

**ANNUAL REPORT  
OF THE  
AIRPORT BOARD OF TRUSTEES**

**JULY 1, 2022 THROUGH JUNE 30, 2023**



**Prepared for  
City Council  
City of Sioux City**

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(July 1, 2022 through June 30, 2023)**

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Per requirements set forth in Section 2.66.070 of the Municipal Code of the City of Sioux City, Iowa, the Airport Board of Trustees shall prepare and submit an annual report to the City Council in December of each year.

Components of the report are as follows:

- General Information
- Financial Report
- Accomplishments
- Future Undertakings

**GENERAL INFORMATION**

The Airport Board of Trustees was created through Chapter 2.32 of the Municipal Code adopted by the City Council on July 1, 1995. The Board meets on the second Thursday of each month. The Board is composed of seven members appointed for three-year terms by the City Council. Members of the Board of Trustees on June 30, 2023 were as follows:

**Joseph Kruse, President  
Skip Perley, Vice President  
Sarah Murray, Secretary  
Lawrence Christensen  
Linda Kalin  
Faith Bradham  
Sonya Morrison/Open**

The primary responsibilities of the Board of Trustees:

The Board shall have the following powers:

1. To make and enforce rules and regulations for the control, operation, supervision and maintenance of the facilities.
2. To buy, lease, sell, or exchange any property, real or personal, for the benefit and efficient operation of the facilities under such terms and conditions as the board shall determine, providing no sale or lease of personal property in excess of one year shall be valid unless approved by the City Council. Sale or exchange of real property and leases of real property in excess of three years shall be subject to the approval of the city council.
3. To determine the rates and fees for the use of the facilities and services.
4. To regulate advertising within the facilities and on behalf of the facilities.
5. To apply for and accept grants or subsidies from any other unit of government, provided that grants requiring the financial participation of the City, not otherwise budgeted, shall require city council approval.
6. To make such recommendations concerning the procurement of insurance as is felt necessary for the protection of the facilities.
7. To actively market and advertise the services offered by the facilities.
8. To receive, reject, accept, hold and/or dispose of all gifts, donations, devises and bequests that may be made to the City for the purpose of establishing, increasing or improving the facilities, but when any such gift, donation, devise or bequest is conditioned upon any act of the city, the city council must first determine whether such condition can or shall be complied with.
9. To enter into contracts for expenditure of funds, not to exceed \$10,000 as provided in the approved budget
10. To make recommendations to the City Council for the employment of a competent person as director of the airport who shall be the administrative head of the airport or to otherwise provide for operation and marketing of the airport. (Ord. 2015-0963; 95/U-3255)

## **Highlights and Projects**

A vision statement was created by the board and staff as we began the start of the Master Plan to help guide the process.

“Exceeding community expectations by enhancing aviation opportunities through partnership, operational, financial, and environmental initiatives.”

The Airport received FAA funding for the Airport Master Plan and Airport Layout Plan Project of \$998K which will provide for 90% of the cost and is funded by the Infrastructure Bill (BIL). The Master Plan was last completed in 2001 and is a required element for federal funding. A master plan update is a comprehensive study designed to depict an airport’s short-, medium-, and long-term development plans to meet future aviation demand in a safe, efficient, economical, and environmentally responsible manner. The purpose of the study is to identify short and long-term needs of the airport, tenants, users, and the public. The data collected is used to create a development plan forecasted over a 20-year planning horizon.

The project includes combining historical data, policies and planning documents. It will also include community engagement, sustainability initiatives and development to satisfy aviation demand while considering potential environmental and socioeconomic impacts.

Commercial air service- Regional airports became increasingly aware of potential service limitations as the pilot shortage issue was magnified during the year with passenger demand returning quickly. We continued to have daily air service through the Essential Air Service (EAS) Program as the DOT selected SkyWest Airlines to provide EAS flights to Chicago that began April 1, 2021. When the flight to Denver stopped under the SCASD program, SkyWest split the EAS flights to 1 each to Chicago and Denver to continue service to both destinations. SkyWest gave Notice of intent to terminate service in March 2022 under the DOT EAS program due to the pilot shortage. We then went through the DOT EAS proposal process for which we received 1 proposal from Boutique Air and subsequently provided recommendation to keep SkyWest service. We continued to meet and discuss options with SkyWest during the year including a proposal for continued service with less capacity. SkyWest is still being held in for the EAS program until the proposal cycle is complete for the new EAS period. The board and city council recommended the SkyWest service proposal for a new 3-year term beginning April 1, 2024 but will still need to be finalized by DOT.

