ANNUAL REPORT
OF THE
AIRPORT BOARD OF TRUSTEES
(July 1, 2017 through June 30, 2018)

Prepared for
City Council
City of Sioux City, Iowa

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, 2018 were as follows:

Darrell Jesse, President
Mike Stiles, Vice President
Vincent Kramper, Secretary
Jim Palmer
Angie Schneiderman
Noelle Jacobs
Rita DeJong
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. 2015-063; 95/U-3255)
ACCOMPLISHMENTS

Commercial Air Service – American Airlines provided commercial daily air service with two flights a day between Sioux City and Chicago and one daily flight to Dallas/Fort Worth. The enplanement statistics reflect the increase in passengers due to the added DFW flight May 5, 2016. American Airlines announced during the year they would provide a 3rd daily flight to Chicago beginning September 5, 2018 with the potential for approximately 1,500 additional enplanements per month. An additional DFW flight was also provided at 3 different times during the year to accommodate holiday travel and test demand.

A true market estimate analysis was completed with the objective of projecting the number of inbound and outbound origin and destination air travelers for the catchment area regardless of which airport is used. This information is used to develop strategies for commercial service potential and air service meeting tools. Factors that impact demand are airfares, nonstop service availability and the quality and capacity of air service offered.

Small Community Air Service Development Grant (SCASD) – A $650,000 USDOT SCASD grant was awarded for improved commercial air service to a western destination.

The airport had several construction improvement projects during the year including completion of the Taxiway A north connector rehabilitation project through FAA funding and joint project funding with the IA ANG, completion of the 13-31 aircraft arresting system upgrade project which was funded 100% by the ANG, drainage improvements, fence replacements and terminal exit lane improvements.

The Airport received FAA funding for the 17-35 Runway shift and reconstruction. Grant funding for the construction and bidding was completed in 2018 with construction planned for two phases in 2019 and 2020. We received additional supplemental federal funding toward this project which may allow the construction to be completed in one phase during 2019. Total project estimated cost at $24.5M with $22M in grant funding.

AIP Airport Development Grant (IDOT) – The airport was awarded two (2) individual project grants for pavement improvements that include the rehabilitation of the North GA Ramp Taxilane project and construction of the North GA Ramp Grass Island project to be completed in FY19-20.

AIP Air Service Development Program Grant (IDOT) – The airport received a $28,000 grant from the Iowa Department of Transportation. The total project amount was $35,000 to advertise Sioux Gateway Airport and our commercial air service. Advertisements for the airport were run via print, radio, social media and various sponsorships.

Commercial Service Vertical Infrastructure Grant and AIP Grant (IDOT) – A CSVI grant for $61,397 was received from the Iowa Department of Transportation to assist in terminal and hangar repairs and refurbishment projects.
## Operating Statistics

<table>
<thead>
<tr>
<th>Year</th>
<th>Passenger Enplanements</th>
<th>General Aviation Operations</th>
<th>Military Operations</th>
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<tbody>
<tr>
<td>2018</td>
<td>47,784</td>
<td>2,076</td>
<td>457</td>
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<tr>
<td>2017</td>
<td>41,014</td>
<td>1,030</td>
<td>530</td>
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<tr>
<td>2016</td>
<td>26,797</td>
<td>7,970</td>
<td>2,552</td>
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<tr>
<td>2015</td>
<td>31,113</td>
<td>10,998</td>
<td>3,548</td>
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<tr>
<td>2014</td>
<td>25,331</td>
<td>13,445</td>
<td>3,472</td>
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### GOALS FOR THE UPCOMING YEAR

Secure additional air service with additional service to Dallas or Chicago and/or new service to western destinations such as Denver or Phoenix. Continue toward making the airport self-sustaining.

Complete shift and reconstruction of the Crosswind Runway 17-35 and plan for other airfield improvements.

Review and develop terminal update plan and complete specifications for the upper floors maintenance needs.

Continue to pursue landside and other potential development by working with the Economic Development Department.

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

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

Develop plan to repair or recoat parking lots.

Improve overall aesthetics of terminal and grounds, and improve overall traveling customer experience.
Develop updated marketing strategies to target potential passengers from out of town who presently fly to Omaha, and also target additional local passengers that live in this area but fly from Omaha.

Deploy new standalone website with enhanced functionality over current City hosted site.

Continue to monitor and push for improved performance of airport service providers including ground handler, parking contractor and TSA.

Pursue full accessibility at all public facilities that are part of airport.

Pursue RFP for third party advertising sales internally in terminal on messaging boards.
TOTAL REVENUE
FY18 $2,171,763
FY17 $2,186,662

TOTAL EXPENDITURES
FY18 $2,354,190
FY17 $2,511,450