

# AERONAUTICS COMMISSION REPORT

## CY2022

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 2022
- Dave Luers, Pierre, term expires 2022
- Christopher Funk, Volga, term expires 2024
- Rolf Johnson, Mina, term expires 2024
- Bob Huggins, Sioux Falls, term expires 2023
- Gerald Rieber, Watertown, term expires 2022

**Number of airports:**

There are currently 70 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 \$43.85. 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>
FY2018	1,777,171	16,884,474	\$777,680	\$1,527,365	\$2,305,045
FY2019	942,364	16,302,367	\$697,145	\$1,736,956	\$2,434,101
FY2020	911,259	17,753,755	\$786,810	\$472,805	\$1,259,615
FY2021	907,517	15,978,973	\$693,610	\$898,262	\$1,591,872
FY2022	942,032	21,595,431	\$919,261	\$2,163,953	\$3,083,214

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

FY2018 - \$24,143,552  
FY2019 - \$35,369,027  
FY2020 - \$73,522,621 (Includes CARES Act funds)  
FY2021 - \$61,684,945 (Includes Covid related grants)  
FY2022 - \$56,397,913 (Includes Covid related grants and IIJA)

**Airport Improvement Program (AIP): Attachment B**

See Attachment B for a list of Airport Improvement Program (AIP) projects the State of South Dakota received. This list of projects comprises our 2021 AIP grants and shown is a breakdown of costs based on participation. CARES Act Legislation provides 100% match on eligible project costs in lieu of the normal federally funded AIP project which 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 must be expended by 9/30/2024 and could be used for operational costs, supply needs related to the pandemic and could be used as the 10% match requirement for the 2020 AIP grant program. Each individual airport sponsor decided where to allocate the funds that were designated to their airport.

**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.

**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 9/24/2024 and are used for operational costs, along with any supply needs related to the pandemic and are funded with no local cost share requirement.

**Infrastructure Investment and Jobs Act (IIJA):**

Signed into law on November 15, 2021, the Infrastructure Investment and Jobs Act (IIJA) (Public Law 117-58, also known as the “Bipartisan Infrastructure Law”) 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 \$16,374,859 in 2022.

**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, engineering consultants representing the sponsors in construction projects, and FAA personnel. The conference for 2022 was held in Pierre, SD at the Ramkota Hotel April 7-9. The conference provided a great opportunity to exchange information for current and future aviation issues.

**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.

**Aviation Education:**

For the past few years, the Commission has granted funding to the South Dakota Discovery Center, Civil Air Patrol (CAP), and SDSU, to promote aviation to students in middle and high school. These three organizations have been promoting aviation throughout South Dakota to teach students about aviation, provide opportunities for students to visually see and experience physical aircraft, and provide opportunities to experience SDSU's mobile flight simulator.

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

<u>Fee Type</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>Total Collected Per Fee Type</u>
Registration Fee	\$54,106	\$51,684	\$53,052	\$55,211	\$57,424	\$271,477
Tax Payment	\$1,171,422	\$2,088,134	\$471,005	\$1,220,105	\$1,888,426	\$6,839,092
Total Collected Per Year	\$1,225,528	\$2,139,818	\$524,057	\$1,275,316	\$1,945,850	\$7,110,569

