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# Now boarding: Sioux City airport board selects American Airlines for carrier

Story Discussion

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By DAVE DREESZEN, Courier Lee News Service | Posted: Friday, November 18, 2011 5:22 am | (0)

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SIoux CITY, Iowa --- American Airlines' bid to start flying subsidized routes between Sioux City and Chicago won unanimous backing Thursday from the Sioux Gateway Airport Board of Trustees.

Siding against Delta Air Lines, the only carrier currently at Sioux Gateway, the seven-member board recommended that the U.S. Department of Transportation award American an Essential Air Service contract.

The two airlines, through regional partners, are competing for a federal subsidy in excess of \$2.5 million over the next two years.

Chicago is the No. 1 destination for Siouxland business and leisure and business travelers, many of whom routinely drive to the larger Omaha airport to catch direct flights to the Windy City, airport officials said.

Long-term, the trustees argued, Sioux Gateway also stands a better chance of adding more destinations with American than with Delta, which they said has shown little interest in flying connecting routes to anywhere but its hub at Minneapolis-St. Paul International Airport.

"With the Delta situation we're in right now, there's no realistic chance to get a second hub," trustee Dave Bernstein told his colleagues.

"There appears to be more potential to get another destination with American than Delta," trustee Jeff Lapke said.

At a public presentation last week, a representative from American Eagle, the regional carrier that would fly the twice-daily routes to Chicago O'Hare International, dangled the prospect of the airline eventually flying to another hub, such as Dallas-Fort Worth International Airport.

The trustees forwarded their recommendation to the City Council, which is expected to back the plan at a special meeting at 9 a.m. today.

"We are delighted by their endorsement," said American spokesman Tim Smith.

Though the Department of Transportation will have the final say, American appears to have the inside track for the subsidized routes, since the federal agency emphasizes community input in its decision-making process. Local officials believe the difference in the two bids -- Delta is seeking about \$230,000 less annually -- is not large enough for the DOT to base a decision on money alone.

No matter what carrier the federal agency selects, Delta flights at Sioux Gateway will continue for at least three more months. Airport Director Curt Miller said it will take 30 to 60 days to negotiate a final contract with one of the carriers.

With a new carrier then given another 30 days to start its service, March is likely the earliest a switch could take place, Miller said. Meantime, the DOT would require Delta to keep flying here, avoiding any lapse in service, he said.

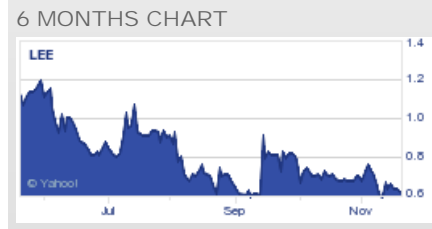


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Officials for Delta and its regional partner, SkyWest Airlines, which proposed to operate the Sioux Gateway routes, expressed disappointment with the airport board's decision.

"We remain confident that our request for a smaller subsidy with twice-daily jet service to Minneapolis and access to Delta's global network is the best fit for the community," SkyWest spokesman Wes Horrocks said in a statement.

Delta in July filed a formal notice with the DOT to discontinue money-losing routes at Sioux Gateway and 22 small rural airports. The Atlanta-based carrier offered to stay in Sioux City, but only with a subsidy.

Some airport board members showed frustration with Delta for pushing the airport into the EAS program for the first time, forcing local officials to pick one carrier or the other.

"It's clearly a difficult situation we'd prefer not to be in," Bernstein said.

Public reaction was split, with some travelers wanting to stick with Delta's reliable service to the Twin Cities and others preferring a switch to Chicago.

At Thursday's airport board meeting, no traveler spoke for or against one of the routes. Dawn Olmstead, a representative of the contractor that handles ground crew duties for Delta at the airport, urged the board to consider her group's 11 employees, whose jobs would be in danger with a switch to American Eagle.

The trustees passed a separate motion recommending that American retain the current ground crew.

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