

AGENCY NAME:	Aeronautics Commission		
AGENCY CODE:	U300	SECTION:	87



**Fiscal Year 2024-25
Agency Budget Plan**

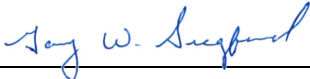

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS (FORM B1)	For FY 2024-25, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.
NON-RECURRING REQUESTS (FORM B2)	For FY 2024-25, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.
CAPITAL REQUESTS (FORM C)	For FY 2024-25, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.
PROVISOS (FORM D)	For FY 2024-25, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Gary Siegfried	803-896-6898	gsiegfried@aeronautics.sc.gov
SECONDARY CONTACT:	Melody Mikell	803-896-6279	memikell@aeronautics,sc.gov

I have reviewed and approved the enclosed FY 2024-25 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:	 09/22/2023	 09/22/2023
TYPE/PRINT NAME:	Gary Siegfried	Delphin A. Gantt, Jr.

This form must be signed by the agency head – not a delegate.

Agency Name:	<u>Division Of Aeronautics</u>
Agency Code:	U300
Section:	87

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B2 - Non-Recurring	Capital Investing for the Statewide Airport System – Commercial Service Airports	161,000,000	0	0	0	161,000,000	0.00	0.00	0.00	0.00	0.00
2	B2 - Non-Recurring	Capital Investing for the Statewide Airport System – General Aviation Airports	24,000,000	0	0	0	24,000,000	0.00	0.00	0.00	0.00	0.00
3	B1 - Recurring	Increase in General Funds Appropriated for Operations	400,000	0	0	0	400,000	0.00	0.00	0.00	0.00	0.00
4	B2 - Non-Recurring	Aircraft Refueling Truck	300,000	0	0	0	300,000	0.00	0.00	0.00	0.00	0.00
5	B2 - Non-Recurring	Facility Needs Assessment	60,000	0	0	0	60,000	0.00	0.00	0.00	0.00	0.00
TOTALS			185,760,000	0	0	0	185,760,000	0.00	0.00	0.00	0.00	0.00

Agency Name:	Division Of Aeronautics		
Agency Code:	U300	Section:	87

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Increase in General Funds Appropriated for Operations
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$400,000 Federal: \$0 Other: \$0 Total: \$400,000
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # 5	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input checked="" type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
	<input type="checkbox"/>	Government and Citizens

ACCOUNTABILITY OF FUNDS	<p>Additional Operating Appropriated General Funds will support the following strategies: <u>Strategy 1 – Maintaining Safety, Integrity and Security</u></p> <p>1.1 Operate aircraft safely</p> <p>1.2 Operate aircraft in cost effective manner</p> <p><u>Strategy 2 – Education, Training and Human Development</u></p> <p>2.1 Partner with educational entities to promote aerospace/aviation to SC students</p> <p>2.3 Support staff through continuing education programs and new certifications</p> <p><u>Strategy 4 – Government and Citizens</u></p> <p>4.1 Continue to work with aerospace/aviation partners to promote the development of airports in SC</p> <p>The use of these funds would be evaluated by determining if the agency has met it's goals of providing safe flights and promoting aviation in the state.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

SC Aeronautics staff, vendors and contractors that help support the agency's mission.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

The Agency has operated for the last eight years without an increase in operating appropriated General Funds other than across the board pay and fringe increases. During the last eight years, and especially post pandemic, we have seen significant inflation and associated increases in cost of utilities, materials, supplies and labor. Aeronautics has been operating short staffed since the pandemic, so we have been able to offset the increase in costs, but as we start to staff back up, funding is going to become more of a challenge.

Existing employees need to get salary increases to mirror the higher band widths and stay competitive in the job market. It is critical to be able to retain knowledgeable employees for the agency.

We have also seen a substantial increase in the cost of aviation fuel and aircraft parts, which causes the cost of flight operations to increase. We have increased the per hour flight cost that we charge for revenue trips (other state agencies and state universities) to help offset these increases, but General Funds are used to cover aircraft operations for the Governor and members of the General Assembly.

And finally, the Aeronautics facility was constructed in 1982. We have requested and gotten assistance for major repairs, but we can expect to see other improvements needed as the facility continues to age. As part of this budget request, we are also requesting funds to complete a facility needs assessment which will help us better anticipate future maintenance (see section B2).

