

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

**Gogebic-Iron County Airport  
Airline Terminal  
N11800 Skyway Ln.  
Ironwood, MI 49938**

**July 22, 2021  
1:00 P.M.**

**Call to Order**

The meeting was called to order at 1:00 P.M. by Mr. Hanson.

**Pledge of Allegiance**

The Pledge of Allegiance was recited.

**Roll Call**

**Present: (5) Mr. Byrns, Mr. Lorenson, Mr. Siirila, Mr. Snyder, Mr. Hanson**

**Absent: (0) None**

**Others Present: Mike Harma, Kristi Freeman, Tom LaVenture & Members of the Public**

**Approval of the Agenda**

**A motion** was made by Mr. Lorenson, supported by Mr. Siirila, and carried by unanimous voice vote to approve the agenda as presented with the addition of Recommending an Airline after Other Matters.

**Citizens Wishing to Address the Airport Board on Agenda Items (5 Minute Limit)**

None

**Essential Air Service**

**1. Southern Airways Express**

Mr. Stan Little accompanied by Mr. Jacobs presented a PowerPoint regarding the airline's reliability, 94.1% on-time rate, market rebuilding through their enplanement initiatives, two-digit fares and strong community focus. Mr. Little spoke of their interline agreements with United, American and Alaska Airlines and a customer service representative always available answering the phone. Southern Airways Express offered three two-year proposals: Option A with 18 weekly IWD-ORD RT's using the KingAir with a Year 1 subsidy of \$4,657,492, Option B with 6 weekly IWD-MSP RT's and 12 weekly IWD-ORD RT's using the KingAir with a Year 1 subsidy of \$3,970,033 and Option C with 6 weekly IWD-MSP RT's and 12 weekly IWD-ORD RT's using the C-208 with a Year 1 subsidy of \$3,855,660. Mr. Little responded to questions regarding their current gate space in ORD and MSP along with baggage requirements. Southern does not currently have gate space at Chicago O'Hare or Minneapolis but Mr. Little stated it would not be an issue for them.

**A motion** was made by Mr. Lorenson, supported by Mr. Siirila, and carried by unanimous voice vote to hold a brief recess until the next presenter arrived.

**2. Air Choice One**

**A motion** was made by Mr. Lorenson, supported by Mr. Snyder, and carried by unanimous voice vote to resume the meeting.

Mr. Shane Storz passed out an informational binder to coincide with his PowerPoint presentation. He highlighted their overall performance with a 97% completion and 86% on-time rate along with performance and enplanement metrics from their six years servicing Ironwood. He showcased the baggage areas of the Beechcraft 1900C and Cessna Grand Caravan 208B and their base fares. They also provide TSA PreCheck and Choice+ Rewards. Air Choice One offered two proposals with a 2- or 4-year term: Choice 1 with 13 weekly IWD-ORD RT's and 5 IWD-MSP RT's using the Cessna Grand Caravan with a Year 1 subsidy of \$3,792,905 and Choice 2 with 13 weekly IWD-ORD RT's using the Beechcraft 1900C and 5 weekly IWD-MSP RT's using the Cessna Grand Caravan with a Year 1 subsidy of \$4,115,936. Mr. Storz answered questions pertaining to his interline status, which he responded he is close to obtaining but presently does not have. He has a local public relations contact with CW Media and Marketing. He has gate space in Chicago O'Hare but not in MSP, although he does have an agreement on standby.

Mr. Snyder moved to hear public comments prior to the recommendation.

A local restaurant owner spoke highly of Air Choice One and their community support with fundraisers and vouchers.

**A motion** was made by Mr. Snyder, supported by Mr. Siirila, and carried by unanimous voice vote to hold a ten-minute recess.

#### **Other Matters**

None

#### **Recommending an Airline**

**A motion** was made by Mr. Snyder, supported by Mr. Siirila, and carried by unanimous voice vote to resume the meeting.

Mr. Siirila suggested that each board member speak on behalf of each airline. His intention is to restore airline service and credibility. Mr. Siirila thought Denver Air stood out because of their jet and CEO pilots. Mr. Lorensen felt the decision was between Denver Air and Air Choice One. Air Choice One's lack of an interline agreement gave Denver Air a slight advantage. Mr. Snyder reviewed and researched all three airlines noting available seats and revenue attainment. He stated Denver Air's numbers are accurate and amazing. He felt ACO's lack of an interline agreement to be a huge issue. Mr. Hanson referred to an airline with a larger plane to transport sufficient baggage and increasing enplanements. Mr. Byrns asked for Mr. Harma's opinion on which airline to choose. Mr. Harma stated that jet service improvements will require an infrastructure investment into a larger holding area and parking lot along with a hangar for overnight storage. To keep the airport open, employee hours will need to increase. Mr. Harma believes the jet service will get people on the plane, but we must be willing to support the program. Mr. Snyder believes that spending money upfront will increase ridership and future revenue potential. Mr. Harma stated that Southern Airways had nice proposals and fleet with interline agreements, but their lack of Midwest routes concerns him. Mr. Harma's concern with Air Choice One is their lack of an interline agreement as customers are willing to drive to other airports because of this. Mr. Byrns said many enjoyed Air Choice One's service in the past and Southern Airways was impressive, but Denver Air Connection's increased enplanement and airport service opportunities won his support.

**A motion** was made by Mr. Siirila and supported by Mr. Snyder to send a recommendation to the Department of Transportation from the Gogebic-Iron County Airport Board favoring Option 1 by Denver Air Connection.

**Roll Call**

**Yes: (5) Mr. Byrns, Mr. Lorensen, Mr. Siirila, Mr. Snyder, Mr. Hanson**  
**No: (0) None**

**Motion Carried**

Discussion continued to the next steps of the process including the sending of a formal letter to the Department of Transportation and timeframes.

**Public Comment**

Members from the public stated the community will pay attention to jet service and improve the community's perception of the Airport Board, past practices, and the airline. Also, the jet will provide families the ability to travel here over destinations such as Rhinelander.

**Adjournment**

**A motion** was made by Mr. Lorensen, supported by Mr. Siirila and carried by unanimous voice vote to adjourn the meeting by the call of Chairman Hanson. The meeting adjourned at 2:51 P.M.

08/09/2021  
Date Approved

  
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Brandon Snyder, Recording Secretary

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