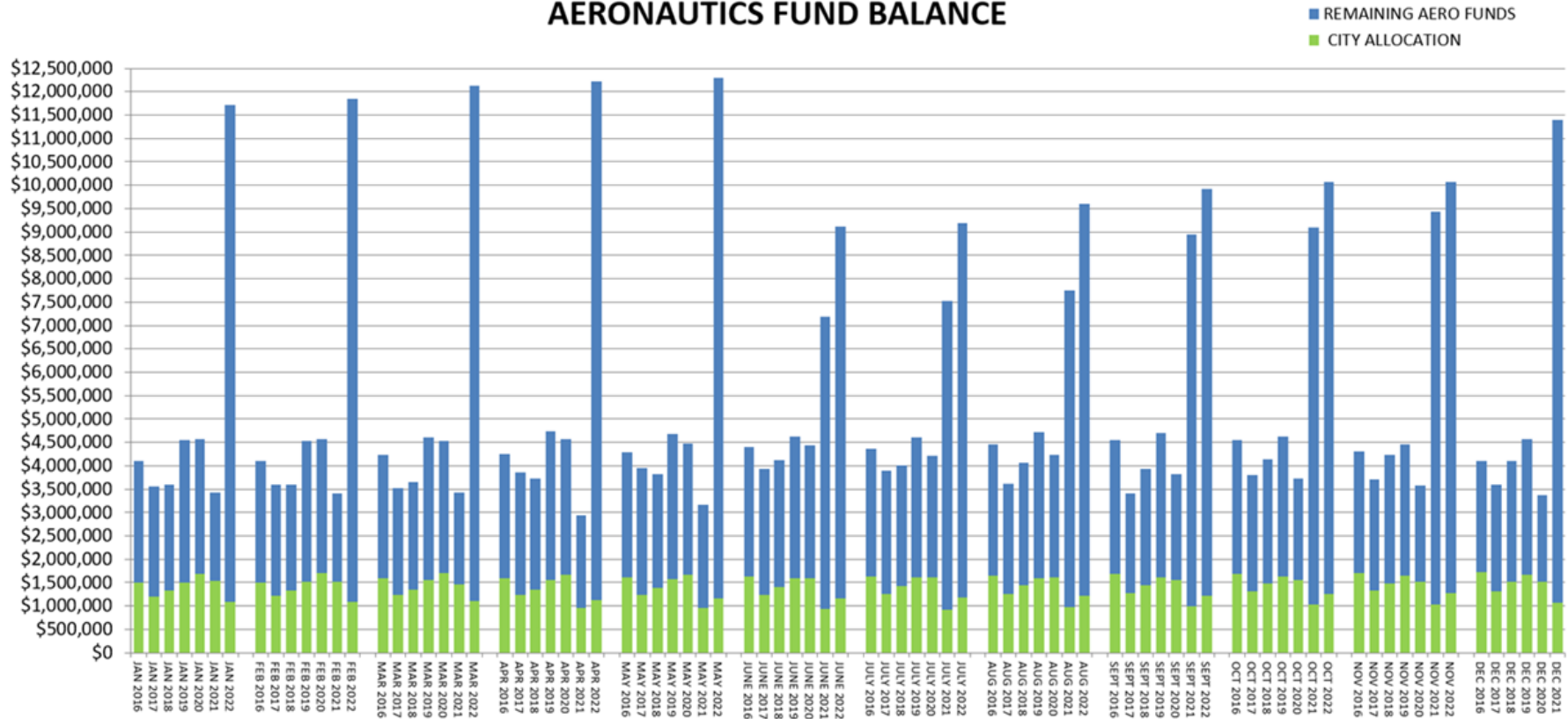
	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>
Number of Aircraft Registrations	1211	1247	1259	1387	1338
Percentage increases each year	0.17%	2.97%	.95%	10.2%	-3.5%

Figures based upon date of entry (or date payment is received), not when it's reflected in the State's Accounting System.

