

AERONAUTICS COMMISSION REPORT CY2024



50-2-4. Report to Governor. On or before the thirty-first day of December, in each year, the commission shall make, to the Governor, a full report of its proceedings for the year ending the thirtieth day of June preceding and may submit with the report any recommendations pertaining to the commission's affairs as seem to the commission to be desirable.

Commission members and terms (all expire on October 30):

- Eric Odenbach, Chairman, Eureka, term expires 2024
- Cassidy Nelson, Aberdeen, term expires 2025
- Christopher Funk, Volga, term expires 2024
- Rolf Johnson, Mina, term expires 2024
- Bob Huggins, Sioux Falls, term expires 2026
- Gerald Rieber, Watertown, term expires 2025
- John Taylor, Sioux Falls, term expires 2026

Number of airports:

There are currently 69 public use airports in the State, five have commercial services and the remainder being general aviation.

Number of registered aircraft over the last five years and registration fees collected in the same period:

- The "Registration Fee" is due yearly based on the size and age of an aircraft. The average registration fee is less than \$35, and a relatively large percentage of aircraft are registered for \$27.50 per year. However, there were a considerable number of registration fees between \$100 and \$300 which brought the average registration fee to \$41.72. For further details, please refer to Attachment A.
- The "Tax Payment" is an original registration tax based on the purchase price of the aircraft. This is 4% on all aircraft except agriculture related aircraft which is set at 3%. The variation that occurs from year to year is caused by the high value of some aircraft. For example, the original registration of just one \$20,000,000 jet would provide \$800,000 in tax.

Aviation fuels used in the last five years and the tax received in the same period is listed below.

<u>State FY</u>	<u>Gallons of Fuel Sold</u>		<u>Taxes Collected</u>		
	<u>AV Gas</u>	<u>Jet Fuel</u>	<u>Fuel Collections</u>	<u>Aircraft Tax</u>	<u>Total</u>
FY2020	911,259	17,753,755	\$786,810	\$472,805	\$1,259,615
FY2021	907,517	15,978,973	\$666,510	\$898,262	\$1,564,772
FY2022	942,032	21,595,431	\$919,261	\$2,163,953	\$3,083,214
FY2023	831,660	21,159,714	\$891,929	\$3,161,108	\$4,053,037
FY2024	929,484	21,248,838	\$923,439	\$1,813,568	\$2,737,007

Federal grants received per the federal fiscal year (October 1st – September 30th) for the past five years are listed below:

FY2020 - \$74,793,244 (Includes CARES Act funds)
FY2021 - \$62,530,379 (Includes Covid related grants)
FY2022 - \$56,397,913 (Includes Covid related grants and IIJA)
FY2023 - \$36,021,091 (Includes BIL grants)
FY2024 - \$55,379,475 (Includes BIL grants)

Airport Improvement Program (AIP):

See Attachment B for a list of Airport Improvement Program (AIP) projects the State of South Dakota received. This list of projects comprises our 2024 AIP grants and shown is a breakdown of costs based on participation. Normal federally funded AIP project is 90% federal and 10% local match. Typical eligible projects for AIP work include runway construction, runway maintenance, taxiways, airport aprons, runway lighting, airport fencing, and other infrastructure improvements.

Coronavirus Aid, Relief, and Economic Security Act (CARES):

Signed into law on March 27, 2020, included funds to be awarded as economic relief to airports affected by the prevention of, preparation for, and response to the COVID-19 pandemic. South Dakota airports received a total of \$36,226,983. These funds had to be expended by 9/30/2024 and could be used for operational costs, supply needs related to the pandemic and were also used as the 10% match requirement for the 2020 AIP grant program. The CARES funds deadline has expired therefore no more funding is able to be spent. SD had \$168,188 left in CARES funding that did not get expended. Reasons include that the airports/cities didn't have allowable expenses that they could claim as they don't have employee payroll and used what they could for utilities, insurance, etc. Sioux Falls and Rapid City had grants that were for projects, and the amount left over was due to costs that came in under budget.