The COVID-19 environment was still an impact to commercial air service and airport operations during the year with reduced flights as a carryover from the start of the pandemic. We continue to use COVID-19 grant assistance through the CARES Act, CRSSA Act and ARPA grants to assist with the economic disruption caused by the COVID-19 conditions and reduced operating revenues.

The airport and ED department continued to complete the development of a flight school with Oracle Aviation which has developed a pilot training program with Morningside University to offer a BS degree in the aviation program. The new program began with its first student flights in September 2023. The project includes the construction of a new hangar facility by the City and leased by Oracle. The construction is expected to be completed in November 2023.

The Airport participated in the 185th ARW strategic study and execution plan. The study was a joint effort in partnership with the 185th to evaluate the implementation, timing, funding and impacts to the airport. We continue to jointly plan for the construction of the new runway, ramp and hangar.

The Airport awarded a bid for the construction of 2 10-unit T-Hangars. Construction began in June and is expected to be completed by Spring 2024. The Airport received IDOT funding through the Iowa Commercial Aviation Infrastructure Funding Grant (ICAIF) for the development and construction of 2 new T-Hangars on the north side of the airfield. The grant provides 100% funding up to \$3,149,582. This was a formula based grant with funding allocations through the Federal American Rescue Plan State Fiscal Recovery Funds and administered by the IDOT.

The Airport began the Terminal Ramp Rehabilitation Project of \$850K of which the FAA will provide approximately 90% of the cost. Construction began in July and is expected to be completed in November 2023. The overall project scope includes joint repair and replacement, spall and crack repair and areas of complete panel replacement.

The Airport began the Northeast Taxiway Reconstruction Project in the amount of \$2.5M of which the FAA and IDOT will contribute approximately combined 87% of the cost. Construction began in June and is expected to be completed in October 2023.