## 2022 SD AIP Grants

Airport	Project Description	AIP	BIL	ARPA	CARES	Federal Share	State Funds (5%)	Local Funds(5%)	Project Total
<b>Aberdeen - 47</b>	Construct GA apron reconstruction phase IB	\$3,591,000	\$0			\$3,591,000	\$94,500	\$94,500	\$3,780,000
<b>Aberdeen - 48</b>	BIL Design 13/31 rehab: edge lights, distance remaining sign; 13 REILS; 31 pap; windcone		\$95,000			\$95,000	\$2,500	\$2,500	\$100,000
<b>Belle Fourche 17</b>	Design taxiway/taxilane	\$112,500	\$0			\$112,500	\$6,250	\$6,250	\$125,000
<b>Bison - 15</b>	replace beacon, windcone & segmented circle	\$189,000	\$0			\$189,000	\$10,500	\$10,500	\$210,000
<b>Britton - 17</b>	BIL-cultural and aquatic surveys for future development	\$0	\$28,800			\$28,800	\$1,600	\$1,600	\$32,000
<b>Canton - 14</b>	Const SRE building/GA terminal	\$585,000	\$0			\$585,000	\$32,500	\$32,500	\$650,000
<b>Canton - 15</b>	BIL grant for 2022 project	\$0	\$115,200			\$115,200	\$6,400	\$6,400	\$128,000
<b>Chamberlain - 14</b>	Beacon replacement; runway pavement rehab	\$731,902	\$0			\$731,902	\$40,661	\$40,661	\$813,224
<b>Custer County - 18</b>	Design East taxilane extension with grading & drainage improvements	\$63,000	\$0			\$63,000	\$3,500	\$3,500	\$70,000
<b>Desmet - 18</b>	Design AWOS-III	\$50,400	\$0			\$50,400	\$2,800	\$2,800	\$56,000
<b>Eagle Butte - 15</b>	Reconstruct and widen 13/31; MIRL; PAPIs; AWOS-III	\$1,589,400	\$0			\$1,589,399	\$88,325	\$88,325	\$1,766,496
<b>Eagle Butte - 16</b>	Supplemental grant for 2022 project - CARES	\$2,950,000	\$0		\$327,777	\$3,277,777	\$0	\$0	\$3,277,777
<b>Eagle Butte - 17</b>	BIL grant for 2022 project		\$110,000			\$110,000	\$6,111	\$6,111	\$122,222
<b>Faith - 15</b>	Microsurface, crack seal and markings - stand alone project	\$431,100	\$0			\$431,100	\$23,950	\$23,950	\$479,000
<b>Highmore - 12</b>	apron recon and expansion; fix direct access seal coat and pavement marking - Design Only	\$49,410	\$0			\$49,410	\$2,745	\$2,745	\$54,900
<b>Hoven - 15</b>	Design lighting improvements - MIRL, PAPI, beacon and windcone; archeological survey.	\$67,500	\$0			\$67,500	\$3,750	\$3,750	\$75,000
<b>Huron - 42</b>	Phase II lighting improvements; install power, conduit PAPI on 12/30 and 17/35	\$351,000	\$0			\$351,000	\$19,500	\$19,500	\$390,000
<b>Lemmon - 19</b>	Construct fuel farm, jet A, 100LL, card reader	\$708,300	\$0			\$708,300	\$0	\$78,700	\$787,000
<b>Madison - 23</b>	Design parking lot and access road, hangar taxilanes	\$90,900	\$0			\$90,900	\$5,050	\$5,050	\$101,000
<b>Martin - 19</b>	Engineering, cultural and arch monitoring to install 8,350' wildlife fence	\$617,130	\$0			\$617,130	\$34,285	\$34,285	\$685,700
<b>Martin - 20</b>	BIL grant for 2022 project		\$110,000			\$110,000	\$6,111	\$6,111	\$122,222
<b>McLaughlin - 14</b>	BIL-Design revenue-producing hangar, geotech, aquatic survey, documented GATEX	\$0	\$67,500			\$67,500	\$0	\$7,500	\$75,000
<b>Mobridge - 20</b>	Design/const jet A fuel systm - tank, dispenser, card reader	\$685,000	\$0			\$685,000	\$76,111		\$761,111
<b>Mobridge - 21</b>	BIL grant for 2022 project		\$123,808			\$123,808	\$13,756		\$137,564
<b>Onida - 15</b>	Reconstruct 13/31	\$3,321,000	\$0			\$3,321,000	\$184,500	\$184,500	\$3,690,000