Coronavirus Response and Relief Act (CRRSAA):

Signed into law on December 27, 2020, Non-primary commercial service and general aviation airports will receive funding to provide economic relief affected by the COVID-19 pandemic. South Dakota airports received a total of \$10,243,364. The FAA is encouraging all airports to spend these funds as quickly as possible. These funds are used for operational costs, along with any supply needs related to the pandemic and are funded with no local cost share requirement. The expenditure dates vary for each grant awarded and are based upon each individual airport's funding agreement. The last funding agreement must be expended by 6/30/2025. SD has \$438,580 left in CRRSAA funds as of 8/29/2024, which includes 10 grants. Staff is working with airports ensuring they are aware of the deadline for funds to be expended.

American Rescue Plan Act (ARPA):

Signed into law on March 11, 2021, included funds to be awarded as economic assistance to airports to prevent, prepare for, and respond to the pandemic. South Dakota airports were allocated \$16,466,090. These funds must be expended by 12/29/2025 and are used for operational costs, along with any supply needs related to the pandemic and are funded with no local cost share requirement. SD has \$2,299,001 as of 8/29/2024 left in ARPA funds which includes 18 grants. Staff is working with airports ensuring they are aware of the deadline for funds to be expended.

Infrastructure Investment and Jobs Act (IIJA):

Signed into law on November 15, 2021, the Infrastructure Investment and Jobs Act (IIJA) also known as the Bipartisan Infrastructure Law (BIL) provides \$550 billion over fiscal years 2022 through 2026 in new Federal investment in infrastructure, including in roads, bridges, and mass transit, water infrastructure, resilience, and broadband. South Dakota airports were allocated \$16,530,747 in 2024. The expenditure dates vary for each grant awarded and are based upon each individual airport's funding agreement. The last funding agreement must be expended by 9/30/2030.

Airport inspections:

Non-commercial airports are inspected by SDDOT each year, with further compliance inspections conducted as needed. The commercial service airports are inspected by the FAA inspectors.

South Dakota Airport Conference:

SDDOT hosts a yearly "Airports Conference" in the spring to educate and communicate with airport managers, airport sponsors, finance officers, engineering consultants representing the sponsors in construction projects, and FAA personnel. The conference for 2024 was held in Deadwood, SD at The Lodge April 9-11. The conference provided a great opportunity to exchange information for current and future aviation issues. The conference for 2025 will be held again in Deadwood, SD at The Lodge and will be April 1-3, 2025.

Aeronautics Fund Balance: Attachments C and D

The State aeronautics fund receives its revenues from those funds listed above (aircraft registration fees and aircraft fuel taxes) and is used to support airport grants, ongoing aviation related services, and special projects. The funds deposited into the Aeronautics fund are allocated into two distinct uses, one for state aeronautics use and the other for individual airport sponsor use. The airport sponsor allocations are based on set allocations as established by the Aeronautics Commission and then are prorated according to aircraft fuel sold and collected at each eligible airport. Thus, each airport receives funding based on aircraft fuel sales derived from their individual airport which can be used for general aviation purposes.

South Dakota Airport Terminal Program (SDATP):

The SDDOT launched the South Dakota Airport Terminal Program (SDATP) following the successful passage of Senate Bill 144 in the 2024 legislative session. This bill allocated \$10 million in funding to support airport terminal projects across the state, representing a significant investment in enhancing South Dakota's aviation infrastructure. The SDATP funds are unique, as they are one-time

appropriations distinct from the traditional Aeronautics Commission policies. SDATP funds are designated strictly for construction reimbursement and exclude costs related to project planning, design, and administration. Local community effort and funding were critical components for consideration. Eligible projects for SDATP funding had to meet stringent criteria:

- Projects must be part of the Airport Capital Improvement Plan or included in the National Plan of Integrated Airports submitted yearly to the state.
- Projects must receive federal funding through at least one year of AIP federal entitlements and the Bipartisan Infrastructure Law (BIL) Airport Infrastructure Grant allocation. This includes having submitted an application, awarded a grant, or committed to applying in the next federal funding round for federal discretionary funds.
- Projects must not have been completed by the application deadline and must be scheduled to receive federal discretionary grants by Monday, Sept. 30, 2025, to retain eligibility.

The following is a list of the airport facilities that were awarded SDATP funds for terminal projects:

Airport Facility and SDATP Allocation

Aberdeen	\$1,200,000	Spearfish	\$1,319,073
Hot Springs	\$27,000	Sturgis	\$210,000
Rapid City	\$3,047,126	Tea	\$735,000
Sioux Falls	\$2,561,801	Watertown	\$900,000

Aircraft registered over the last five years and registration fees collected.