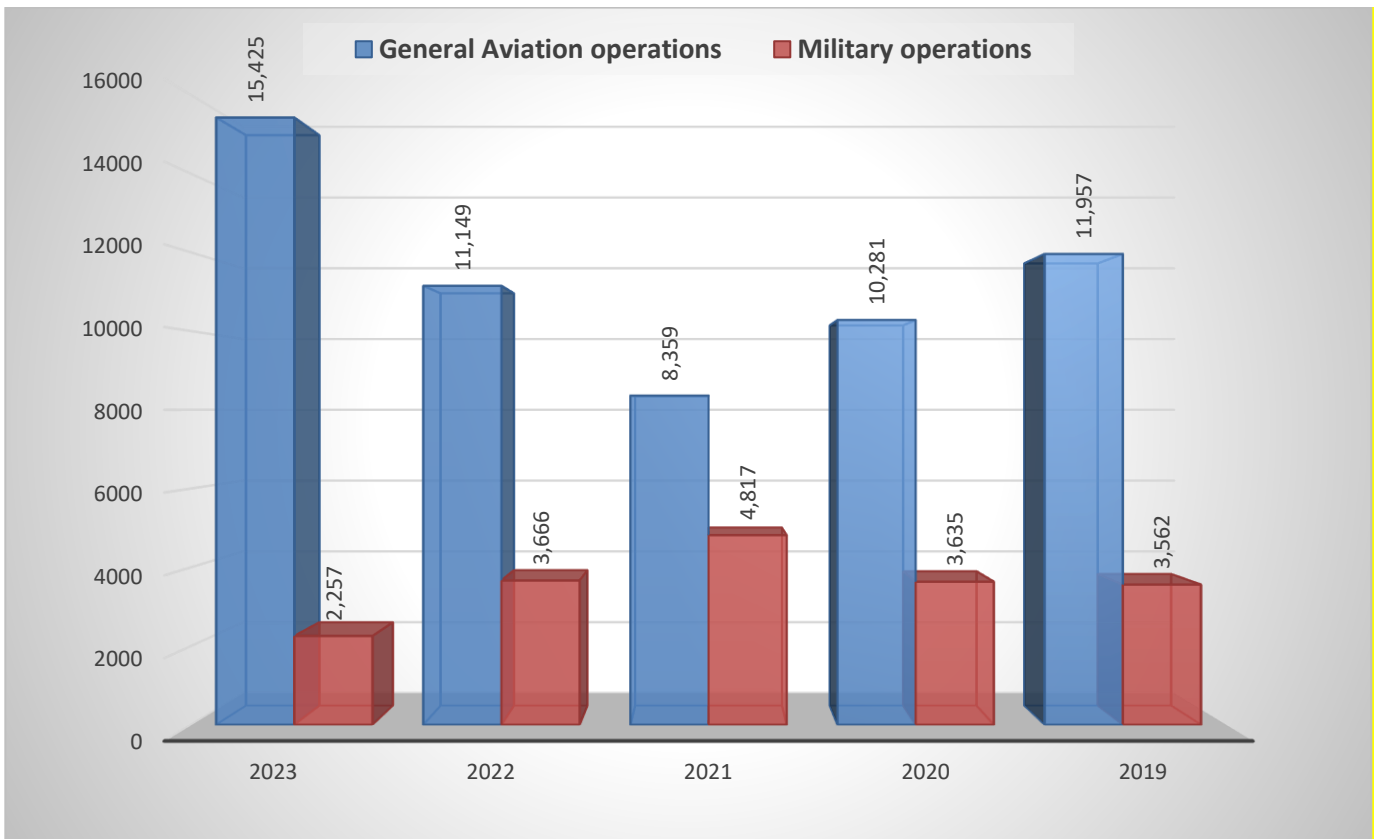
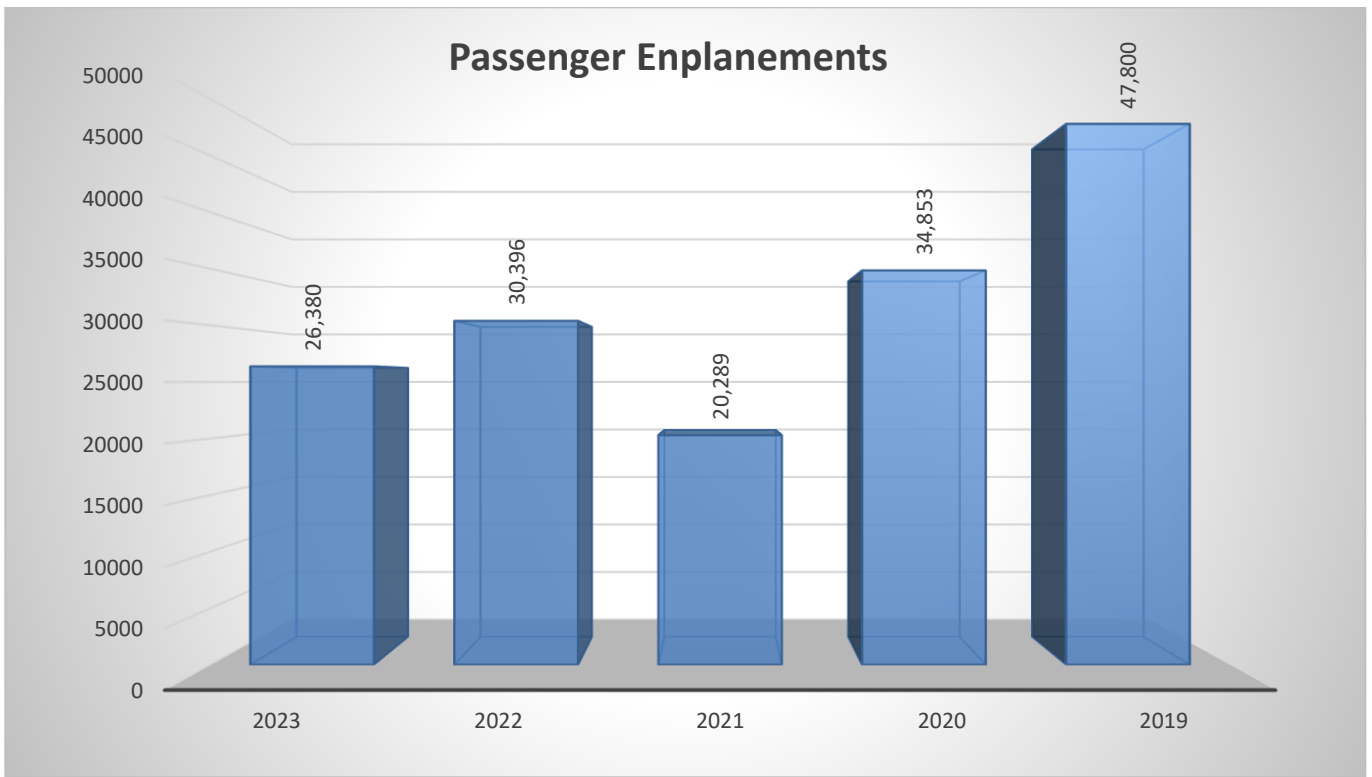
The Airport received FAA funding for the Snow Removal Equipment Rotary Plow Replacement Project. The FAA will provide for 90% of the purchase amount of \$695K. The equipment was delivered in July 2023.

