

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance
Consent

AGENDA ITEM: 5 – U
DATE: December 9, 2020

SUBJECT

SDSU Airport Hangar Update

CONTROLLING STATUTE, RULE, OR POLICY

[SDCL 5-14-1](#) – Classification of Capital Improvements

[SDCL 5-14-2](#) – Supervision by Bureau of Administration of Capital Improvement Projects
– Payment of Appropriated Funds

[SDCL 5-14-3](#) – Preparation of Plans and Specifications for Capital Improvements – State
Building Committees – Approval by Board or Commission in Charge of
Institution

[BOR Policy 6:4](#) – Capital Improvements

[BOR Policy 6:6](#) – Maintenance and Repair

BACKGROUND/DISCUSSION

At the August 2020 BOR meeting, SDSU presented a Preliminary Facility Statement for a new Airport Hangar. During the discussion at that meeting, it was suggested that SDSU look for options to lease hangar space or have another party build the hangar space and then lease it to SDSU. In response to those suggestions, SDSU has verified that there is no current hangar space available for rent in Brookings. In addition, SDSU started discussions with the SDSU Foundation and are looking at options including acquiring an existing hangar, if one can be found, or having the SDSU Foundation or someone in the private sector build a hangar to lease back to the university.

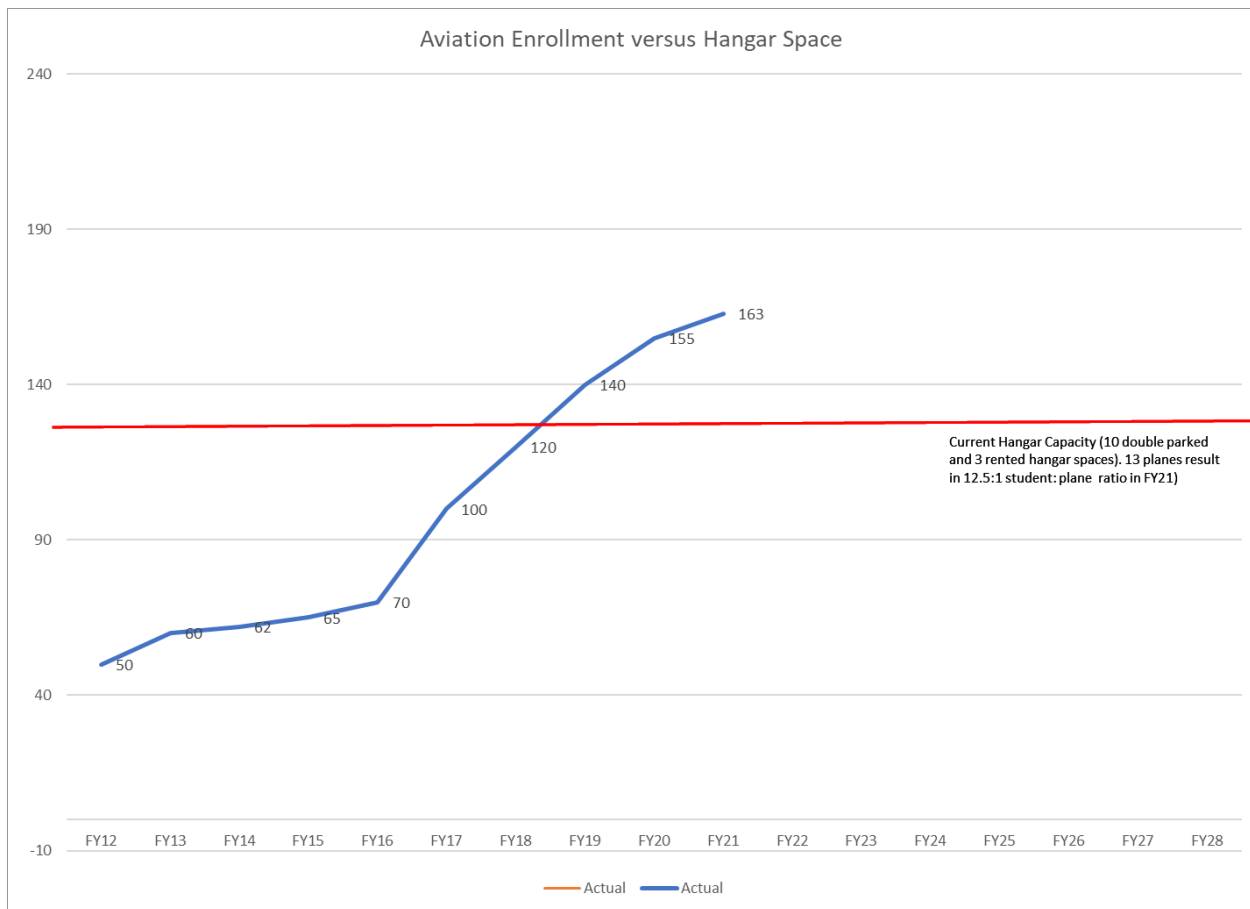
As discussed at the August meeting, the aviation program currently occupies a hangar at the Brookings Municipal Airport, which is owned and operated by the University. This hangar is designed to store 6 airplanes but is currently storing 10. In addition, SDSU is storing 3 airplanes in rented spaces. While a ratio of 8:1 students to aircraft would allow for maximum flexibility and student flight time, the SDSU program has set a goal of 10:1, which, with careful management, still allows for students to progress through the program in a timely manner and maintains cost effectiveness.

(Continued)

INFORMATIONAL ITEM

Current enrollment in the SDSU Aviation Education program is 163 and the program has 13 aircrafts. Based on the 10:1 goal for airplanes SDSU would currently have space for 130 aircrafts which would result in a capacity for 130 students in the program, if SDSU maintained this ratio. The current enrollment (163) and the available hangar spaces (13) result in a 12.5:1 ratio due to the limitations in hangar space.

In order to address the limitation the lack of hangar space imposes on the enrollment of the program, SDSU plans to continue to explore options for existing hangars and the potential to enter into a lease agreement with the SDSU Foundation or other entity.



IMPACT AND RECOMMENDATIONS

The purpose of this item is to make the Board aware of SDSU’s intent to explore additional options for the airport hangar, as was recommended at the August 2020 BOR meeting.

ATTACHMENTS

None