

Department of Transportation  
Division of Secretariat  
Office of Air, Rail & Transit  
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TO: South Dakota Aeronautics Commission

FROM: Jack Dokken, Program Manager  
Office of Air, Rail, and Transit

DATE: November 28, 2018

SUBJECT: State share for supplemental funding for primary airport projects

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 Sioux Falls airport has applied for \$10,800,000 in supplemental funding for reconstruction of part of runway 3-21. The application and project sketch are attached. They are requesting the Aeronautics Commission provide 5% of the required 10% local match, \$562,500.

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

## Airport Information

Loc ID: FSD

## Airport Manager Information

Name: Dan Letellier, 605-367-7375, [Dan.Letellier@sairport.com](mailto:Dan.Letellier@sairport.com)

## Project Description

- ✓ Runway- Reconstruct Runway  
Reconstruction of Runway 3-21/Phase 3. Project would replace 2,556' of runway on the approach ends of the primary ILS runway to current standards. Project would also provide paved runway shoulders full length 9,000' as well as new runway edge lights.

**Target Grant Award Date:** August 1, 2019

**Target Const. Start Date:** April 1, 2020

**Total AIP Eligible Cost:** \$10,800,000

## Planned Use of Available Entitlement Funds:

AIP entitlement funds for FY 2019 are assigned to construct a new aircraft deicing apron estimated to cost \$4 million along with design for the reconstruction of Runway 3-21, Phase 3. AIP share for both items is expected to utilize all entitlements dollars eligible for use at FSD. The deicing apron will provide more operational efficiency and safety during deicing operations. Entitlement dollars are being allocated to a deicing apron as it more closely matches available funding. Supplemental funding if obtained would go entirely to the runway reconstruction project estimated at close to \$11 million.

## How Project Meets Evaluation Criteria:

### Eligibility & Justification-

The reconstruction of the remaining 2556 ft of Runway 3-21 meets all justification criteria established in AIP Handbook (FAA Order 5100.38D) as it **A)** advances Airport Safety and Preserves Airport Infrastructure by reconstructing runway concrete that has exceeded its useful life, **B)** maintains Airport Capacity by completing the reconstruction of the primary runway in the busiest airport in South Dakota serving over a million travelers per year and **C)** meets FAA Standards by adding paved shoulders for the full length of the runway.

The project is identified on our current Master Plan and ALP and is determined as an *actual need* within the near-term project window. Finally, the project scope is appropriate as work will be limited to Runway 3-21 including both approach ends to the runway, asphalt shoulders full-length and runway edge light replacement.

This project is identified as the third and final phase of the reconstruction of Runway 3-21. The previous recent phases reconstructed 6,444 ft of the runway to meet current design standards with increased base and concrete depth. These projects replaced sections of the runway which were over 40 years old. Phase 3 will replace the remaining concrete approach ends of the runway that was constructed in **1992**. Inspection and testing have revealed accelerated deterioration caused by alkali/silica reaction, or ASR requiring replacement on a more urgent timeline.

Another component would add asphalt shoulders and replace runway edge lights that are 19 years old and have frequent maintenance and reliability issues. The additional of asphalt shoulders and new edge lights will bring the runway into current FAA Standards and improve reliability of airfield lighting along this critical runway and expedite snow removal operations.

#### Long-term economic sustainability-

The project will ensure the long-term economic sustainability of the airport for the next 40 years by reconstructing the primary ILS runway at the busiest airport in South Dakota. FSD is the largest airport in SD providing primary commercial air service to eastern South Dakota, southwest Minnesota and northwest Iowa with over a 200 mile radius. FedEx and UPS utilize FSD as a primary cargo hub using 767/A300 aircraft and also is home to the SD Air National Guard with 18 F-16 based aircraft.

#### Prior track record in project delivery and grant administration-

FSD has an excellent record in project delivery and grant administration. FSD has successfully designed, bid and constructed two previous reconstruction projects for Rwy 3-21 in excess of \$18 million. Grant administration has been audited annually with no finding or deficiencies in the past two years.

#### Proposed project schedule-

Design for this project is planned for Spring 2019 with bids let August 2019 pending award of this supplemental grant. Project is expected to begin in late fall 2019 with a majority of the work being accomplished in Spring/Summer 2020.