<b>Parkston - 17</b>	BIL - Aquatic and cultural resource surveys for future development	\$0	\$31,500			\$31,500	\$1,750	\$1,750	\$35,000
<b>Pierre - 47</b>	Acquisition of ARFF test cart	\$33,250	\$0			\$33,250	\$875		\$35,000
<b>Pierre - 48</b>	Disc grant for 7/25 rehab, narrow to 100'; replace HIRL, REIL, PAPI	\$7,130,700				\$7,130,700	\$187,650	\$187,650	\$7,506,000
<b>Rapid City - 59</b>	Sanitary Sewer			\$4,252,046		\$4,252,046	\$0	\$0	\$4,252,046
<b>Rapid City - 60</b>	CARES for small and large concessions				\$293,670	\$293,670	\$0	\$0	\$293,670
<b>Rapid City - 61</b>	Procure SRE and ARFF vehicle; Design terminal remote parking apron	\$1,695,000	\$0			\$1,695,000	\$94,167	\$94,167	\$1,883,333
<b>Rapid City - 63</b>	CARES Landslide project				\$4,724,840	\$4,724,840	\$0	\$0	\$4,724,840
<b>Redfield - 16</b>	Design and construct AWOS-III	\$321,300	\$0			\$321,300	\$17,850	\$17,850	\$350,000
<b>Rosebud - 17</b>	Design of AWOS-IIIIP	\$63,000	\$0			\$63,000	\$3,500	\$3,500	\$70,000
<b>Sioux Falls - 60</b>	CARES for small and large concessions				\$493,760	\$493,760			\$493,760
<b>Sioux Falls - 61</b>	Reconst twy D and F, remove E; rehab 15/33 twys A, A1, A3, A5 & M; expand E cargo	\$5,706,900	\$0			\$5,706,900	\$317,050	\$317,050	\$6,341,000
<b>Sioux Falls - 62</b>	CARES, Const. taxilane, reconst watermain, reconst 15/33 REIL; MP update; terminal planning study.				\$3,041,582	\$3,041,582			\$3,041,582
<b>Sisseton - 20</b>	Design hangar taxilane reconstruction; design perimeter fence around apron	\$90,000	\$0			\$90,000	\$5,000	\$5,000	\$100,000
<b>Spearfish - 31</b>	Design/construct 35x90' taxilane northwest of east apron	\$560,000	\$0			\$560,000	\$31,111	\$31,111	\$622,222
<b>Spearfish - 32</b>	BIL grant for 2022 project	\$0	\$115,000			\$115,000	\$6,389	\$6,389	\$127,778
<b>Sturgis - 021</b>	BIL-Design AWOS-III; aquatic and cultural survey	\$0	\$67,500			\$67,500	\$3,750	\$3,750	\$75,000
<b>Tea - 20</b>	Design apron reconstruction; geotechnical exploration	\$76,500	\$0			\$76,500	\$4,250	\$4,250	\$85,000
<b>Vermillion - 18</b>	BIL-Design AWOS; aquatic and cultural resource survey	\$0	\$38,700			\$38,700	\$2,150	\$2,150	\$43,000
<b>Wagner - 19</b>	Construct hangar taxilane expansion	\$396,000	\$0			\$396,000	\$22,000	\$22,000	\$440,000
<b>Wall - 13</b>	AIP Design Runway 12 extension; land acquisition	\$5,384,000	\$0			\$5,384,000	\$299,111	\$299,111	\$5,982,222
<b>Wall - 14</b>	BIL - Cultural monitoring and architectural services.		\$70,000			\$70,000	\$3,889	\$3,889	\$77,778
<b>Watertown 41</b>	purchase SRE equipment	\$0	\$805,000			\$805,000	\$21,184	\$21,184	\$847,368
<b>Webster - 15</b>	BIL Aquatic and cultural survey for future development	\$0	\$31,500			\$31,500	\$1,750	\$1,750	\$35,000
<b>Yankton - 36</b>	Const north hangar taxilane; access road; rehab/remark parallel taxiway	\$249,750	\$0			\$249,750	\$13,875	\$13,875	\$277,500
<b>SDD OT - 028</b>	Pavement maintenance at various airports	\$297,000	\$0			\$297,000	\$16,500	\$16,500	\$330,000
<b>Totals</b>	<b>Totals</b>	<b>\$38,186,942</b>	<b>\$1,809,508</b>	<b>\$4,252,046</b>	<b>\$8,881,629</b>	<b>\$53,130,123</b>	<b>\$1,629,339</b>	<b>\$1,805,407</b>	<b>\$66,565,315</b>

