

Department of Transportation
 Division of Secretariat
 Office of Air, Rail & Transit
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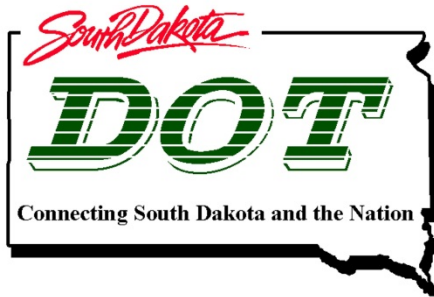
TO: South Dakota Aeronautics Commission
 FROM: Jack Dokken, Office of Aeronautics
 DATE: March 18, 2019
 SUBJECT: Comparison of Watertown terminal costs to 2009 Pierre terminal costs

The Watertown supplemental request for construction of a new terminal was \$14M of AIP eligible costs. This accommodates alternative 2: design and construction of a new terminal, apron, taxiway and parking lot.

Area Description	Area (SF)	Cost/Sq Ft.	Construction Cost	% Eligible (Est)	FAA Share	State Share	Sponsor Share
Alternative 2 - Relocate off Taxilane B							
Construct New Terminal Building	20,000	\$ 425	\$ 8,500,000	70%	\$ 5,355,000	\$ 200,000	\$ 2,945,000
Terminal Design/Construction Admin	LS	\$ 1,200,000	\$ 1,200,000	70%	\$ 756,000	\$ -	\$ 444,000
Site Civil Construction (Apron, Taxiways, Parking, Access)	LS	\$ 6,327,000	\$ 6,327,000	90%	\$ 5,694,300	\$ 316,350	\$ 316,350
Civil Design/Engineering Admin	LS	\$ 1,028,000	\$ 1,028,000	90%	\$ 925,200	\$ 51,400	\$ 51,400
Grant Reimbursement - Apron Design	LS	\$ 79,300	\$ 79,300	0%	\$ -	\$ -	\$ 90,000
Hazardous Material Allowance	LS	\$ 350,000	\$ 350,000	0%	\$ -	\$ -	\$ 350,000
Subtotal			\$ 17,484,300		\$ 12,730,500	\$ 567,750	\$ 4,196,750
Planning Contingency - 15%			\$ 2,622,645		\$ 1,909,575	\$ 85,163	\$ 629,513
Totals Alternative 2			\$ 20,106,945		\$ 14,640,075	\$ 652,913	\$ 4,826,263

Costs for the Pierre terminal are shown below. The terminal was funded through four grants from 2009 to 2011. They included environmental work, design and plans preparation, and construction for the building, apron, access road and parking lot. Total costs are given, including non AIP-eligible portions of the project.

Grant #	Scope	Total Project Cost	Eligible Total Project Cost	Federal Share	State Share	Local Share
3-46-0044-026-2009	Construct Terminal Phase 1 (Site Preparation, Reimburse EA, Plans & Specifications).	\$876,043.55	\$876,043.55	\$876,043.55		
3-46-0044-028-2009	Construct Terminal Building (Phase 2 - terminal design)	\$864,723.00	\$864,723.00	\$821,486.00	\$17,294.44	\$25,942.56
3-46-0044-030-2010	Construct Terminal Building (Phase 3 - Construct Building).	\$7,057,261.94	\$4,678,964.67	\$4,445,016.43	\$140,368.94	\$2,471,876.57
3-46-0044-031-2011	Construct Terminal Building (Phase 4-Terminal Furniture, Passenger Boarding Bridge, Terminal Apron, Non-revenue Producing Public Parking lot, Access Road, Landscaping & Engineering).	\$3,877,967.81	\$3,599,466.93	\$3,419,493.58	\$107,984.01	\$350,490.22
Total Project Costs for Pierre's new Terminal =			\$10,019,198.15	\$9,562,039.56	\$265,647.39	\$2,848,309.35



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TO: South Dakota Aeronautics Commission

FROM: Jack Dokken, Office of Aeronautics

DATE: February 19, 2019

SUBJECT: State share for supplemental funding at the Watertown Airport

Congress passed the Consolidated Appropriations Act 2018 to make additional funding available to airports. The funding available is a new funding source and is considered above and beyond the typical appropriated funding that has been historically available to airports. All the funds awarded will be based on a competitive process administered through FAA. Nonprimary (GA) airports may apply for grants with no local match funding required. Primary (commercial) airports may also apply for grants but have a local match requirement set at the same normal AIP grants match requirement of ten percent. Commercial airports may also apply for and receive funding that will require a local match above and beyond our normal AIP project match.

The Watertown airport has applied for \$14,000,000 in supplemental funding for a new passenger terminal and associated apron and taxilanes. The application is attached. They are requesting 5%, or \$700,000.