If funds are not received with this budget request, Aeronautics will need to seek ways to reduce costs or defer maintenance and request additional funding during the next budget process. The agency will potentially lose valuable employees to higher paying positions elsewhere and may have to operate with a smaller staff.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Division Of Aeronautics		
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FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Capital Investing for the Statewide Airport System – Commercial Service Airports
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Provide a brief, descriptive title for this request.

AMOUNT	\$161,000,000
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input checked="" type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations	
<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding	
<input type="checkbox"/>	Related to a Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>Commercial Airport Funding and General Aviation Runway Rehabilitation</p> <p>The utilization of funds will be reviewed by Division staff for compliance with program guidelines and approved by the South Carolina Aeronautics Commission.</p> <p>The use of these funds coincides with Goal #3 (Protect the investment SC has made in the state airport system), and more specifically aligns with the strategy to provide grant funding for approved Capital Improvement Projects for State Airports.</p> <p>The additional funds would enable the commercial airports to make necessary capital improvements and protect the investments of the state airports.</p> <p>The airport would submit a grant request to the agency for approval and then submit documentation showing the work had been completed based on agency guidelines to get reimbursement. The requests are reviewed thoroughly before obtaining approval for payment.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

	<p>Commercial Airport Funding</p> <p>Charleston International Airport</p> <ul style="list-style-type: none"> • Priority: Remain Overnight Parking Apron - \$27,000,000 • Additional Projects <ul style="list-style-type: none"> ◦ Multi-Modal Facility - \$198,000,000
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RECIPIENTS OF FUNDS

- East Concourse and Ticketing Expansion \$218,900,000

Columbia Metropolitan Airport

- Parking Garage Roof, Solar Panels, Electric Vehicle Charging - \$8,000,000
- Checkpoint Modernization Project – Exit Portal, Passenger Lounge, Auxiliary Space Furniture - \$1,350,000

Greenville Spartanburg International Airport

- General Aviation Expansion Site Prep - \$9,650,000

Hilton Head Island Airport

- Terminal Program \$30,000,000

Myrtle Beach International Airport

- Terminal Program - \$85,000,000

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

Commercial Airport Funding

The funds sought will be used to support Commercial Airport infrastructure needs, will enable greater economic development opportunities within the region, and will assist with developmental programs that enhance the economic vitality of each airport, their respective communities, and their overall competitiveness in aviation and aerospace. These funds will enable commercial airports to maintain their existing infrastructure and make necessary improvements needed to maintain and grow the service quality for passengers of the state.

It has been shown through our Economic Impact Study that these airports provide a major portion of the financial impact of our airport system within the state. If these airports are not able to maintain their infrastructure and make the necessary improvements, the economic impact growth would be stunted and our competitiveness within our region will decline.

Charleston International Airport

- The Charleston International Airport had its busiest year ever in 2022 with 5.4 million passengers travelling through the terminal building. Rapid, post-covid recovery and growth has placed pressure on aircraft and automobile parking needs and terminal space. These projects are needed to meet existing and future demand.

Columbia Metropolitan Airport

- Parking Garage Roof, Solar Panels, Electric Vehicle Charging - While CAE has ample parking facilities to support significant future growth, there is ever increasing demand for higher value covered parking close to the terminal. While construction of another parking garage would be cost prohibitive at this time, the installation of covered parking on the upper level of the existing garage could meet this demand.
- Checkpoint Modernization Project – Exit Portal, Passenger Lounge, Auxiliary Space Furniture - Due to Government funding rules, FAA grant monies cannot be provided used support a separate government agency. While CAE needs to relocate existing TSA offices to create space for the FAA funded checkpoint expansion, the money is not provided to accommodate TSA at their new office location. Since it is also considered a "Forced Move" from a TSA perspective, it rests upon the airport to cover the costs.

Greenville Spartanburg International Airport

- General Aviation Expansion Site Prep - Due to continued growth and increased demand for corporate and private aircraft hangars and limited availability in the Upstate area, the Greenville-Spartanburg Airport District plans to expand the General Aviation (GA) Complex at GSP. This expansion program includes site development of approximately 10 acres to support the expansion of general and corporate aviation at GSP and allows for the future development of additional aircraft apron and hangars.

