The Elbert Files: Airport history, part 3: A new terminal

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BUSINESS RECORD WINS INDUSTRY AWARDS FOR QUALITY, EXCELLENCE AND INNOVATION

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When Don Smithey retired as director of Omaha's Eppley Airfield in 2009 at age 68, Des Moines seemed like a good place to live – midway between Wisconsin, eastern Iowa and Missouri, where Smithey's relatives lived.

A connection at Des Moines-based MidAmerican Energy helped Smithey and his wife, Lisa, find a home and introduced him to Des Moines lawyer Edgar Hansell, a member of the city's airport advisory board.

Smithey wasn't looking for work, but Hansell asked him to become an airport consultant. Before long, Smithey was named interim, and then permanent, airport director when the existing director left unexpectedly for a new job.

With his extensive knowledge and industry contacts, Smithey quickly implemented several changes, including streamlining the airport's governing bureaucracy. He also succeeded where local officials had failed and brought Southwest Airlines to Des Moines. The Texasbased, low-fare carrier landed here in 2012, driving down prices and driving up passenger traffic.

Before Smithey retired a second time in 2014, he did two more things.

He mentored Kevin Foley, a former airline pilot, as his replacement, involving Foley in everything from day-to-day operations to the behind-the-scenes politics of converting the airport from a city agency to an independent airport authority.

Smithey also launched what he said would be a decade-long effort to build a new terminal. It began with overhauling a 2007 strategic plan that called for moving the passenger boarding area more than a mile west with a main entrance from 63rd Street.

The airport was also looking at spending \$100 million to rebuild airport runways. But by 2014, that was no longer needed – at least not to that extent.

Runway replacements were based on usage, which suddenly decreased for two reasons. One was because UPS and other major cargo carriers at the airport shifted their delivery model to rely more on less-costly ground transportation. An even bigger factor was that the Air National Guard closed its base in Des Moines.

The Air Guard had been a fixture at the airport since 1941, when the Army trained pilots for World War II. The Des Moines base played a role in the Korean and Vietnam wars and the two Gulf Wars, but by the second decade of the 21st century, the National Guard unit here had been converted to flying drones, which can be done from virtually anywhere and does not require jet-scale runways.

The airport's cargo operations were south of the main runways, and the National Guard base was on the northern edge of the airport, with the current passenger terminal in-between.

A plan drafted in 2014 moved a new terminal to the south, where the cargo handling operations had been, with a new entrance from Army Post Road.

But after the Guard pulled out, officials took a fresh look at the landscape and re-crunched the numbers.

The result was that they decided it would be less costly and more convenient for passengers to build a new 18-gate passenger terminal north of the existing 11-gate terminal.

Even better, when the costs of all three plans were compared, it turned out that the inflationadjusted cost of each successive plan was lower.

The 2007 plan, which would have moved the terminal all the way across the airport with a new entrance off 63rd Street, would have been the most expensive at \$578 million, or more than \$850 million, in today's dollars.

The 2014 plan to move the terminal to the south, where cargo operations were located, had a price tag of \$468 million, or more than \$600 million, in today's dollars.

The plan now, for which ground was broken earlier this month, is expected to cost about \$445 million. (Parking, streets and related expenses push the total to \$570 million.)

The new \$445 million terminal off McKinley Avenue will be closer to the existing one. That will allow some sharing of facilities during construction and produce a significantly lower overall cost.

Smithey was right. It did take nearly a decade to plan the new terminal. But the effort moving forward now was worth the wait.