<u>Fee Type</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>Total Collected Per Fee Type</u>
Registration Fee	\$53,052	\$55,211	\$57,424	\$53,160	\$51,439	\$270,286

	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>
Number of Aircraft Registrations	1259	1387	1338	1268	1233
Percentage increases each year	.95%	10.2%	-3.5%	-5.2%	-2.76%

Figures based upon date of entry (or date payment is received), not when it's reflected in the State's Accounting System. The number of aircraft registrations may change throughout the year from the numbers listed if a plane is sold out of state or becomes unairworthy.

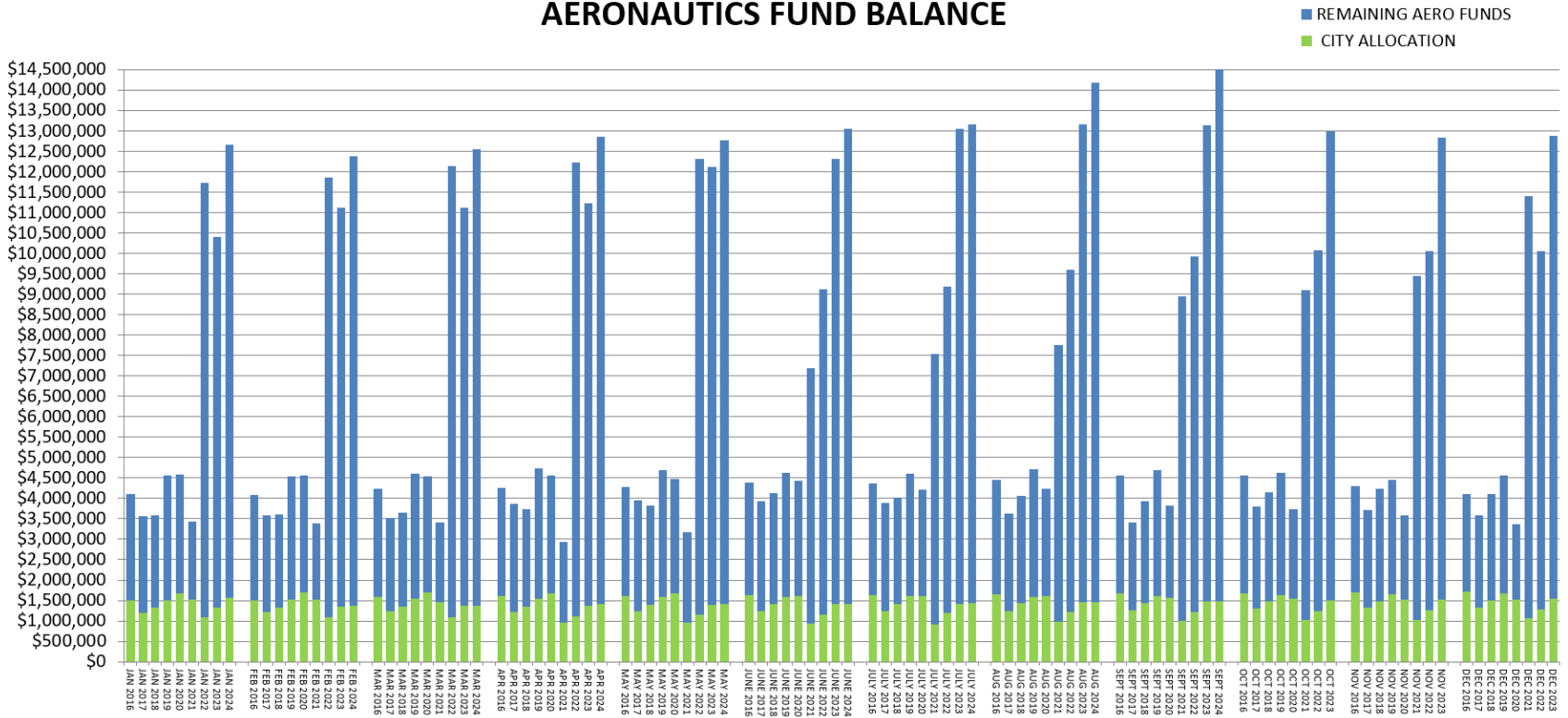
2024 AIP and BIL Grants

Airport	Project Description	AIP	BIL	Total FED	State Funds (5%)	Local Funds(5%)	Project Total
Aberdeen - 52	AIP reconstruction GA apron phase II	\$3,744,000	\$0	\$3,744,000	\$208,000	\$208,000	\$4,160,000
Aberdeen - 51	BIL replacement of pavement friction equipment	\$0	\$99,000	\$99,000	\$5,500	\$5,500	\$110,000
Belle Fourche 20	AIP Reconstruct hangar taxilane	\$140,400	\$0	\$140,400	\$7,800	\$7,800	\$156,000
Britton - 20	AIP Design and Construct Fuel System with 100LL and Jet A and w/Card Reader System	\$166,500	\$0	\$166,500	\$0	\$18,500	\$185,000
Brookings - 39	AIP construct parallel taxiway C extension	\$1,089,000	\$0	\$1,089,000	\$60,500	\$60,500	\$1,210,000
Canton - 017	BIL hangar taxilane extension and CA/CO	\$0	\$216,000	\$216,000	\$12,000	\$12,000	\$240,000
Clark County - 17	BIL construct fuel system	\$0	\$448,000	\$448,000	\$0	\$49,778	\$497,778
Desmet - 20	BIL SRE acquisition	\$0	\$288,000	\$288,000	\$16,000	\$16,000	\$320,000
Faith - 17	BIL Conduct aeronautical survey for RNAV approach	\$0	\$139,300	\$139,300	\$7,739	\$7,739	\$154,778
Gettysburg - 016	BIL Purchase SRE	\$0	\$288,000	\$288,000	\$16,000	\$16,000	\$320,000
Hot Springs - 18	BIL Hangar Taxilane Expansion - construct	\$0	\$324,000	\$324,000	\$18,000	\$112,437	\$454,437
Huron 45	AIP Construct Partial parallel taxiway	\$850,500	\$0	\$850,500	\$47,250	\$47,250	\$945,000
Huron 44	BIL partial parallel taxiway	\$0	\$697,500	\$697,500	\$38,750	\$38,750	\$775,000
Madison - 26	BIL Design/bid FBO apron and taxilane	\$0	\$56,800	\$56,800	\$3,200	\$40,000	\$63,111