Hilton Head Island Airport

- Terminal Program – The Hilton Head Island Airport has tripled passenger traffic since completing a runway extension in 2021. Their existing terminal is in an ongoing program to expand and renovate the building and expand associated parking lots. The FAA has expended all that is allowed under their program and the airport is looking for all options to complete this much needed project.

Myrtle Beach International Airport

- Terminal Program – Passenger traffic at the Myrtle Beach International Airport is up 32% from the pre-pandemic levels and have doubled since 2013 when the terminal building was last expanded in 2013. This project consists of an approximate 56,000 square foot expansion of Concourse A to meet existing demand and demand projections through 2038. The project will increase the number of gates from 12 to 18 and address existing congestion in the passenger concourses resulting from undersized holdrooms.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Division Of Aeronautics		
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FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Capital Investing for the Statewide Airport System – General Aviation Airports
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Provide a brief, descriptive title for this request.

AMOUNT	\$24,000,000
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input checked="" type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations	
<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding	
<input type="checkbox"/>	Related to a Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>Commercial Airport Funding and General Aviation Runway Rehabilitation</p> <p>The utilization of funds will be reviewed by Division staff for compliance with program guidelines and approved by the South Carolina Aeronautics Commission.</p> <p>The use of these funds coincides with Goal #3 (Protect the investment SC has made in the state airport system), by providing grant funding for approved Capital Improvement Projects for State Airports.</p> <p>The additional funds would enable airports to make necessary capital improvements and protect the investments of the state airports. The additional funds would also enable South Carolina airports to support economic development and job creation for their communities.</p> <p>The airport would submit a grant request to the agency for approval and then submit documentation showing the work had been completed based on agency guidelines to get reimbursement. The requests are reviewed thoroughly before obtaining approval for payment.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

	<p>Georgetown County Airport</p> <ul style="list-style-type: none"> • Sherpa Project - \$900,000 • InPwr, Inc. Relocation - \$150,000
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RECIPIENTS OF FUNDS

Anderson Regional Airport

- Runway 17/35 Rehabilitation - \$5,000,000*

Chester Catawba Regional Airport

- Runway 5/23 Rehabilitation - \$4,000,000*

Lowcountry Airport

- Runway 35 Partial Parallel Twy - \$1,680,000

Summerville Airport

- Fuel Farm Project - \$1,000,000
- Taxilane and Apron Expansion Project - \$4,000,000

Beaufort Executive Airport

- Wetlands Mitigation for Runway 7/25 Safety Area Improvements - \$6,000,000

* Based upon estimated project cost and existing runway condition

The airports would follow the existing Aeronautics' guidelines for capital project eligibility to obtain approval of a grant. The approval of projects would be based on an existing ranking system and guidelines as described in SCAC Airport Development Policies and Procedures along with any related provisos.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

Georgetown County

- Sherpa Project – This project was started in 2021, when Sherpa, Inc. announced that they were opening new facilities at the Georgetown County Airport. At the announcement, Sherpa estimated that they would invest \$19M over a five year period and create 43 high paying jobs. This request will assist the Georgetown County Airport in making necessary facility improvements to support the Sherpa operation. Funding requested for this project will be combined with other funding including local and EDA funding.
- InPwr, Inc. Relocation – The Georgetown County Airport recently signed an agreement with InPwr, Inc. an Indiana based company relocating to South Carolina. The company will be basing two (2) King Air 200's and one (1) Cessna 441 at the airport. The airport is requesting \$150,000 to assist will facility improvements to support this new business.

Anderson Regional Airport

- Runway 17/35 Rehabilitation** – Runway 17/35 is the secondary runway at the Anderson Regional Airport. The project is in preliminary design and will soon be progressing into final design. We are anticipating construction in FY 2025. See below for additional justification.

Chester Catawba Regional Airport

- Runway 5/23 Rehabilitation** – Runway 5/23 is the secondary runway at the Chester Catawba Regional Airport. This runway supports the operations of Skydive Carolina and is essential to their ongoing business. The project is scheduled under the Aeronautics Secondary Runway Program for FY 2026, but Airport management has asked that we provide funding earlier if possible due to the condition of the runway. See below for additional justification.

Lowcountry Airport

- Runway 35 Partial Parallel Taxiway – Currently, pilots have to use Runway 35 to taxi to the end of the runway. This project would construct a partial parallel taxiway providing access to the end of the runway and enhanced safety for pilots.

