

# CITY OF CAPE GIRARDEAU, MISSOURI Special Session

Stacy Kinder, Mayor Dan Presson, Ward 1 Tameka Randle, Ward 2 Nate Thomas, Ward 3 David J. Cantrell, Ward 4 Bryan Johnson, Ward 5 Mark Bliss, Ward 6 City Council Chambers City Hall 44 N. Lorimier St

Agenda Documents, Videos Minutes, and Other Information: www.cityofcape.org/citycouncil

# May 28, 2025 5:00 PM

- 1. Call To Order/Roll Call
- 2. Adoption of the Agenda
- BILL No. 25-67, a Resolution authorizing the City Manager to make recommendations to the United States Department of Transportation for American Airlines to provide air carrier service under the Essential Air Service Program, at the Cape Girardeau Regional Airport. Reading and Passage. AIR -JoJo Stuart
- 4. Meeting Adjournment

The City Council of the City of Cape Girardeau, Missouri, may, as a part of a study session or regular or special City Council meeting, vote to hold a closed session to discuss issues listed in RSMo. Section 610.021, including but not limited to: legal actions, causes of legal action or litigation, leasing, purchasing or sale of real estate, hiring, firing, disciplining, personnel issues, or confidential or privileged communications with its attorneys.

## **SUBJECT**

A resolution authorizing the City Manager to submit a letter of recommendation to the U.S. Department of Transportation recommending American Airlines to provide scheduled air carrier service for four (2) years, under the Essential Air Service program at the Cape Girardeau Regional Airport.

## **EXECUTIVE SUMMARY**

Cape Girardeau received proposals from six (6) air carriers: Southern Airways, Air Wisconsin, Denver Air Connection, SkyWest, Contour. and American Airlines. Southern submitted a proposal for 24 weekly round-trips, including flights for 12 trips to St. Louis (STL) and 12 trips to Nashville (BNA) via 9-passenger aircraft. Air Wisconsin proposed 12 weekly round-trips to Chicago O'Hare (ORD) via 50-passenger aircraft. Denver Air Connection proposed multiple options, 6 round-trips to Atlanta (ATL) and 6 round-trips to ORD via 50-passenger aircraft. SkyWest proposed 6 round-trips to ORD and 6 round-trips to Houston (IAH) via 50 passenger aircraft. Contour, our current EAS provider proposed 7 round-trips to ORD and 5 round-trips to Dallas Fort Worth (DFW) via 30-seat aircraft. American Airlines proposed 6 round-trips to DFW and 6 round-trips to ORD via 65 seat aircraft. The Airport Advisory Board is recommending to the City Council, and Airport Management agrees, to select American Airlines as the scheduled air carrier for a two (2) year contract pending approval from the U.S. DOT.

#### **BACKGROUND/DISCUSSION**

On May 2, 2025 the Department of Transportation (DOT) provided the six (6) airlines proposals for CGI's next EAS contract. The current contract will expire on October 1, 2025. The proposals were provided with the understanding that the City of Cape Girardeau would submit a recommendation to the U.S. DOT by May 30, 2025. After reviewing the proposals, the Airport Manager and the Advisory Board felt interviewing Southern Airways was unnecessary. Southern uses nine (9) seat aircraft making it nearly impossible to mathematically reach 10,000 annual boardings, even considering a constant 80% load factor. All five (5) of the other airlines were interviewed and discussions were had at length. Airport Management along with the Airport Advisory Board are in agreement in recommending to the U.S. DOT to award a new, two-year EAS contract to American Airlines, providing 6 round-trip flights between CGI and ORD, and 6 round-trip flights between CGI and DFW per week.

In selecting a carrier to provide subsidized EAS for a community, the U.S. DOT will consider five factors: (a) service reliability; (b) contractual and marketing arrangements with a larger carrier at the hub; (c) interline arrangements with a larger carrier at the hub; (d) community views, giving substantial weight to the views of the elected officials representing the users; and (e) whether the carrier has included a plan in its proposal to market its service to the community.

