

Rapid City Regional Airport - Master Plan Update

Strategic Partner Committee Meeting

October 6, 2020

The strategic planning process facilitates community collaboration to prepare for economic shifts, asset management, and regional vitality. The SWOT analysis (strengths, weaknesses, opportunities, and threats) session for this Airport Master Plan was conducted at a virtual meeting with regional stakeholders and critical community partners on October 6, 2020.

A SWOT analysis helps groups verbalize the internal (strengths and weaknesses) and external (opportunities and threats) factors impacting the functionality and success of a community, an entity or a business. It is one of the most commonly used business analyses and decision-making tools and assists in building strengths, minimizing weaknesses, seizing opportunities, and counteracting threats.

In summary, the SWOT analysis for this project revealed that the Rapid City Airport is very accessible, has been successful at drawing visitors into the area, provides generally updated facilities, creates ease of travel and connections to area communities, and is currently under effective and positive leadership. In discussing areas for improvement, stakeholders verbalized the need for additional capital improvements, including covered parking, increases in drop-off and pick-up areas, increased signage that notifies visitors as to airline desk and rental car hours, and technologies that would improve the speed at which baggage handling and claims are handled.

There was significant discussion as to the current and future impacts of Covid and related travel for the airport and the communities it serves. Overall, the group indicated they believed Covid provided a long-term opportunity for growth, especially given the rural nature of the communities the facility serves and the ongoing desire of travelers to be away from dense urban centers. "Overseas travel has come to a halt, and domestic travel will be picking up. There is a considerable opportunity to capture domestic travel increase and make Rapid City the leisure destination."

Specific information related to attendees, background and comments in each of the SWOT areas follows.

Attendees: Beka Zerbst, Sturgis City Council; Jonathan Wyatt, USAF, Ellsworth Airforce Base Air Traffic Control; Jerilyn Roberts, SD School of Mines; Kathryn Johnson, Retired USAF; Michelle Thomson, RCRA Airport Board; Tim Johnson, Diamond Hospitality; Calab Arceneaux, LIV Hospitality; Patrick Dame, Airport Director; Chris Dietz, Airport Operations; Toni Broom, Airport Deputy Director, and various KLJ staff.

Following introductions and discussion of the meeting agenda and ground rules, Patrick Dame led the meeting with a short welcome and discussion of the airport's master planning process. He indicated that the last master plan was good, but that growth exceeded estimations, resulting in the need for the airport to re-evaluate their numbers and think bigger. He reiterated the importance of regional stakeholder input as the airport considers how their work reaches out past Rapid City into all of western South Dakota and how the facilities and operations can serve the greater South Dakota Community.



Tom Schauer with KLJ set the stage for the SWOT by outlining how the discussion would be part of the larger master planning efforts currently being conducted as the airport continued to determine the “bigger picture” that Patrick discussed in his opening comments. Tom indicated that among other things, KLJ and the airport are considering substantial capital improvement needs. The runway is coming closer the end of its useful life within the next 10 years and this will be essential to address. Tom discussed how funding for these types of projects is generally allocated (phased over several years) and that when the Rapid City airport was last reconstructed, the Air Force Base served as an alternate runway. That was before 9/11 and with new security requirements, that is no longer an option. Based on this, Tom did ask people to consider as part of their conversation how the airport specifically impacts the business, organization or community each stakeholder represents and how closure of the runway for replacement would impact each business, organization or community.

Becky with KLJ facilitated the SWOT discussion. Specific comments in each area are noted below:

Strengths:

- Accessibility. The airport offers the small town feel and personal service. (The thought of shutting down the runway for any length of time is not acceptable).
- Facilities are great and updated.
- Airport has done a great job of getting direct flights. They work well with South Dakota Tourism and other marketing efforts to bring people to the region.
- The airport has been very successful bringing visitors to the region.
- Airport marketing is a strength. The marketing plan looks at visitors and designs efforts to bring them to the Rapid City region. The campaign is designed to bring people into the region.
- The Airport has been working with consulting firms to reach people who are traveling to the Rapid City area. Other airports with scheduled air service are up to 4 hours away from destinations in the region.
- The ease of flying into Rapid City and access to services (car pickup, travel to Sturgis, etc.) for the Sturgis Rally is a strength
- Flow of traffic when you walk into the terminal is a considerable strength.
- Leadership at the airport is good.
- There are record numbers of people flying in, growth is seen year over year
- Airport management has evaluated the functionality and flow of people through the airport to identify operational inefficiencies (Awareness in general of weaknesses and concerns)

Weaknesses:

- The existing runway is coming to the end of its useful life
- There is no/limited covered parking
- Lack of ample drop off and pickup areas
- Lack of instruction/informational signage. When visitors come in and airline desks are not open this causes panic and distress as flyers are not aware when desks open prior to flights
- Baggage handling and baggage claim is too slow
- Prices on airline tickets is a perceived weakness
- Size of the catchment area is too small



- “Unseen” and back-door terminal infrastructure is dated resulting in impacts to issues such as the previously noted baggage handling and claims speed. These are infrastructure areas unseen by the public as the “public facing” terminal improvements are modernized and listed as a strength.
- Lack of access to rental car services
- There is more room for improvement in food and retail space
- Lack of cargo capabilities (especially as on-line shopping/shipping continues to increase)
- Transportation to and from the airport (Uber and Lyft especially) is very limited in the area
- Limited Developable Space
 - Putting space to “highest and best use” is a balancing act that can be difficult
 - More costly development (ex. additional earthwork due to terrain challenges)
- Significant amount of infrastructure needs (and associated costs) in the next decade
 - Maintain existing facilities
 - Improve facilities to accommodate existing demand and future growth
- State Funding Levels

Opportunities:

- Ellsworth Air Force Base expansion will result in an increase in population. This will result in an increase in travel, especially military travel which is essential even during the pandemic.
- Possibility of a partnership with the Base to make Rapid City an alternative runway for Ellsworth Air Force or Joe Foss Field. DOD or FAA funding may be available if Rapid City serves as an alternative landing for the Ellsworth or Joe Foss Field Air Force Base.
- Overseas travel has come to a halt, and domestic travel will be picking up. There is a considerable opportunity to capture increases in domestic travel and make Rapid City more popular as a leisure destination.
- Increased Vacation Rentals by Owner (VRBO) and Air Bed and Breakfast (AirBnB) operations in the area
- Marketing the great outdoors and open spaces (non-urban)
- Facility expansion related to increased travelers and tourism
- Innovation center going in and companies coming into the area
- Covid has resulted in more online shopping and increases in cargo (both an opportunity and a threat given current cargo capacity)
- Growth in offering Uber/Lyft

Threats:

- VRBO and AirBnB increased operations in the area threatens the neighborhood feel and connectivity in communities but offers opportunities for travelers at the airport.
- The potential need to close the airport while runway reconstruction occurs.
- Lack of adequate cargo capabilities will limit growth in the cargo realm.
- Political threats to the area depending on upcoming state and federal election outcomes
- Potential to fall behind during the pandemic and letting the competition “sneak” in



Following the formal SWOT discussion, Becky asked participants to consider if they had to prioritize one thing the airport could focus on in the upcoming months (strength, weakness, opportunity or threat), what would that be. Answers/suggestions were as follows:

- Airport shuttle and transportation options
- Continuing to add more direct flights and stretch the season where there are already direct flights
- Continued efforts focusing on additional air service and continuing to increase passenger counts
- Make sure the airport structure and facilities can accommodate expanded operations
- Continued and increased focus on the tourism industry
- Continue marketing the growing region as an appealing place to live with exceptional quality of life
- COVID could be looked at as an opportunity and threat given Black Hills tourism provides escape for some people from highly populated areas. . . or workplace/lifestyle preferences may change, and people may wish to move to the region permanently.
- Be a proactive airport (seeking funding, attracting airlines, etc.)

Tom concluded discussions by briefly outlining the next steps and reminding participants of how/where information and input provided will be utilized moving forward. The Team will next be evaluating the input gathered and developing alternatives related to baggage claim improvements, covered parking, improvements to retail and vending and possible identification of the addition of nearby hotel/lodging opportunities, as well as continued discussion of capital improvements (such as the runway) critical to airport functionality. The Rapid City Regional Airport is built on a bluff which brings unique challenges that must also be considered.

Ongoing and future funding ideas and discussion will also be part of the final Master Plan. Kathryn's suggestion related to DOD funding as it relates to the use of the Rapid City airport as an alternate runway route for Ellsworth or Joe Foss will be pursued and further discussed. Ultimately, the intent is to capture as much input and as many voices in the planning process as possible to ensure the airport is considering the "big picture" moving forward.

Information will be presented to Airport Advisory Committee, focus groups, and the public. The intent is to provide proposed solutions and a timeline to the Airport team in early 2021. If additional information is requested or needed from today's session, follow up meetings will be scheduled, however, this is not anticipated to be necessary at this time. There will, however, be an additional meeting invitation sent to stakeholders for discussion related to the overall key elements proposed in the full Airport Master Plan (AMP) once this has been drafted and discussed with Airport management and board members.