Summerville Airport

- Fuel Farm Project – The existing fuel farm at the airport was constructed in 1986 and maintenance is becoming a challenge. In addition, the capacity of the existing tanks is frequently too small to meet customer demand, which causes the airport to purchase partial loads of fuel at higher prices.
- Taxilane and Apron Expansion Project – The airport has experienced recent significant growth in based aircraft and inquiries for hangars continues to grow. This project will help the airport support the increasing growth in based aircraft, and as a result increase revenue to the County through aircraft property taxes and to the airport through fuel sales and hangar rent.

Beaufort Executive Airport

- Wetlands Mitigation for Runway 7/25 Safety Area Improvements – The Runway 7/25 safety areas are not in compliance with FAA standards. In order to accomplish the safety area improvements, wetlands must first be mitigated. This project will help prepare the airport for the safety area program which will provide airport users with appropriate safety areas, and also prepare the airport for future development. Although the project may be eligible for FAA funding, the FAA has been unable to come up with the money due to other regional priorities.

** Because of financial constraints at the federal level, secondary runways are not supported by FAA funding. Secondary runways are important for airport operations because they give pilots additional wind coverage for takeoffs and landings (which enhances safety) and airports redundancy when one of their runways is out of service for maintenance.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Division Of Aeronautics		
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FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	4
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Aircraft Refueling Truck
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Provide a brief, descriptive title for this request.

AMOUNT	\$300,000
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations	
<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding	
<input type="checkbox"/>	Related to a Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
	<input checked="" type="checkbox"/>	Government and Citizens

ACCOUNTABILITY OF FUNDS	<p>The strategy 1.2 that this request supports is operating aircraft fleet in a cost-effective manner. This request helps Aeronautics advance the strategy by giving the Agency the ability to purchase aviation fuel in bulk and refuel state owned aircraft thus saving money and time.</p> <p>This would be evaluated by the cost saving to operate state aircraft.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	<p>Funds will be received by fuel truck vendor and who will be selected through competitive bid.</p>
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

**JUSTIFICATION
OF REQUEST**

The existing SC Aeronautics fuel truck was manufactured in 1990 and is out of service. The truck has been repaired numerous times over the past but according to service technicians, repair is not feasible any longer and the truck is not up to current National Fire Protection Act (NFPA) standards. The refueler truck allows us to purchase fuel in bulk and transport it from our underground storage tanks to the state aircraft operated by Aeronautics and SLED for fueling.

If funds are not received, Aeronautics ability to serve our aircraft fleet, and SLED's fleet would be hindered. Currently, we are tugging aircraft to the underground storage tank location for refueling. This is inefficient, taking significantly more time to complete refueling, requires two people and is more prone to fuel spills.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	5
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Facility Needs Assessment
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Provide a brief, descriptive title for this request.

AMOUNT	\$60,000
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding	
<input type="checkbox"/>	Related to a Recurring request – If so, Priority # Increase in General Funds Appropriated for Operations	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>Funds will support all strategies and missions of the Agency.</p> <p>Vendor will be procured using State methodologies and performance will be measured against project work scope and associated schedule.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	<p>Funds will be received by vendor and who will be selected using state processes.</p>
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

**JUSTIFICATION
OF REQUEST**

The existing SC Aeronautics facility is approximately 40 years old and we can expect that ongoing and future maintenance will be needed.

In the past, the Agency has gotten funding for major maintenance items such as windows replacement, exterior paint and roof replacement, but mechanical systems (electrical, plumbing, boiler, air conditioning) have not been upgraded.

This project will investigate the current condition of these mechanical systems and make recommendation on future maintenance/replacement needs.

If this request is not funded, the Agency will have to address maintenance needs reactively rather than proactively.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM D – PROVISO REVISION REQUEST

NUMBER	New
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	Statewide Airport Growth Response
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	Statewide Airport Growth Response – 9836.060000X000
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	
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Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.

