Attachment #5



Division of Finance & Management

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TO: South Dakota Aeronautics Commission
FROM: Jack Dokken, Office of Aeronautics
DATE: May 15, 2023

SUBJECT: Automated Weather Observing System (AWOS) Maintenance Funding

This memo is an update on the annual maintenance estimates the SDDOT has received for the nine non-federal AWOS systems. SDDOT has obtained quotes from various vendors and the estimates ranged from \$21,600 to \$61,200 for all sites.

To proceed with the maintenance contract, SDDOT have identified three potential scenarios for the Aeronautics Commission to consider:

Scenario 1: The State acts as the contract administrator without making any financial contribution towards the maintenance fees incurred by the sponsors.

Scenario 2: The State covers 100% of the sponsor's maintenance fees, relieving them of any financial obligation.

Scenario 3: The State pays a reduced percentage of the total contract amount, sharing the maintenance costs with the sponsors.

Each scenario presents its own benefits and concerns. It is important for the Commission to discuss and evaluate the financial implications and potential impact on the AWOS systems' performance and longevity.