As stated above, the U.S. DOT will give substantial weight to the recommendation of the City Council when making their air carrier selection for the City of Cape Girardeau.

#### FINANCIAL IMPACT

Selecting American Airlines would allow CGI the opportunity to reach, and hopefully surpass, the primary airport requirement of 10,000 outbound passengers. Primary airport status guarantees the City will receive \$1 million in Airport Improvement Program (AIP) grant funds.

#### SUSTAINABILITY: ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPACTS

#### **STAFF RECOMMENDATION**

It is recommended the City Council approve a resolution authorizing the City Manager to submit a letter of recommendation to the United States Department of Transportation (U.S. DOT) recommending the U.S. DOT fund a new, two-year contract with American Airlines, as proposed, to provide 12 weekly round-trip flights with scheduled air carrier service under the Essential Air Service program at the Cape Girardeau Regional Airport.

#### **BOARD OR COMMISSION RECOMMENDATION**

#### **PUBLIC OUTREACH**

#### ATTACHMENTS:

File Name
25-67\_Essential\_Air\_Service\_2025.doc

Description Resolution BILL NO. 25-67

A RESOLUTION AUTHORIZING THE CITY MANAGER TO MAKE RECOMMENDATIONS TO THE UNITED STATES DEPARTMENT OF TRANSPORTATION FOR AMERICAN AIRLINES TO PROVIDE AIR CARRIER SERVICE UNDER THE ESSENTIAL AIR SERVICE PROGRAM, AT THE CAPE GIRARDEAU REGIONAL AIRPORT

WHEREAS, on March 27, 2025, the United States Department of Transportation (US DOT) requested proposals from air carriers interested in providing Essential Air Service to multiple communities, including Cape Girardeau; and

WHEREAS, in selecting a carrier to provide subsidized essential air service, the U.S. DOT considers the following factors: 1) service reliability; 2) contractual and marketing arrangements the applicant has made with a larger carrier to ensure service beyond the hub airport; 3) interline arrangements with a larger carrier at the hub; 4) preferences of the actual and potential users of the EAS, giving substantial weight to the views of the elected officials representing the users; and 5) whether the air carrier has included a plan in its proposal to market its EAS to the community; and

WHEREAS, the U.S. DOT received proposals for the abovementioned service from six providers: Southern Airways, Air Wisconsin, Denver Air Connection, SkyWest, Contour, and American Airlines; and

WHEREAS, after considering each of the airline proposals, the final recommendations of the Airport Advisory Board are: 1) to recommend to the United States Department of Transportation to award the Essential Air Service two-year contract to American Airlines, to provide scheduled air service between Cape Girardeau and Chicago O'Hare International Airport and between Cape Girardeau and Dallas Fort Worth International Airport, and 2) to the recommend to United States Department of Transportation to award such contract to American Airlines, utilizing the round trip schedules to Chicago O'Hare International Airport and Dallas Fort Worth International Airport as contained in the proposal submitted by American Airlines.

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NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CAPE GIRARDEAU, MISSOURI, AS FOLLOWS:

ARTICLE 1. The City Council hereby accepts the final recommendations of the Airport Advisory Board pertaining to selection for Essential Air Service at the Cape carrier Girardeau Regional Airport, and directs the City Manager 1) to recommend to the United States Department of Transportation to award the Essential Air Service two-year contract to American Airlines, to provide scheduled air service between Cape Girardeau and Chicago O'Hare International Airport and between Cape Girardeau and Dallas Fort Worth International Airport, and 2) to recommend to the United States Department of Transportation to award such contract to American Airlines, utilizing the round trip schedules to Chicago O'Hare International Airport and Dallas Fort Worth International Airport as contained in the proposal submitted by American Airlines.

PASSED AND ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_, 2025.

Stacy Kinder, Mayor

ATTEST:

Bruce Taylor, Deputy City Clerk