REQUESTED ACTION	Add
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>Section 118.19 of Act 239 of 2022, Proviso 67.1 set aside twenty percent of the Statewide Airport Growth Response allocation to be used for development of airport(s) in counties that do not currently have a public airport. There are currently three counties in South Carolina that meet this criteria: Abbeville, Calhoun and Cherokee. None of these counties are currently working toward development of a new airport. Allowing Aeronautics to expend this balance would make \$10,000,000 available for commercial service airport development and \$600,000 available for general aviation airport development. If any of the three counties without airports decide to pursue this effort in the future, funding can be part of a future budget request.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

Numerous airports in the state desperately need these funds. Expending the balance makes available an additional \$10.6 million dollars statewide airport capital improvements.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

87.NEW (Statewide Airport Growth Response \$53,000,000) Notwithstanding any provision of state law, for Fiscal Year 2024-25, The Division of Aeronautics is authorized to carry forward and expend the balance of funds appropriated pursuant to Act 239 of 2022-23 and carried forward to Fiscal Year 2023-24 for Statewide Airport Growth Response for general aviation and commercial airport development.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Division Of Aeronautics		
Agency Code:	U300	Section:	87

**FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION
CONTINGENCY PLAN**

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$72,012 <i>What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.</i>
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ASSOCIATED FTE REDUCTIONS	None <i>How many FTEs would be reduced in association with this General Fund reduction?</i>
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PROGRAM / ACTIVITY IMPACT	No external programs will be hindered by reductions listed. Each of the areas where reductions can take place are in place to support the overall objectives of the agency, and those objectives will not be changing. How the objectives are completed may change slightly, but no changes will be noticed outside of the agency. The associated program objectives are part of each of the agency departments or overall agency operations. <i>What programs or activities are supported by the General Funds identified?</i>
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SUMMARY	<p>The agency will be replacing all the windows with new more efficient ones this year. These projects will result in reduced utility costs.</p> <p>Associated with the facilities, the agency has and will continue to do facility maintenance upgrades in house to reduce costs. If necessary to reduce costs, the agency may also delay some maintenance upgrades until following year.</p> <p>The agency could possibly reduce travel expenses by going to fewer conferences and staff educational programs, and/or by participating in these programs and meetings via teleconference.</p> <p>Also, each year, the agency participates in the promotion of the aerospace/aviation education industry. These promotional efforts could possibly be managed such that costs are reduced, but agency participation remains.</p> <p>Finally, the agency could take over human resource duties currently being done by the Department of Administration. This effort would require training and may need to be implemented with a phased approach.</p>
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Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

AGENCY COST SAVINGS PLANS

- Cost savings for electricity from replacement of windows to more energy efficient ones = \$8,000
- Perform facilities maintenance in house or delay upgrades = \$21,500
- Reduced employee travel = \$18,000
- Do HR administration in house = \$20,000
- Reduction of promotional expenses = \$4,600

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

Agency Name:	Division Of Aeronautics		
Agency Code:	U300	Section:	87

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	State Aviation Fund Supplemental Support
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	Continued offering of services that support local airports and their users and limit the local funds necessary to operate publicly owned, public use airports
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What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	X	Repeal or revision of regulations.
		Reduction of agency fees or fines to businesses or citizens.
	X	Greater efficiency in agency services or reduction in compliance burden.
		Other

METHOD OF CALCULATION	Costs offset for local airports are 1:1, meaning that for every additional dollar spent by the state, a dollar is saved by the local government that owns/operates the local airport. The supplemental support dollars would come from fees already assessed to airlines that operate within SC.
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.


REDUCTION OF FEES OR FINES	No reductions of fees or fines will happen at the state level, but reductions could be noticed at local levels.
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	N/A
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

SUMMARY	<p>Each year, the Aeronautics Commission supports publicly owned, public use airports with Capital Improvements and Airfield Maintenance services. These services are currently supported financially through the State Aviation Fund (SAF). The SAF is capable of supporting the majority of needs for the smaller, general aviation airports in SC, as well as minor support (up to \$500,000 per airport per year) for commercial service airports in SC.</p> <p>Unfortunately, according to the most recent South Carolina Aviation System Plan Report, capital needs far exceed the amount of money available. Also, the latest Infrastructure Report Card, prepared by the American Society of Civil Engineers in 2021, rated South Carolina's aviation infrastructure a D+, noting a significant shortfall (as much as \$154 million) in annual investment.</p> <p>The Division of Aeronautics is requesting an additional funding to supplement the State Aviation Fund in the form of Non-Recurring Operating Request. If granted, this request would help support rehabilitation of critical runway infrastructure at general aviation airports and ongoing capital improvements at commercial service airports which are necessary to maintain and expand existing infrastructure in order to serve South Carolina's travelling public.</p>
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Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?