#### Ability of project to compete for regular AIP discretionary funds-

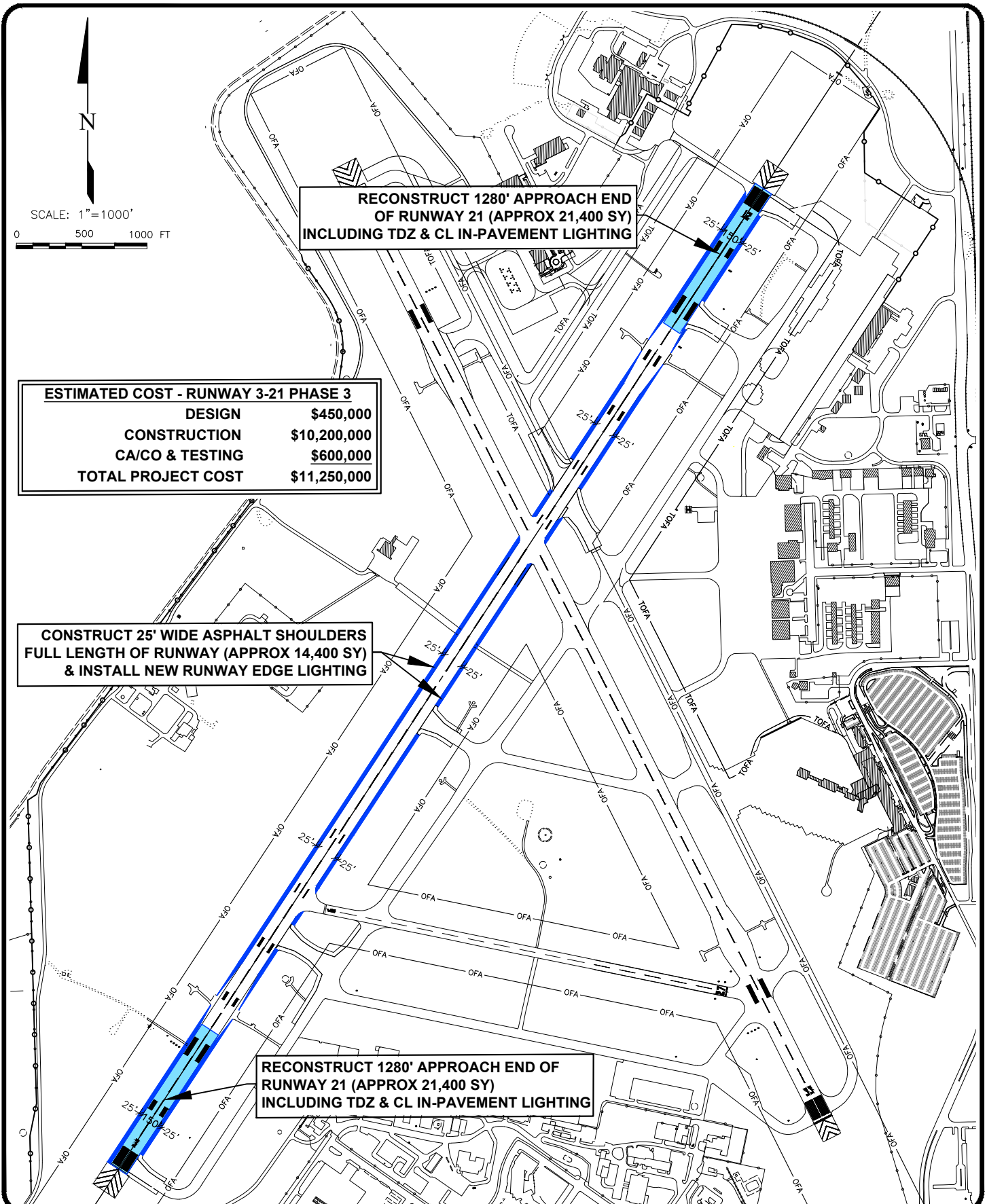
The project may compete for AIP discretionary funds, however requesting almost \$11 million in discretionary funds in one fiscal year may prove challenging when competing with other medium and large-hub airports in the region. The supplemental program prioritizes funding for non-hub and Small-Hub airports which is why we are pursuing this application.

**Additional information for Airports that do not meet the criteria for “Priority Consideration”:**

Not Applicable.

**Project Approval Dates:**

Airspace Approval:	No,	Estimated date of approval:	May 1, 2019
Environmental Clearance to Proceed:	No,	Estimated date of approval:	May 1, 2019
Approved ALP:	Yes,	Jan. 2017	



**2019 SUPPLEMENTAL GRANT PRE-APPLICATION EXHIBIT**

SIoux FALLS REGIONAL AIRPORT, SIoux FALLS, SOUTH DAKOTA

RUNWAY 3-21 PHASE 3 - RECONSTRUCT 1280' APPROACH ENDS OF RUNWAY 3-21 AND CONSTRUCT 25' ASPHALT SHOULDERS AND NEW EDGE LIGHTING FULL LENGTH

DRAFTED  
DMS  
REVIEWED  
MDW  
PROJECT NUMBER  
PROJECT#  
ISSUE DATE  
11/21/18



***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](mailto: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.