

# City adopts standards for airport operators

By Travis Gulbrandson  
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The Vermillion City Council has adopted an updated set of minimum standards for commercial operators at the Harold Davidson Field Airport.

The decision was made at Monday night's regular meeting, and comes after several months of work, including talks with the current operators and airport manager.

City Engineer José Domínguez outlined some of the major points during the meeting.

In terms of insurance, commercial operators will need coverage in four areas: General liability, hanger-keeper's liability, premises liability and product liability, with a \$1 million per-occurrence limit, Domínguez said.

The airport's hours of operation have been modified to be set at the operator's discretion, but the operator must provide a telephone number for on-call response during nights, weekends and holiday hours.

Domínguez said the fueling concession also has been modified to give the city exclusive rights to sell fuel at the airport.

Additionally, all the leases that are currently allowed to sell fuel will be grandfathered in and can sell until the leases expire, or until the leaseholder or the city terminate the lease for any reason.

Tenants selling fuel also are going to be required to report to the city how much fuel they have purchased.

"That way we can report that to the state and get our portion of the fuel tax," Domínguez said.

The move to adopt a set of minimum standards followed a request last year from a user who wanted to become the airport's Fixed Based Operator (FBO).

"The FBO at an airport provides several services ranging from fueling, aircraft rentals, aircraft maintenance, flight instruction, etc.," Domínguez said in January.

Prior to this, the city did not have minimum standards in place for commercial users, and following conversations with the Federal Aviation Administration and the Department of Transportation it was determined that these standards would need to be in place in order for an FBO to operate.

"Additionally, the FBO would have to run his business from an area with a waiting room, office space and bathrooms," Domínguez said.

Domínguez added that the FAA's minimum requirements would affect

the city negatively in that it would not allow the city to be the only provider of fuel at the airport. This task would fall to the new FBO.

"This is an issue since the city would likely see a cut on the money generated by the sale of fuel ... (which) is used on airport improvements," he said.

Second, the city would have to construct a sanitary sewer and water line to the hangar where the FBO might be located.

"This project would not receive federal funds since the city already provides bathrooms, open all day every day, to the public," Domínguez said. "These bathrooms are located in the terminal building."

The proposed criteria would split all the commercial uses into a two tier system, the first of which involves such activities as aircraft sales, maintenance, rental, pilot training, charter and specialized flight services.

The second tier would be that of the Limited Service Fixed Based Operator (LSFBO), which would need to provide at least two of the commercial activities within tier one.

The council tabled a decision to approve the standards in January following objections raised by several local and area businesspeople that use the airport.

Following the January meeting, the city's Policies and Procedures Committee met with David Howard of Howard Aviation to discuss some of the items, including the allowance of bathrooms in the hangars, which is not part of the minimum standards.

According to a city council memo, another meeting Feb. 3 was ended by Howard because he objected to the "on-call" requirement of the hours of operation.

No commercial providers from the Vermillion airport spoke at Monday's meeting. Also on Monday, the city council had the first reading of Ordinance 1311, which amends wording regarding airport permit requirements and fees.

According to a city council memo, "The proposed changes to this chapter will make the existing ordinance and the newly adopted minimum standards policy similar with respect to the commercial uses allowed at the airport."

"The changes will remove the commercial uses currently provided for in the City Code and replace them with the ones in the Airport Minimum Standards policy," the memo read.

Domínguez said fees will be set during the second reading of the ordinance.

# Forum: Globalization may increase income inequality

By David Lias  
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Income inequality around the globe was the topic of Monday's International Forum, held at noon in Farber Hall on the University of South Dakota campus.

"Income inequality is the unequal distribution of household or individual income across the various participants in an economy," said Dr. Lucy Wenqian Dai, assistant professor of sociology at USD. "It can be described as the percentage of income owned by a percentage of people."

For example, she noted that in 2008, the richest 20 percent of the population in the United States, earning at least \$113,000 annually, received 47.7 percent of all U.S. income.

"So, there is an unequal distribution of income," Dai said. "With a perfect equal distribution of income in our country, they should have received 20 percent of all income, but they received much more than that."

