

AERONAUTICS COMMISSION REPORT CY2023



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 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>
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	\$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

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

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)
FY2023 - \$36,471,093 (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 2023 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 must 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. 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. 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 September 30, 2025.

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) 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 \$16,456,071 in 2023. 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 September 30, 2025.

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 2023 was held in Deadwood, SD at The Lodge March 28-30. 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.

Airport Needs Study: Attachment E

Two members of the State Aeronautics Commission participated in an informal study on airport funding needs. The study’s goals were to collect data from the public airports and use this information to review current and short-term funding needs on a statewide perspective. This information will be useful for legislators and for the Aeronautic Commission to determine if any policies should be modified to help with the funding needs of our public airports.

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

<u>Fee Type</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>Total Collected Per Fee Type</u>
Registration Fee	\$51,684	\$53,052	\$55,211	\$57,424	\$53,148	\$270,519
Tax Payment	\$2,088,134	\$471,005	\$1,220,105	\$1,888,426	\$3,193,244	\$8,860,914
Total Collected Per Year	\$2,139,818	\$524,057	\$1,275,316	\$1,945,850	\$3,246,392	\$9,131,433

	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>
Number of Aircraft Registrations	1247	1259	1387	1338	1268
Percentage increases each year	2.97%	.95%	10.2%	-3.5%	-5.2%

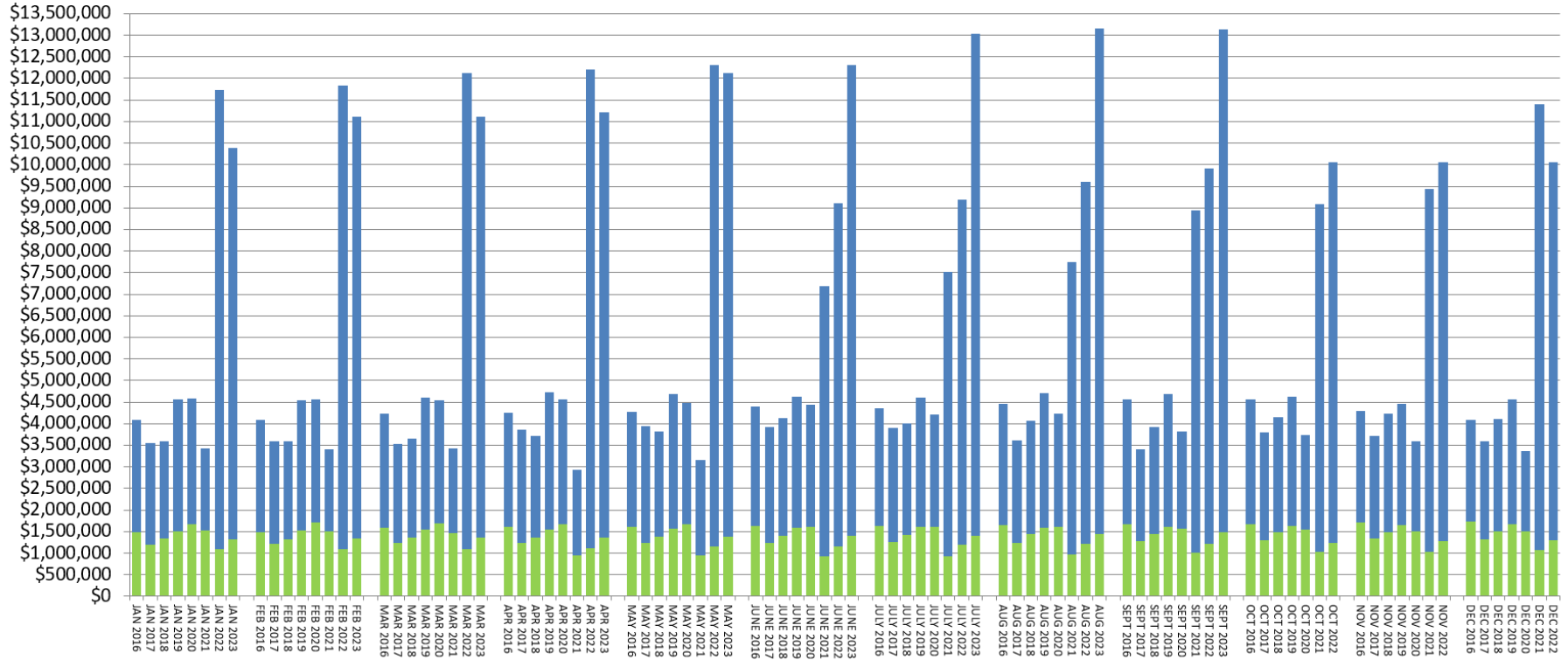
Figures based upon date of entry (or date payment is received), not when it's reflected in the State's Accounting System.