# AERONAUTICS FUND BALANCE

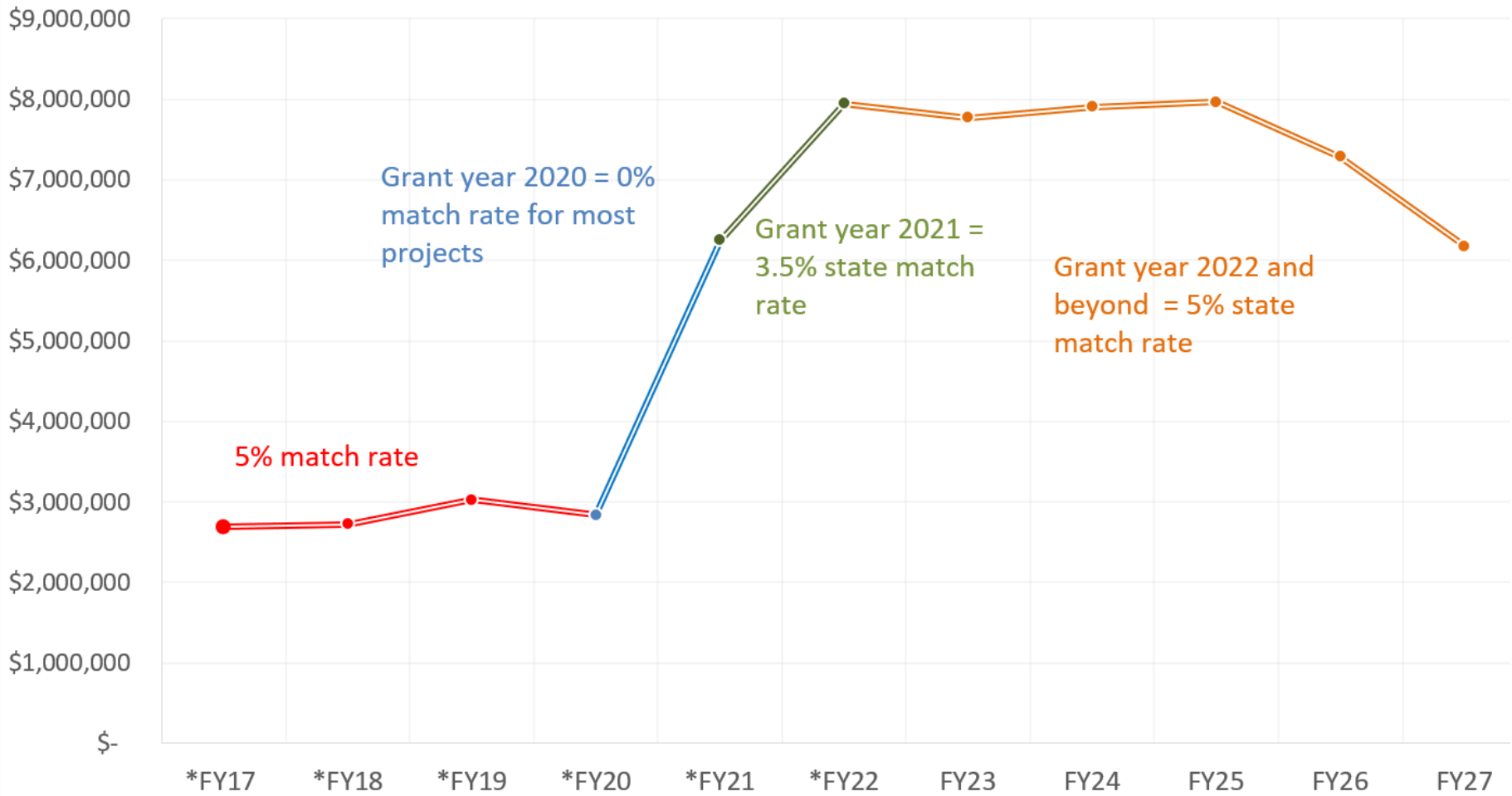


\*JUNE, 2021: INCREASE IN AERO FUNDS (\$4.0M) DUE TO SB64 FROM STATE'S GENERAL FUND  
 \*SEPT, 2021: INCREASE IN AERO FUNDS (\$1.25M) DUE TO SALE OF KA90 II  
 \*DEC, 2021: INCREASE IN AERO FUNDS (\$1.81M) DUE TO SALE OF KA200  
 \*JUNE, 2022: DECREASE IN AERO FUNDS (\$3.06M) DUE TO TRANSFER OUT OF SALE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

\*The current balance of the aeronautics fund is overstated by \$1.2 million due to the sale of aircraft per SB64

Updated as of 10/26/22

## AERONAUTICS FUND PROJECTIONS EXCLUDING CITY ALLOCATION



\* - Actual

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