



**CITY COMMISSION ROOM  
PIERRE, SOUTH DAKOTA  
April 25, 2016**

The City of Pierre Board of Commissioners met in a special session on April 25, 2016 at 5:30 pm with Commissioners Goodman, Harding, Huizenga, Mehlhaff, and Mayor Gill present for roll call. The Pledge of Allegiance was recited. signed the guest register. The agenda was approved as posted.

Mayor Gill explained that the item on the agenda is for the City Commission to decide on the recommendation they will make to the US Department of Transportation regarding the bids received for Essential Air Service. Mike Isaacs explained that bids were received from Botique Airline, Key Lime Air, Aerodynamics Incorporated (ADI), and Great Lakes Aviation. Aerodynamics and Great Lakes have proposals that meet the specifications, the other 2 did not have interline agreements and central ticketing options. Bernie Christiansen, Air Service Task Force chairperson, explained that the task force interviewed both airlines and recommended ADI. Bernie explained that the airline issues Pierre is facing is not new and will not go away with an EAS contract. The pilot hour requirement and pilot shortage is just another challenge facing rural airports. The Task Force felt ADI offered an option that could provide improved service to Pierre. The Pierre Airport needs 10,000 annual enplanements to qualify for \$1m annual federal funding for Airport Improvements. This is a much needed funding source that keeps the Airport in good operating condition. Statistics show that enplanements have dropped by over 65% since 2012 and Great Lakes level of service has continued to deteriorate. Great Lakes was providing service to over 44 Cities in 2012, which has dropped to only 11 in 2016. The flights from Pierre are on-time 50% of the time and cancelled 25% of the time, leaving 25% of the travelers flying on schedule. The Task Force also asked the Airlines during their interviews about their marketing strategy to promote the revitalized service to encourage customers to fly from Pierre. Great Lakes had \$30,000 allocated to Pierre advertising for the next 2 years that they would give to Pierre to see what they could do. ADI indicated they would have an aggressive marketing plan that would include bartering for seats to fill the planes and show the customers their level of service.

Task Force Members John Hight, Jim Protexter, Laura Schoen Carbonneau all commented in support of the recommendation from the Task Force, which was a unanimous decision. Comments were received from Walter Panzier and Charles Ross, business owners that rely greatly on reliable air service. Lisa Blake and Carry Liedholt both commented in support for Great Lakes and reminded the Commission of the commitments of the local ground crews for Great Lakes. Mark Halderman, pilot, commented on the challenges facing air service in general related to pilot hours and pilot shortage.

Commissioners all commented that the decision before them is very difficult. The service provided by Great Lakes has led to the situation they are facing today, however none of the sentiments are a reflection of the Pierre ground crews. They continue to provide great customer service, but that doesn't make up for the unreliable air service schedules. Commissioners also commented on the statistics from Great Lakes serving only 11 cities after previously serving 44 just 4 years ago. Commissioner Mehlhaff expressed frustration with the changes enforced by congress that led to this situation with no interest to remedy the problem created for small regional airlines. Mayor Gill explained that this was the first time the Commission has heard the recommendation from the Task Force and the Commission will need to decide what's best for our Community.

Commissioner Mehlhaff moved and Commissioner Huizenga seconded to accept the recommendation provided by the Air Service Task Force to award the EAS contract to Aerodynamics Incorporated. Unanimous approval.

Commissioner Huizenga moved and Commissioner Goodman seconded to adjourn. 6:55pm Unanimous approval.

Published once at the total approximate cost of \_\_\_\_\_.

---

Twila Hight, Finance Officer