Dai noted that technological advances first increases but then moderates the intensity of social inequality. Industrialization tends to push inequality downward, as industrial productivity raises the overall standard of living in industrialized countries.

"If we compare developing nations to the developed countries, we can tell that the developed countries have, generally speaking, a lower degree of income inequality than the developing countries," she said. "That is the impact of technological advances and industrialization on income inequality."

Dai projected a multi-colored map for all to see; the various colors illustrated the amount of income inequality in each country. The inequality is greater in the United States than in Canada, Russia, and several countries in Asia and Africa, she noted, have severe income inequality, while many European countries and India have moderate income inequality.

"Northern European countries have very low income inequality," Dai said. "Generally speaking, the wealthier developed countries have a lower level of income inequality than those of poorer, developing nations. Economic development has a relationship with income inequality. The better an economy develops, the lower income inequality we expect to have."

She said the research agrees that globalization has been accompanied by an increasing rate in income inequality in developed and developing nations.

One significant cause of this is the moving of manufacturing jobs away from developed countries. "Then, those displaced manufacturing workers experience a downward mobility from middle class to lower class," Dai said. "They had no jobs ... they had to either turn to low-skill and low-pay service jobs, or they turned to get help from social welfare programs."

"In developing nations, globalization unfortunately



Dr. Lucy Wenqian Dai, Dr. Meghann Jarchow, and Dr. Kathryn Birkeland field questions at Monday's International Forum held in Farber Hall on the USD campus.

(Photo by David Lias)

increases the level of income inequality. Some research argues that due to the new money, new foreign direct investments in those countries, and new technology, people there get help from the developed countries and also they experience an increase in the standard of living," she said.

Some researchers, however, have expressed contradictory opinions.

"They argue that the jobs moving into the developing nations push up the way for those highly-skilled workers in those countries," Dai said. "Those highly-skilled workers receive huge bonuses and wages from those new jobs from multinational countries. Low-skilled workers who do not have an advanced education will experience a decline in their social status."

"Because of this, the income inequality increases in developing nations from globalization," she said. "The impact of globalization on income inequality in developing nations is controversial."

Dr. Meghann Jarchow, a biology professor and director of the sustainability program at USD, talked about income inequality and the bearing it has on people's happiness.

"Generally, what I've heard is that if you increase the income inequality, so there is more difference between folks who are really rich and folks who are really poor, you have more unhappiness," she said.

She, too, projected a map that illustrates the results of subjective surveys of people's level of happiness. The "happiest" countries, according to the survey - Canada, northern European nations, and Western Europe, also have lower levels of income inequality.

"The United States and South America are less so, but generally tend to be pretty happy," Jarchow said.

People in Africa, India and China rate themselves as being less happy.

"If we're going to look at a major trend in terms of places that have a lot of income equality, Scandinavia is doing spectacularly well, and also Canada, western Europe, and Australia," she said.

A trend that has emerged from her study of various research, Jarchow said, shows that countries where most of the people are wealthy and where there is greater income equality receive an additional benefit.

"That (trend) boosts people's happiness even farther," she said. "The United States ... has quite a

bit of income inequality. We're a country where people are very wealthy; the median income in the United States is very high, but somehow, our happiness does not exactly track to that."

Jarchow said, however, that there isn't one universal relationship between happiness and income inequality.

"One general statement that I've read is that really the level of inequality is not the most important factor according to some of the studies that have looked at it, but rather it's how it is perceived," she said. "How people perceive income inequality to be is what most affects it, and this is particularly important as to how it relates to their status in society, and as it relates to their opportunities."

In some instances, people living in countries with higher levels of income inequality are happier because of their perceptions.

"If there is a lot of income inequality, and people believe they can become wealthy, that might actually improve their happiness," Jarchow said. "It seems that more often, though, having that income inequality does lead to reduced happiness because people see that those with higher income have more than they do."

A study that focused solely on the United States finds there is no direct relationship between income inequality and happiness.

The research revealed, however, "when there is more income inequality, people were trusting other folks less, and they perceive other folks to be less fair. So, it was this indirect route that then led to decreased happiness with increasing income inequality."

Dr. Kathryn Birkeland, professor of economic at USD, said it is important, when discussing income inequality, to distinguish between income and wealth.