2023 SD AIP and BIL Grants

Airport	Project Description	AIP	BIL	FED Funds total	90% Fed Share	State Funds (5%)	Local Funds(5%)	Project Total
Aberdeen - 49	AIP Runway 13/31 rehab; design GA apron phase II	\$904,500	\$0	\$904,500	\$904,500	\$50,250	\$50,250	\$1,005,000
Aberdeen - 50	BIL funding for 2023 project	\$0	\$1,943,112	\$1,943,112	\$1,943,112	\$107,951	\$107,951	\$2,159,013
Belle Fourche 18	AIP taxi lane improvement; vehicle access and gate	\$287,705	\$0	\$287,705	\$287,705	\$15,984	\$15,984	\$319,672
Belle Fourche 19	BIL Construct taxi lane and drainage improvement	\$0	\$272,000	\$272,000	\$272,000	\$15,111	\$15,111	\$302,222
Bison - 16	pavement rehab - micro surface, crack seal, markings	\$526,500	\$0	\$526,500	\$526,500	\$29,250	\$29,250	\$585,000
Britton - 18	AIP Design and Construct Fuel System with 100LL and Jet A and w/Card Reader System	\$373,500	\$0	\$373,500	\$373,500	\$0	\$41,500	\$415,000
Britton - 19	BIL fuel system with card reader	\$0	\$194,200	\$194,200	\$194,200	\$0	\$21,578	\$215,778
Brookings - 38	Design parallel taxiway - enviro, cultural & wetland survey; PM 17/35, 35 turnaround; twy A, B & C.	\$346,500	\$0	\$346,500	\$346,500	\$19,250	\$19,250	\$385,000
Canton - 016	Design hangar taxi lane extension (380 x 25'); PM	\$0	\$68,400	\$68,400	\$68,400	\$3,800	\$3,800	\$76,000
Chamberlain - 15	ATP Phase 1 construct terminal building phase 1	\$0	\$855,000	\$855,000	\$855,000	\$0	\$45,000	\$900,000
Chamberlain - 16	BIL construct terminal building	\$0	\$94,996	\$94,996	\$94,996	\$0	\$10,555	\$105,551
Chamberlain - 17	AIP construct terminal building	\$209,070	\$0	\$209,070	\$209,070	\$0	\$23,230	\$232,300
Custer County - 19	AIP Construct east hangar taxi lane extension - phase 2	\$578,000	\$0	\$578,000	\$578,000	\$32,111	\$32,111	\$642,222
Custer County - 20	BIL construct east hangar taxi lane extension - phase 3	\$0	\$120,000	\$120,000	\$120,000	\$6,667	\$6,667	\$133,333
Desmet - 19	Construct AWOS-IIIIP	\$280,800	\$0	\$280,800	\$280,800	\$15,600	\$15,600	\$312,000
Faith - 16	BIL Replace MIRLS, beacon, windcone - Design	\$0	\$83,700	\$83,700	\$83,700	\$4,650	\$4,650	\$93,000
Faulkton - 15	Land survey, ALP update, land purchase, design runway reconst, approach survey	\$59,850	\$0	\$59,850	\$59,850	\$3,325	\$3,325	\$66,500
Flandreau - 015	Design hangar taxi lane improvements; geotech exploration	\$61,200	\$0	\$61,200	\$61,200	\$3,400	\$3,400	\$68,000
Gregory - 021	AIP Design revenue-producing t hangars with geotech	\$67,500	\$0	\$67,500	\$67,500	\$0	\$7,500	\$75,000
Highmore - 13	BIL - stand alone PM; sealcoat remark runway, taxiway, taxi lane	\$0	\$125,235	\$125,235	\$125,235	\$6,958	\$6,958	\$139,150
Hot Springs -	No project	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Hoven - 17	Construct lighting improvements, MIRL, MITL, PAPI, Windcone	\$81,000	\$0	\$81,000	\$81,000	\$4,500	\$4,500	\$90,000
Hoven - 16	Construct lighting improvements, MIRL, MITL, PAPI, Windcone	\$481,500	\$0	\$481,500	\$481,500	\$26,750	\$26,750	\$535,000
Huron 43	BIL Design ag apron & parallel twy expand; aquatic survey, level 1 record search	\$0	\$166,500	\$166,500	\$166,500	\$9,250	\$9,250	\$185,000
Madison - 24	AIP Hangar taxi lane reconstruction	\$408,600	\$0	\$408,600	\$408,600	\$22,700	\$22,700	\$454,000
Madison - 25	BIL access road and parking lot reconstruction	\$0	\$304,000	\$304,000	\$304,000	\$16,889	\$16,889	\$337,778
Parkston - 18	Design runway rehab w/lighting; design apron & twy	\$171,000	\$0	\$171,000	\$171,000	\$9,500	\$9,500	\$190,000