The Airport completed the Runway 13/31 Rehabilitation and Lighting Upgrade Project in the amount of \$8.8M of which the FAA will provide for 99% of the construction costs. The overall project included concrete pavement repairs, replacement of the asphalt shoulders, asphalt blast pads, new LED runway edge lighting and lighting control system and signage.

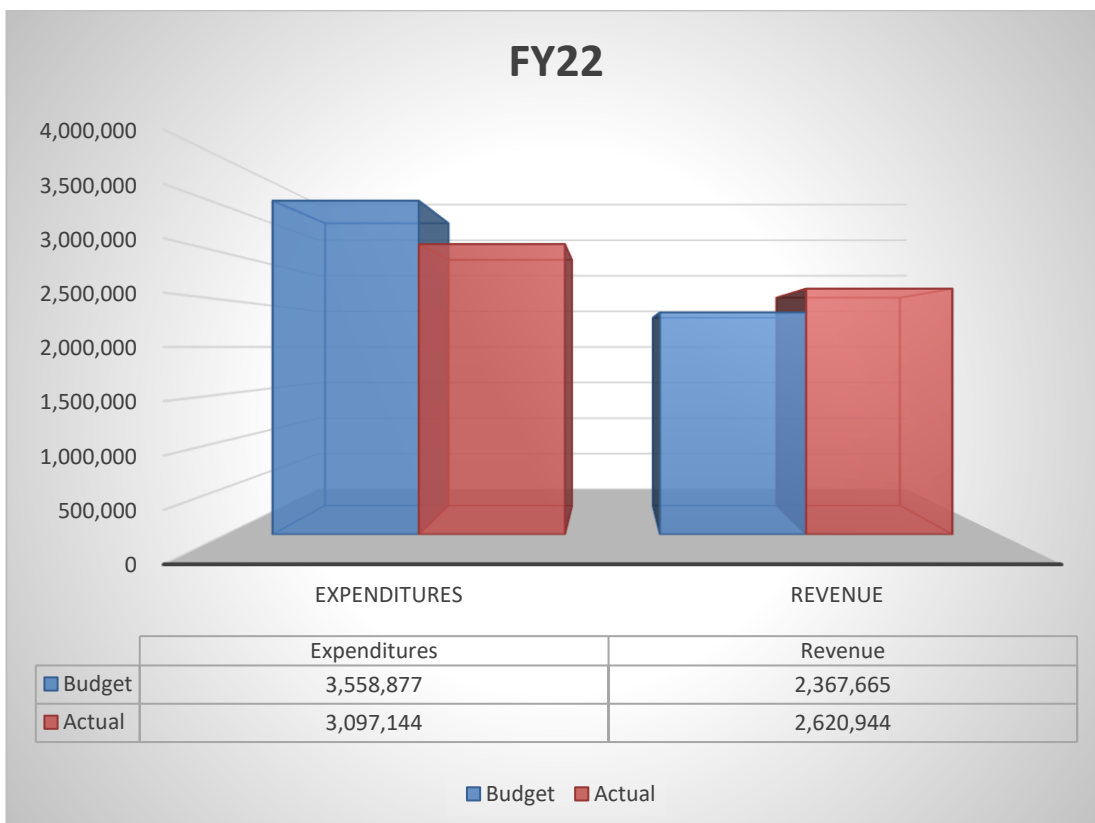
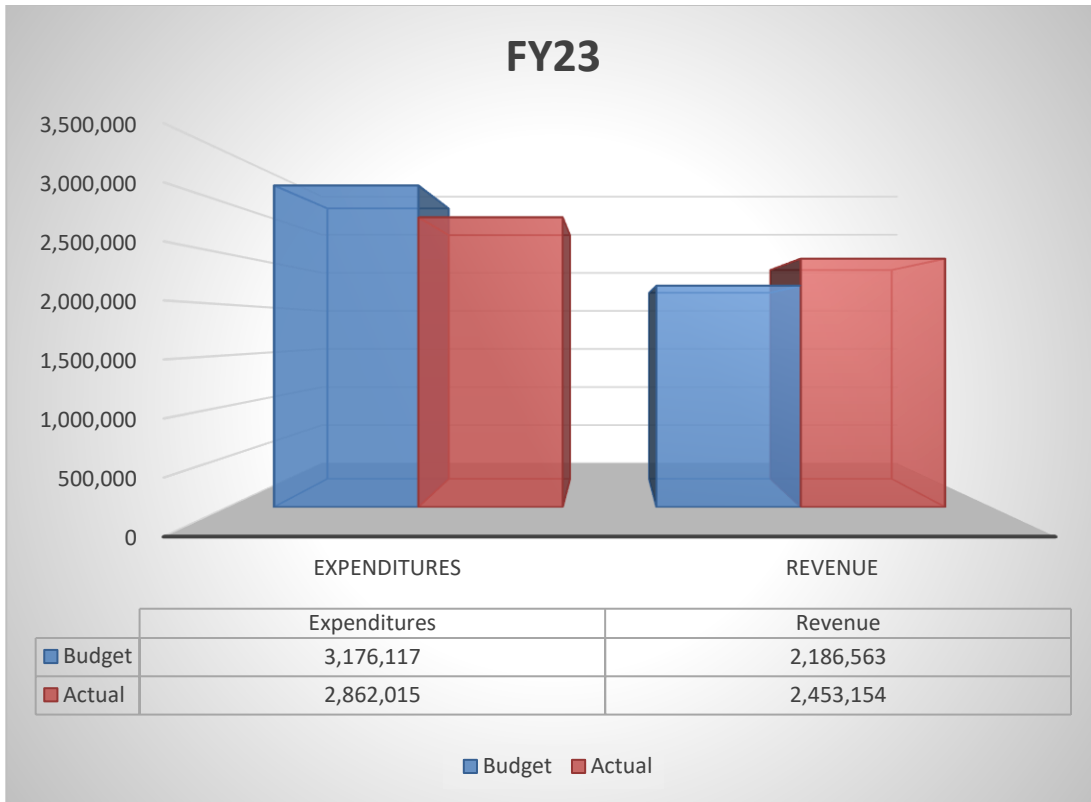
The Roof Replacement Project (Phase 1) in the amount of \$246K was completed in August 2023.

We received an IDOT Air Service Grant (\$48K) for marketing air service, an IDOT Commercial Service Vertical Infrastructure Grant (\$133K) for hangar improvements.

## Operating Statistics



## Financial Information



## **Goals and Challenges**

Maintain and build air service with the Essential Air Service process and promote Chicago and Denver destinations. Continue to work in a positive manner with SkyWest Airlines to accomplish these goals.

Continue marketing efforts to bolster traffic and perception of SUX as an easy, clean, efficient, safe airport to travel through.

Continue to monitor the training and processes.

Complete the Master Plan project to plan for the future of the airport and 185<sup>th</sup> ARW.

Continue to pursue landside and other potential development by working with the ED department.

Obtain FAA and IDOT grants for airport improvements, vertical infrastructure and air service marketing.

Continue hangar development plans and maintain/update existing airfield pavement needs.

Improve overall aesthetics of terminal and grounds to improve overall traveling guest experience.

Continue marketing strategies to target specific potential passenger groups throughout the catchment area.