McLaughlin - 15	AIP construct revenue-producing hangar	\$589,500	\$0	\$589,500	\$0	\$65,500	\$655,000
McLaughlin - 16	BIL construct revenue-producing hangar	\$0	\$238,500	\$238,500	\$0	\$26,500	\$265,000
Milbank - 21	BIL Design turnaround 13 with geotek and aquatic resource survey	\$0	\$90,000	\$90,000	\$5,000	\$5,000	\$100,000
Miller - 15	BIL Design connector taxiway and access road rehab	\$0	\$81,000	\$81,000	\$4,500	\$4,500	\$90,000
Mitchell - 32	BIL Design only - hangar	\$0	\$90,000	\$90,000	\$0	\$10,000	\$100,000
Mobridge 22	BIL Update Master Plan, ALP, AGIS, Ex. A, Land Use plan	\$0	\$324,193	\$324,193	\$18,011	\$24,033	\$366,237
Parkston - 19	AIP Construct runway rehab w/lighting; design apron & twy	\$3,340,800	\$0	\$3,340,800	\$185,600	\$185,600	\$3,712,000
Parkston - 20	BIL Install PAPIs for runways 15/33	\$0	\$88,200	\$88,200	\$4,900	\$4,900	\$98,000
Philip - 18	AIP Construct runway 12-30 rehab	\$5,719,500	\$0	\$5,719,500	\$317,750	\$317,750	\$6,355,000
Philip - 017	BIL SRE acquisition	\$0	\$279,000	\$279,000	\$15,500	\$15,500	\$310,000
Pierre - 50	AIP Runway 13/31 Resurfacing - construction	\$7,436,821	\$0	\$7,436,821	\$413,157	\$413,157	\$8,263,134
Pine Ridge 18	AIP Purchase SRE loader with attachments	\$288,000	\$0	\$288,000	\$16,000	\$16,000	\$320,000
Platte - 15	BIL design AWOS - cultural and aquatic survey	\$0	\$81,000	\$81,000	\$4,500	\$4,500	\$90,000
Rapid City - 65	Terminal renovation project 1 phase 3	\$5,582,352	\$0	\$5,582,352	\$0	\$620,261	\$6,202,613
Redfield - 18	BIL Design Ag Ops Area & Access Road	\$0	\$117,000	\$117,000	\$6,500	\$6,500	\$130,000
Rosebud - 20	BIL Design hangar taxilane expansion	\$0	\$72,000	\$72,000	\$4,000	\$4,000	\$80,000
Sioux Falls - 63	BIL Construct Terminal Expansion and design concourse construction	\$0	\$7,395,278	\$7,395,278	\$0	\$708,073	\$8,216,976
Sioux Falls - 64	AIP Expand East cargo apron - Design	\$414,000	\$0	\$414,000	\$23,000	\$23,000	\$460,000
Spearfish - 36	AIP Terminal construction	\$1,261,000	\$0	\$1,261,000	\$70,056	\$70,056	\$1,401,111
Spearfish - 37	Bil ATP terminal design, admin, construction	\$0	\$1,950,000	\$1,950,000	\$0	\$102,632	\$2,052,632
Springfield - 013	AIP construct runway reconstr, realign turnaround, rehab A, apron	\$3,911,631	\$0	\$3,911,631	\$217,313	\$217,313	\$4,346,257