"Income is something that is earned in a given year, it's something we produce, we could divide it up, perhaps, among all of the people and see how it's distributed," she said. "And there is definite inequality in the amount of income that we earn."

A factor that may lead to even greater unhappiness among people, however, is the distribution of wealth, not income.

"When we talk about wealth inequality, it is much more unequal," Birkeland said. "Those at the high end of the income spectrum don't spend all of income, and therefore they save it and they convert it to assets and they're wealthy in the future."

Research shows that the distribution of wealth among the rich is very high in South America and in the United States.

"We know that rich people are very, very, very rich," she said. "They're much, much wealthier, and that distribution across wealth is much bigger than the distribution across income."

Recent economic data is showing that countries that are rich are getting richer, and countries that are poor are either staying the same or may be growing poorer.

Globally, for the past several decades, a big difference remains when comparing the standards of living of residents of people in the world's richest and poorest countries.

"Countries are growing; they are trying to catch up to the U.S.," she said, noting the fastest growth is occurring in the world's poorest countries.

"Inherently, what we are considering with these types of development goals and these ideas of measuring income inequality is whether we want a bigger pie or whether we want the pie to be more evenly distributed," Birkeland said. "We want both. We want more pie, and we want everyone to have a bigger slice. Of course, we know that's not always the case."

"We know that the policies that we have to put into place to bring individuals out of poverty may very well change the size of the pie, especially in developed countries," she said. "In developing countries, that may not be the case; we may be able to increase the size of the pie and be able to give everyone a bigger slice."

She noted, however, that such accomplishments may not solve inherent problems in both developed and developing countries - there likely will still be people with larger pieces of pie, so to speak, than others, meaning income inequality will remain an issue.

## OBITUARIES

### Monica Ballard

Monica Mae Ballard, 90, of Vermillion, passed away Monday, March 3, 2014, at her residence.

Monica Devine was born Aug. 18, 1923, in Wakonda, to Philip and Helen "Nell" (Hart) Devine. She graduated from Wakonda High School and attended the National Business Training Center in Sioux City, IA, and married Leo Ballard on Sept. 11, 1944, in Wakonda. She helped run Leo's Bar in Vermillion with her husband until retiring in 1979.

She was a member of the St. Agnes Catholic Church and Altar Society in Vermillion. She was a sacristan for over 40 years and she loved to dance and play cards.

She is survived by her son, Jerry (Marlene) Ballard of Jefferson City, MO; a daughter, Madonna Ballard of Vermillion; two grandchildren; four great-grandchildren; and many



Ballard

nieces and nephews. Funeral Mass will be 10:30 a.m. Friday, March 7, 2014, at the St. Agnes Catholic

Church in Vermillion with burial to follow in the Calvary Cemetery in Vermillion. Visitation began at 6 p.m. Thursday, March 6, with a Rosary at 7 p.m. all at the church. hansenfuneralhome.com.

**Town Square I & II Apartments 505-507 W. Main St. Vermillion, SD 57069.** 1 BR apartments for anyone 55 years of age or older, or persons with disabilities. Please call 605-624-5218 or visit www.oakleafpm.com. Utilities are included and we are pet friendly. Rental assistance available to those who qualify.

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## NOTICE

Norway Township Board of Equalization will meet **March 17, 2014** at 7:00 p.m. at the Clay County Highway Shop. Appeals must be submitted to the clerk by **Thursday, March 13, 2014.**

Jay Bottolfson, Clerk  
45723 Timber Road, Vermillion, SD • 624-8249

## NOTICE

### Fairview Township Board of Equalization

will begin **Monday, March 17th at 7pm, Burbank Schoolhouse**  
The Board will adjourn on Friday, March 21st.

Letter of appeal must be mailed to Fairview Township, 32012 White St., Burbank, SD 57010, and be postmarked no later than March 13th. Please include phone number.

Jane Simons, Clerk  
659-0207

## ATTENTION

The Garfield Board of Supervisors will meet as a Board of Equalization at the Marshalltown School Wednesday, March 19th, 2014 at 7 p.m. Please call 605-253-2524 for an appointment.

Jim Danielson, Clerk



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