Philip - 016	Design 12-30 rehab	\$207,000	\$0	\$207,000	\$207,000	\$11,500	\$11,500	\$230,000
Pierre - 49	ARFF procurement;	\$904,500	\$0	\$904,500	\$904,500	\$50,250	\$50,250	\$1,005,000
Pine Ridge - 18	Purchase SRE loader with attachments	\$450,000	\$0	\$450,000	\$450,000	\$25,000	\$25,000	\$500,000
Platte - 14	No project PM only	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rapid City - 66	AIP terminal renovation/expansion; ticketing expansion, checked baggage	\$5,882,782	\$0	\$5,882,782	\$5,882,783	\$0	\$653,643	\$6,536,425
Rapid City - 64	BIL Design for expansion and renovation of terminal, checked baggage area	\$0	\$11,900,000	\$11,900,000	\$11,900,000	\$0	\$626,316	\$12,526,316
Rosebud - 19	AIP Construction of AWOS-IIIIP - phase 3	\$279,000	\$0	\$279,000	\$279,000	\$15,500	\$15,500	\$310,000
Rosebud - 18	BIL Construct AWOS IIIIP - phase 2	\$0	\$112,500	\$112,500	\$112,500	\$6,250	\$6,250	\$125,000
Sisseton - 21	AIP Construct apron fencing, 3 walk-in gates, 3 cantilever gates.	\$126,900	\$0	\$126,900	\$126,900	\$7,050	\$7,050	\$141,000
Spearfish - 35	Pavement Maintenance crack seal, seal coat and markings 13/31	\$504,000	\$0	\$504,000	\$504,000	\$28,000	\$28,000	\$560,000
Springfield - 012	design for runway reconst, realign turnaround, rehab A, apron	\$235,043	\$0	\$235,043	\$235,044	\$13,058	\$13,058	\$261,160
Sturgis - 022	AIP Design/const. AWOS IIIIP	\$139,500	\$0	\$139,500	\$139,500	\$7,750	\$7,750	\$155,000
Sturgis - 021	BIL Design/const. AWOS IIIIP	\$0	\$234,000	\$234,000	\$234,000	\$13,000	\$13,000	\$260,000
Tea - 21	AIP Construct north GA apron reconstruction	\$832,500	\$0	\$832,500	\$832,500	\$46,250	\$46,250	\$925,000
Vermillion - 19	AIP Design AWOS III	\$54,000	\$0	\$54,000	\$54,000	\$3,000	\$3,000	\$60,000
Wagner - 20	Design AWOS-III; aquatic resource survey	\$72,000	\$0	\$72,000	\$72,000	\$4,000	\$4,000	\$80,000
Wall - 15	AIP AGIS services for 14/32 reconstruction, extend and widen	\$95,000	\$0	\$95,000	\$95,000	\$5,278	\$5,278	\$105,556
Watertown 042	BIL Purchase SRE loader with plow and broom	\$0	\$783,000	\$783,000	\$783,000	\$43,500	\$43,500	\$870,000
Watertown 044	BIL Design partial paralel taxiway D and connector taxiway	\$0	\$130,500	\$130,500	\$130,500	\$7,250	\$7,250	\$145,000
Watertown 043	AIP Design and EA for partial parallel B & C	\$499,500	\$0	\$499,500	\$499,500	\$27,750	\$27,750	\$555,000
Webster - 16	Design Fuel system improvements - pavement maint.	\$63,000	\$0	\$63,000	\$63,000	\$0	\$7,000	\$70,000
Wess Sprgs - 016	AIP Const connector taxiway eliminate direct access, ext taxi lane	\$1,048,500	\$0	\$1,048,500	\$1,048,500	\$58,250	\$58,250	\$1,165,000
Wess Sprgs - 017	BIL taxiway taxi lane improvements, electrical and engineering	\$0	\$223,000	\$223,000	\$223,000	\$12,389	\$12,389	\$247,778
Yankton - 38	AIP Construct taxi lanes	\$1,233,000	\$0	\$1,233,000	\$1,233,000	\$68,500	\$68,500	\$1,370,000
Yankton - 37	BIL Construct access road	\$0	\$304,000	\$304,000	\$304,000	\$16,889	\$16,889	\$337,778
SDDOT - 029	Statewide pavement maintenance	\$1,093,500	\$0	\$1,093,500	\$1,093,500	\$60,750	\$60,750	\$1,215,000
Totals	Totals	\$18,556,950	\$17,914,143	\$36,471,093	\$36,471,095	\$935,058	\$2,371,379	\$38,777,532

Total Federal funds State Funds (5%) Local Funds Total Funds

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

Updated as of 11/01/23

AERONAUTICS FUND PROJECTIONS EXCLUDING CITY ALLOCATION

Grant year 2022 and
beyond = 5% state
match rate

