

**Gogebic-Iron County Airport
Special Board Meeting Minutes**

**Gogebic-Iron County Airport
E5560 Airport Rd.
Ironwood, MI 49938**

**January 13, 2020
9:00 A.M.**

Call to Order

The meeting was called to order at 8:57 A.M. by Chairman Bonovetz.

Pledge of Allegiance

The Pledge of Allegiance was recited.

Roll Call

Present: (5) Mr. Hanson, Mr. Snyder, Mr. Laabs, Mr. Lorensen, Mr. Bonovetz

Absent: (0) None

Others Present: Mike Harma, Kristi Freeman
Boutique Air Executives - Adam Majewski (Marketing Director), Mark Hendrix
(Chief Pilot), Teresa Mesman (Customer Service)

Approval of the Agenda

A motion was made by Mr. Snyder, supported by Mr. Hanson and carried by unanimous voice vote to approve the agenda as presented.

Essential Air Service Meeting with Boutique Air Representatives

The Board addressed questions to staff executives of Boutique Air regarding reliability, performance ratings, airline reviews and their two-plane commitment. Mr. Majewski confirmed that Boutique Air is committing a second plane and crew to improve reliability for the Ironwood route. Mr. Hendrix explained that Boutique is part of a pilot flow through program with United, which means pilots work for their airline a minimum of 18 months building hours to flow to the regional program. This program engages responsible, professional and higher caliber pilots aiming for large carrier advancement. Upon DOT approval, Boutique Air would begin staffing for our area immediately.

Board members addressed concerns over the reliability issues with Thief River Falls, MN. This airport is also routed to Minneapolis and the closest airport within Boutique Air's route map to our Airport. Mr. Hendrix addressed Boutique Air's reliability explaining that the airline did have a plane shortage due to an ADSB requirement due by 2020, requiring completion by Avionics Specialists shops. This upgrade caused grounding and stress to their fleet, especially to Thief River Falls where Boutique Air was unable to offer a second plane. The commitment of two planes for the Ironwood route should provide relief to that issue.

Ms. Mesman addressed to the Board that Boutique Air is fully staffed and educating their staff on how to connect with all computer systems for ticket adjustments, including online travel agencies. Regarding customer service reviews from Thief River Falls, Ms. Mesman said that passengers were upset over abandoned tickets. Boutique Air is educating staff on connecting within the company to address all ticking issues. She is very pleased with their current system, Videcom and they will

proceed with that system. Boutique Air does offer interline AND codeshare with United and American Airlines. Customer service agents will have the ability to address all aspects of the flights with these two airlines.

Mr. Harma addressed that Boutique Air's website does not reflect its interline agreement with United and American. Ms. Mesman stated their website is for direct hub ticketing only. It does not currently book all the way through; Boutique Air is working to improve building options on their website. Marketing will be imperative to educate the public on the booking process if the interline ticket is desired. Mr. Harma and Mr. Majewski both stated that the airport and airline would both market interline ticketing options.

Mr. Lorensen stated that reliability is the most important concern. He noted that Boutique had ample time to prepare for the transponder updates and advanced preparation would have lessened the effect on their performance. Mr. Harma noted that with the second plane commitment to Ironwood should alleviate reliability concerns. Discussion ensued that their car rental service and a potential shuttle should help passengers if a cancellation occurs. Interline booked tickets can be rescheduled.

Discussion moved back to the two-plane commitment. Mr. Majewski stated the spare plane will be committed to the Ironwood route and will be placed into writing. Boutique Air is willing to modify any information to the DOT that was not written in the original proposal. Mr. Lorensen is concerned that the second airplane won't matter to the Airport because it's the DOT contract that matters. Mr. Majewski affirmed that Boutique Air is committed to serving smaller markets and needs new markets like ours to continue.

Mr. Lorensen spoke on Boutique Air's luggage policy directly from their website regarding either one-carry on or one checked bag. Ms. Mesman noted that their website's luggage policy does need updating. Mr. Hendrix stated there are limitations with luggage and that the width limit cannot be wider than the air frame. Skis, certain golf bags and extremely heavy bags do present a challenge. If the checked bag is a code share bag, the airline can fly the bag to its destination on a subsequent flight if overweight on the customer's original flight. Customer service can also Fed Ex a bag for arrival, if needed.

Mr. Snyder addressed cancellation issues via Trip Advisor reviews. Ms. Mesman addressed that agents were processing refunds under an incorrect system, where a manual refund was required. This issue has been addressed and alleviated moving forward.

Mr. Lorensen questioned how Boutique Air let their reliability rating slide. Boutique's response was their growth to 30 routes at a faster rate than they could accommodate and the transponder issue reducing their fleet size.

Mr. Bonovetz and Mr. Snyder both expressed increasing enplanement numbers and attracting customers back to the Airport.

Mr. Hendrix stated that Boutique Air would maintain deicing equipment here. He also noted that if there is a mechanical cancellation or delay there are offerings to the customer based on the hours of inconvenience. Mr. Harma addressed controllable cancellations. He stated that the tentative flight schedule is tight; he prefers to provide a longer day flight schedule for options and time to catch up on

flights, if needed. Mr. Bonovetz stated that Boutique Air will work with the Airport and will stretch the schedule to accommodate community needs. Mr. Majewski confirmed to the Board that the two planes committed to the route could be in Ironwood, Minneapolis or Chicago. The second plane is not specifically committed to Ironwood but rather the route. Mr. Harma stated that if the two planes are running at the same time than there is no spare aircraft. He doesn't want two planes built into the route schedule.

Mr. Majewski stated that they are prepared to offer additional flights beyond the EAS flights. Boutique Air is providing this in other markets, as well. Under the DOT contract, Boutique Air would be committed to 18 EAS flights but are willing to operate 21-24 flights.

Mr. Bonovetz and Mr. Laabs are hopeful with all Boutique Air has to offer.

Other Matters

None

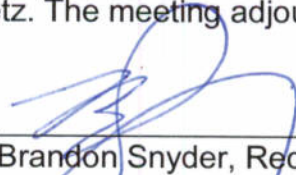
Public Comment

Mr. Sell addressed issues regarding the storage capacity on a Pilatus versus that of a Caravan, concerns over Boutique's performance and enplanement decreases in Thief River Falls, MN. Mr. Sell had just arrived at the meeting and was not present for the discussion with the Board regarding these issues.

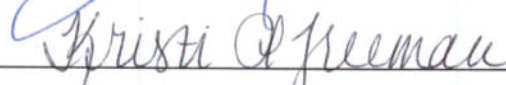
Adjournment

A motion was made by Mr. Lorensen, supported by Mr. Laabs and carried by unanimous voice vote to adjourn the meeting by the call of Chairman Bonovetz. The meeting adjourned at 10:03 A.M.

02/10/2020
Date Approved



Brandon Snyder, Recording Secretary



Minutes Submitted by Kristi Freeman
Confidential Secretary, Gogebic-Iron County Airport