jerry Rieber*

Date sent to Auditor-General _____ Date sent to Attorney General _____

STATE OF SOUTH DAKOTA

AERONAUTICS COMMISSION

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

THIS IS A PUBLIC DOCUMENT

Date: 2-19-2024

Name of Board Member or Former Board Member: John E. Taylor

Name of Board, Authority or Commission: Aeronautics Commission

Brief explanation of contract for which a waiver is requested:

a) Parties to the contract

ColeTAC; Dustin Coleman

John E. Taylor, of Taylor Law Firm, P.C.

b) Board Member's role in the contract

The Board Member is retained outside general counsel for ColeTAC, hired to advise, counsel and represent it's interests with respect to legal and operational matters. In addition, the Board Member advises Board Member Dustin Coleman with respect to personal legal matters and discussed a lease agreement between him or his holding company and the Rapid City Airport.

c) Purpose and objective of the contract

The purpose and objective of the contract is to provide legal services and representation in litigation matters.

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

The Board Member is representing ColeTAC and Mr. Coleman on an hourly fee basis.

e) Duration of the contract

Presently the duration of the contract is unspecified. The Board Member anticipates an ongoing representation of ColeTAC, and will advise the Board at the time of cessation. Additionally, the Board Member does not consider his prior advisement of ColeTAC or Mr. Coleman adverse to the Rapid City Airport.

Signature of Requesting Party:  Date 2-19-2025

STATE OF SOUTH DAKOTA

AERONAUTICS COMMISSION

STATE BOARD DISCLOSURE LAWS
WAIVER AUTHORIZATION
PURSUANT TO SDCL 3-23 (current member)

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A written request for waiver dated February 19, 2025, was received from John E. Taylor.

The request was acted upon by the members of the Aeronautics Commission during a meeting held on February 20, 2025.

(check one)

The request for waiver was denied for the following reasons:

The request for waiver was authorized for the following reasons:

The request for waiver was authorized subject to the following conditions:

Recusal from participating in discussion or vote over all matters involving the R.C. Airport

[Handwritten Signature] *vice chair*

2/20/25

Signature of Chairperson or Authorized Member

Date

Printed Name: *Jerry Rieber*

Date sent to Auditor-General _____ Date sent to Attorney General _____

STATE OF SOUTH DAKOTA

AERONAUTICS COMMISSION

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

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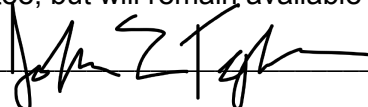
Date: 2-19-2024

Name of Board Member or Former Board Member: John E. Taylor

Name of Board, Authority or Commission: Aeronautics Commission

Brief explanation of contract for which a waiver is requested:

- a) Parties to the contract
Stephen Eckrich, MD, Chair of the Rapid City General Aviation Advisory Committee
John E. Taylor, of Taylor Law Firm, P.C.
- b) Board Member's role in the contract
The Board Member was retained by Stephen Eckrich, MD to advise and provide an opinion on a General Aviation Lease Policy document adopted by the Rapid City Airport Board.
- c) Purpose and objective of the contract
The purpose and objective of the contract is to provide legal services to Dr. Eckrich with respect to the Rapid City Airport Board's adoption of its General Aviation Lease Policy document. The Board Member does not, and did not consider said services to be adverse or contrary to the interests of the Rapid City Airport Board.
- d) Consideration or benefit conferred or agreed to be conferred upon each party
The Board Member represented Dr. Eckrich on an hourly fee basis.
- e) Duration of the contract
Presently the duration of the contract is unspecified. However the Board Member does not anticipate additional services to Dr. Eckrich in his capacity as Chair of the Rapid City General Aviation Advisory Committee, but will remain available for personal legal services when requested.

Signature of Requesting Party:  Date 2-19-2025

STATE OF SOUTH DAKOTA

AERONAUTICS COMMISSION

STATE BOARD DISCLOSURE LAWS
WAIVER AUTHORIZATION
PURSUANT TO SDCL 3-23 (current member)

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A written request for waiver dated February 19, 2025, was received from John E. Taylor.

The request was acted upon by the members of the Aeronautics Commission during a meeting held on February 20, 2025.

(check one)

_____ The request for waiver was denied for the following reasons:

_____ The request for waiver was authorized for the following reasons:

X The request for waiver was authorized subject to the following conditions:

Recusal from participating in discussion or vote on all matters involving the R.C. Airport

Jerry Rieber vice chair 2/20/25
Signature of Chairperson or Authorized Member Date

Printed Name: Jerry Rieber

Date sent to Auditor-General _____ Date sent to Attorney General _____

STATE OF SOUTH DAKOTA

AERONAUTICS COMMISSION

REQUEST FOR STATE BOARD WAIVER

PURSUANT TO SDCL CHAPTER 3-23

THIS IS A PUBLIC DOCUMENT

Date: 2/20/2025

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

RAPID CITY REGIONAL AIRPORT

b) Board Member's role in the contract

LESSEE TO A HANGAR AT THE AIRPORT.

c) Purpose and objective of the contract


TO STORE MY AIRPLANES

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

APPROXIMATELY \$2800 PER YEAR

e) Duration of the contract

EXPIRES 2052

Signature of Requesting Party: 

Date 2/20/2025

STATE OF SOUTH DAKOTA
AERONAUTICS COMMISSION

STATE BOARD DISCLOSURE LAWS
WAIVER AUTHORIZATION
PURSUANT TO SDCL 3-23

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A written request for waiver dated February 20, 2025, was received from Commissioner Dustin Coleman. The request was acted upon by the members of the South Dakota Aeronautics Commission during a meeting held on February 20, 2025.

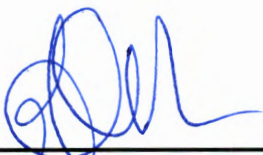
(check one)

The request for waiver was denied for the following reasons:

The request for waiver was authorized for the following reasons:

The request for waiver was authorized subject to the following conditions:

Re used from participating in discussion or vote over all matters involving TO RC airport

 *Jerry Rieber* *2/20/25*

Signature of Chairperson or Authorized Member Date

Printed Name: Jerry Rieber

Date sent to Auditor-General _____ Date sent to Attorney _____

General _____