Request Information

Submission Date: 10/31/2018 11:03 AM ET

Airport Information

LOC ID: ATY

Facility Name: WATERTOWN RGNL

City: Watertown

State: SD

Sponsor Name: City of Watertown

Airport Manager Information

First Name: Todd

Last Name: Syhre

Phone: 605.882.6200

Email: tsyhre@watertownsd.us

Project Description

Project Description: Building-Construct Terminal Building

Additional Descriptive Information:

Design and Construct a new 20,000 - 25,000 square foot passenger terminal, associated apron and taxilanes to accommodate current passenger demands and forecasted capacity increases. The proposed terminal location will address safety and security issues relating to the proximity of the commercial service and general aviation operations.

Sponsor Target Grant Award Date: 12/3/2018

Sponsor Construction Start Date: 8/15/2019

Total AIP Eligible Cost: \$14,000,000.00

Plan of Use of Available Entitlement Funds:

Watertown Regional Airport recently received primary status. AIP Entitlements from Fiscal Year 2018 were used for the design of an apron reconstruction project. This is a multi-phased reconstruct with Phase I construction occurring in 2019 and Phase II in 2020 expending all available entitlements. The apron reconstruction would hold a higher National Priority Ranking than the terminal building.

Explanation of how project meets evaluation criteria

How Project Meets Evaluation Criteria:

Eligibility and justification:

The Terminal Development Program will enhance airport capacity by providing adequate public-use terminal space. FAA Order 5100.38D allows funding to be applied for eligible public-use spaces for terminal development at non-hub commercial service airports.

The existing terminal building is 10,000 square feet and is inadequate to accommodate existing and projected passenger demand. The Airport's passenger growth has outpaced the current Terminal Area Forecast increasing over 425% from 2016 to 2017. Forecast projections show continued and sustained growth at 20% increasing enplanements from 11,000 in 2017 to 20,000 projected passengers within 10 years. Space programming studies based on peak-hour requirements show an immediate need for the terminal to double in size, referenced from FAA Advisory Circulars and IATA standards. Occupancy limitations in the holdroom allow for only 50-seat regional jet service, while the single-fixture, unisex restroom does not meet required fixture counts for concourses. This single restroom doubles as the TSA Private Screening Room for the checkpoint, itself already undersized and inefficient as the 1960's design was never equipped to handle post-9/11 security requirements. Additionally, ADA concerns and expanding maintenance issues have rendered the terminal incapable of providing ongoing useful service. Initial planning shows a need for the terminal to be relocated to a different site on the airfield to adequately separate commercial service operations from general aviation operations. These two incompatible operations currently share an aircraft apron causing safety and security concerns. This is amplified with the expanding focus the local technical college has placed on pilot training.

Economic Sustainability

The terminal is essential to deliver reliable and efficient air service including baseline amenities by the traveling public like restrooms, seating areas, and egress. Due to growth, the airline is planning to upgauge to a larger 76-seat aircraft. Without adequate post-secure facilities, the airport will not be able to accommodate any aircraft over 50 seats. The proposed separation of commercial service from general aviation and industrial park businesses will further allow for expansion of the general aviation and industrial park currently staffing over 1,000 daily employees on airport or adjoining property. All would contribute to increased lease, fuel, and landing fees. The existing terminal is hampering growth, suppressing revenues in aeronautical

and non-aeronautical capacities, restricting ATY's financial self-sustainability.
A construction project of this scale would support over 120 jobs with over \$6.5 million in labor income.

Track-record in project delivery/grant administration:

ATY has completed nearly \$35 million in AIP projects over 15 years. The sponsor is actively managing 4 grants and plans to close 3 of them before January 2019.

Schedule:

Notice of Award: 12/01/2018 Design: 01/01/2019 Construction Start: 8/15/2019 Completion: 11/15/2020 Ability to compete for regular AIP discretionary:

Construction of a new terminal is listed on the CIP in 2023 contingent upon regular discretionary funding. Terminal projects have historically held a low National Priority Ranking when competing for regular discretionary and as such is not guaranteed funding. Additionally, if funded, would award later than higher ranked projects, delaying construction and increasing costs.

Additional Information (non-priority consideration airports only):

Project Approval Dates

Airspace Approval: No

Airspace Approval Date: 6/3/2019

Airspace Status:

The airspace analysis is not anticipated to present a hazard to air navigation as the proposed improvements would be further away from runway/taxilanes and lower than existing infrastructure.

Environmental Clearance to Proceed: No

Environmental Clearance to Proceed Date: 3/1/2019

Environmental Clearance to Proceed Status:

The environmental determination is anticipated to be a CatEx as the project limits are all within a previously disturbed area.

Approved ALP: No

Approved ALP Date: 3/1/2019

Approved ALP Status:

ALP update will coincide with design and should not be a full update, but a pen & ink change.