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**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

DEPT. OF TRANSPORTATION
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Washington, D.C. 20590

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December 5, 2003

Mr. Tim Rogers, Executive Director
Salina Airport Authority
3237 Arnold Ave.
Salina, KS 67401

Dear Mr. Rogers:

I would like to update you on the essential air service situation at Salina and give you an opportunity to submit any final comments if you wish before we issue a final order selecting a carrier and service option for a prospective two-year period. We are sending an identical letter to Mayor Jilka.

As you know, we recently issued Order 2003-8-23, August 21, 2003, setting final rates, until further Department action, for Air Midwest's (Air Midwest, Inc., a wholly owned subsidiary of Mesa Air Group, Inc.) subsidized service to Salina at an annual cost of \$536,237, with the service consisting of three one-stop round trips a day, via Manhattan, to Kansas City with 19-seat Beech 1900D turboprop aircraft, operated as US Airways Express. That order indicated that the rate would be effective until we select a replacement carrier, either Air Midwest or another carrier, and the service is fully in place.

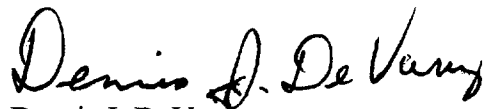
More recently, we solicited proposals from carriers interested in providing replacement service at Manhattan following Air Midwest's filing a 90-day notice seeking to suspend its subsidy-free service there. Air Midwest, operating as US Airways Express, and another carrier, Multi-Aero, Inc., offered several proposals to serve Manhattan. Air Midwest offered four service options, two that involve Salina and two that do not. Because Air Midwest's Salina proposals all include serving Manhattan on the same flights, if we were to select either of Air Midwest's two Manhattan stand-alone options, or the proposal submitted by Multi-Aero, we would have to revisit the Salina case.

Please note that the average passenger fare shown in Air Midwest's proposal, \$86.00, does not necessarily reflect the average local fare that Salina passengers would actually pay, but, rather, reflects that portion of the total ticket price, e.g., the Salina – Kansas City portion of a Salina – Kansas City – New York ticket that the subsidized carrier would realize. Also, the fares are net of certain charges such as Federal excise taxes and Passenger Facility Charges. Of course if selected, Air Midwest would have the discretion to charge fares it deems appropriate, and the passenger fare presented here is for illustrative purposes only.

We request that you review each option and submit any comments you may have before we submit a recommendation to the Assistant Secretary. We ask that you submit any comments you may have as soon as possible, but in any case no later than January 9.

Please send an original and one copy of your comments to me at the following address: Essential Air Service Division, X-53; Room 6401; Office of Aviation Analysis; Department of Transportation; 400 Seventh Street, S.W.; Washington, D.C. 20590. You should also send a copy to Air Midwest and to Multi-Aero. In order to expedite the process, we would appreciate your sending an advance copy by fax to 202-366-7638 or by email to dennis.devany@ost.dot.gov or mike.waters@ost.dot.gov. Again, if you have any questions, please feel free to contact Mike Waters of my staff at 202-366-6494.

Sincerely,

A handwritten signature in black ink that reads "Dennis J. DeVany". The signature is written in a cursive style with a large, prominent "D" at the beginning.

Dennis J. DeVany
Chief, Essential Air Service Division, X-53
Office of Aviation Analysis