



Department of Transportation
Division of Secretariat
Office of Air, Rail & Transit

700 East Broadway Avenue
Pierre, South Dakota 57501-2586
OFFICE: 605/773-3574
FAX: 605/773-2804

TO: South Dakota Aeronautics Commission
FROM: Jack Dokken, Office of Aeronautics
DATE: March 11, 2020
SUBJECT: Rapid City Supplemental Grant Funding Request

The Rapid City Regional Airport (RAP) has been awarded a supplemental grant for \$2,000,000 for the replacement of passenger boarding bridges.

Attached please find a letter from RAP requesting state participation for 5% of the project cost totaling \$111,111.11.

During the February 25, 2020 Aeronautics' Commission meeting, there was discussion about the current funding policy and whether the state share of this project should be limited to a maximum of \$200,000. In addition, should the Commission subtract funding from previous terminal projects and reduce the maximum amount of Rapid City's current request. The Commission requested SDDOT review pertinent policies and information and report back our findings.

Based on this request, we are presenting the following excerpt from the Aeronautics Commission Handbook, Policies and Procedures for use of State Funds to the Commission for your consideration:

1. Portions of a terminal building, dedicated to public use and non-revenue producing, can be funded by the Aeronautics Commission. Four limitations apply:
 - i. Revenue producing portions of the project are ineligible for funding.
 - ii. On projects funded by State and Local only (No AIP Participation), State aid will be limited to 50 percent of the eligible items.
 - iii. On projects involving Federal/State/Local funding, State aid will be limited to a fifty percent share (50% State/50% Local) of the amount of funds required to match federally funded eligible items.
 - iv. State aid shall be limited to a maximum of \$200,000 for each commercial service airport project.

Therefore, it appears to SDDOT that the Commission's current funding policy regarding limiting state aid is on a project by project basis.

RAP terminal projects:

<u>Project Year</u>	<u>Scope</u>	<u>Amount</u>	<u>Federal Share (variable %)</u>	<u>State Share (variable %)</u>
2019	1. Design of terminal ticket counter, queuing area and replace boarding bridges.	\$1,036,936.73	\$933,243.06	\$51,846.84
	2. Construction/Engineering of vertical circulation and replacement of chillers.	\$3,779,093.02	\$3,401,183.72	\$188,954.65
2018	EA for sanitary sewer improvements	\$187,675.73	\$168,908.16	\$9,383.79
2018	Reconstruct east baggage carousel and Design engineering for vertical circulation	\$684,283.20	\$615,854.88	\$34,214.16
2016	1. Rehab terminal aprons	\$2,582,743.92	\$2,324,469.53	\$129,137.20
	2. Terminal Design planning	\$216,412.26	\$194,771.03	\$10,820.61
2015	1. Design for the rehab of the commercial service apron and the north GA apron	\$99,985.90	\$89,987.31	\$4,999.30
	2. Construct new apron including the old terminal demolition project	\$2,079,090.05	\$1,871,181.05	\$103,954.50
2014	Old terminal demolition-Design and Bidding including architectural study, asbestos survey and environmental clearance.	\$154,987.18	\$139,488.46	\$7,749.36
2012	1. Improve and expand airport terminal (phase 2).	\$1,677,952.33	\$1,510,157.10	\$106,826.32
	2. Jet bridges	\$1,224,247.00	\$1,101,822.30	\$97,939.76
2011	Improve and expand airport terminal (phase 1).	\$3,105,789.48	\$2,950,500.01	\$93,173.68
2003	1. Construct in-line baggage improvements; terminal building security modifications	\$220,987.13	\$198,888.42	\$8,839.49
	2. Acquire apron drive passenger loading bridge	\$335,699.00	\$302,129.10	\$13,427.96
	3. Conduct terminal building master plan.	\$45,795.00	\$41,215.50	\$1,831.80
2002	Air carrier ramp rehab; cargo/air carrier ramp expansion; air carrier apron security lighting	\$2,630,225.95	\$2,367,203.36	\$105,209.04
2002	Heightened security requirements	\$217,318.77	\$217,318.77	\$0.00
2000	Jetway	\$301,186.85	\$271,068.17	\$0.00
		\$20,580,409.50	\$18,699,389.90	\$968,308.45



RAPID CITY REGIONAL AIRPORT

www.rapairport.org

December 6, 2019

Mr. Jon Becker
SDDOT Office of Air, Rail & Transit
Becker-Hansen Building
700 E. Broadway Ave.
Pierre, SD 57501

Re: Federal Aviation Administration (FAA) Supplemental Grant

Dear Mr. Becker,

The Federal Aviation Administration (FAA) has awarded the Rapid City Regional Airport a Supplemental grant in the amount of \$2 million for the replacement of passenger boarding bridges.

We are respectfully requesting the state participate with the project with five (5) percent of the project cost. The project cost will breakdown as follows:

FAA: \$2,000,000
Local: \$111,111.11
State: \$111,111.11
Total: \$2,222,222.22

Please feel free to contact me with any questions regarding the project at 605-394-4195.

Sincerely,

Patrick Dame, C.M.
Executive Director
Rapid City Regional Airport