Springfield - 014	BIL Reconstruct runway	\$0	\$336,000	\$336,000	\$18,667	\$18,667	\$373,333
Tea - 22	BIL Construct south GA apron reconstruction	\$448,000	\$0	\$448,000	\$24,889	\$24,889	\$497,778
Tea - 23	AIP pave south apron, engineering, fuel relocate and restore site.	\$0	\$525,626	\$525,626	\$29,201	\$29,201	\$584,029
Vermillion - 21	AIP Design partial parallel taxiway and taxiway apron PM	\$94,500	\$0	\$94,500	\$5,250	\$5,250	\$105,000
Vermillion - 20	BIL Construct AWOS IIIP weather station	\$0	\$337,500	\$337,500	\$18,750	\$18,750	\$375,000
Wagner - 21	AIP engineering for construction of AWOS-III	\$72,000	\$0	\$72,000	\$4,000	\$4,000	\$80,000
Wagner - 22	BIL construct AWOS-III	\$0	\$252,000	\$252,000	\$14,000	\$14,000	\$280,000
Watertown 45	AIP Const bid schedule A for Ag taxilane and taxiway D	\$1,332,473	\$0	\$1,332,473	\$74,026	\$74,026	\$1,480,526
Watertown 46	BIL Const Bid A engineering for Ag area and taxiway D	\$0	\$1,095,602	\$1,095,602	\$60,867	\$60,867	\$1,217,336
Webster - 17	AIP Construct Fuel system improvements	\$91,393	\$0	\$91,393	\$0	\$10,155	\$101,548
Webster - 18	BIL construct fuel system improvements	\$0	\$294,006	\$294,006	\$0	\$32,667	\$326,674
Wess Sprgs - 018	BIL Design apron reconstruction	\$0	\$72,000	\$72,000	\$4,000	\$4,000	\$80,000
Winner - 21	BIL Standalone pavement maintenance and level III cultural resource survey for hangar	\$0	\$238,500	\$238,500	\$13,250	\$13,250	\$265,000
Yankton	BIL Design PCC apron reconstruction at GA terminal	\$80,600	\$0	\$80,600	\$4,500	\$14,900	\$100,000
SDDOT - 011	Statewide PCI Survey	\$450,000	\$0	\$450,000	\$50,000	\$0	\$500,000

SDDOT - 030	Statewide pavement maintenance	\$1,762,500	\$0	\$1,762,500	\$97,917	\$97,917	\$1,958,333
Totals		\$38,865,470	\$16,514,005	\$55,379,475	\$2,165,842	\$3,907,567	\$61,529,621

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AERONAUTICS FUND BALANCE



*JUNE, 2021: INCREASE IN AERO FUNDS (\$4.0M) DUE TO SB64 FROM STATE'S GENERAL FUND
 *SEPT, 2021: INCREASE IN AERO FUNDS (\$1.25M) DUE TO SALE OF KA90 II
 *DEC, 2021: INCREASE IN AERO FUNDS (\$1.81M) DUE TO SALE OF KA200
 *JUNE, 2022: DECREASE IN AERO FUNDS (\$3.06M) DUE TO TRANSFER OUT OF SALE OF KA 90II & KA200

Attachment D will be updated by day of meeting.

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