



Sent by E-Mail

September 16, 2025

Mr. Venkatesh Paluvai
Essential Air Service &
Domestic Analysis Division
U.S. Department of Transportation
1200 New Jersey Ave, SE
Washington, DC 20590
E-mail: Venkatesh.paluvai@dot.gov; EAS@dot.gov

Re: Order Requesting Proposals for Replacement Essential Air Service at Saint Paul Island,
Alaska on an Expedited Basis; Docket DOT-OST-2019-0038

Dear Mr. Paluvai:

The City of Saint Paul (CSP), working in concert with the main Community Organizations, the Aleut Community of St. Paul Island (ACSPI - local Tribal Government), the Tanadgusix Corporation (TDX - local ANCSA Village Corporation), and the Central Bering Sea Fishermen's Association (CBSFA - local Community Development Quota Group), have reviewed the three proposals from air carriers interested in providing Essential Air Service (EAS) at Saint Paul Island (SPI). The anticipated award is for a new contract term beginning when a replacement carrier can inaugurate service.

We offer the following comments for your review and consideration. Additional comments by individual Community Organizations and residents may be forthcoming to supplement the comment record.

I. Evaluation of Three Proposals.

Kenai Aviation LLC (Kenai): The community of SPI appreciates the ongoing interest of Kenai Aviation LLC to provide Essential Air Service. Unfortunately, the latest proposal suffers the same problems described in previous correspondence.¹ Trying to serve SPI using either version

¹ See letter dated July 21, 2025, submitted to Mr. Venkatesh Paluvai at U.S. DOT by the community of SPI offering qualified support for an award to Kenai given the lack of an alternative proposal. Also see letter of August 15, 2025, to Mr. Paluvai from the community withdrawing its qualified support for Kenai's proposal because the use of a Beechcraft Super King Air (either Model 200 or 300 series) is nonresponsive to the specified requirement contained in the U.S. DOT EAS Request For Proposals (RFP).

of a Beechcraft Super King does not meet the specific requirement contained in the U.S. DOT EAS RFP that proposals submitted by air carriers “will be consistent with what [service] the community currently receives.” That level of service has been three weekly round trips between Saint Paul and Anchorage using a 25-seat or 30-seat DeHavilland Dash-8 Series 100 aircraft. Accordingly, the community of SPI opposes an award of EAS to Kenai Aviation LLC.

Fly 4 You d/b/a Security Aviation (Security): Security has worked closely with the community since the end of July 2025 to provide substitute air passenger service operating three charter flights per week. Completion rates have been 100% to date. The community is very appreciative of these efforts and the professionalism and commitment exhibited by Security to provide reliable, safe substitute service during this time. Unfortunately, the high added costs to the community to use the charters and the limitations of the aircraft available to serve SPI by a Part 135 operator is unsustainable and fails to technically meet the standard to provide service with an aircraft that is consistent with the service the community received under previous EAS awards.

Security has crafted a creative proposal that envisions a second phase to transition to a larger aircraft (12-16) seats, approaching the first year of the award as “emergency and immediate EAS” for a period of 1 year and is not intended as a long-term solution. Absent the third proposal submitted by Sterling Airways to provide EAS with the Saab 2000 using a 30-seat passenger configuration, the community of SPI would be prepared to support working with Security using their proposal but through the Alternative Essential Air Service program option.

Sterling Airways (Sterling): Sterling’s proposal to provide three weekly round trip flights from Anchorage using the Saab 2000 aircraft in a 30-seat configuration checks all the boxes responding to the U.S. DOT RFP for replacement EAS at Saint Paul Island. As stated in Sterling’s cover letter from Mr. Wayne Heller, President and Chief Executive Officer, “the community [of SPI] has been clear that aircraft size, seating capacity, and onboard restroom facilities are essential to safe, practical, and reliable service, given the length of the flights and the needs of elders and residents with medical conditions.” His letter goes on to conclude that the Saab 2000 fully satisfies these requirements and “ensures that the level of service delivered is fully consistent with what the community currently receives and expects.” The community of SPI agrees with this conclusion.

II. Community Conclusion/Recommendations.

Upon review and following discussions regarding the three submitted proposals, the community of SPI offers the following conclusion and recommendations.

- The community of SPI supports award of replacement EAS for Saint Paul Island to Sterling Aviation providing three weekly round trip flights between Anchorage and SPI using the Saab 2000 aircraft in a 30-seat configuration.
- The community of SPI supports an award by U.S. DOT for a 4-year contract term consistent with the terms contained in Security’s proposal. Assuming the service results are what is expected, the community will greatly benefit from the stability and reliability

for air services during this time under a 4-year contract. It would likely result in savings to the EAS program as well, versus likely higher costs increases that will be incurred by a re-bid of the award after a 2-year period.

- Sterling anticipates completing the extended overwater kit installation and FAA approval for the Saab 2000 within 60 to 90 days. During the interim, Security indicates it is committed to uninterrupted EAS for SPI and states it will use qualified subservice or charter service to “ensure reliable service is maintained.” The community of SPI supports inclusion of an award condition to this effect and request use of Security Aviation to provide this service in a similar manner to what has happened since the end of July 2025.
- If the Sterling proposal is not selected, the community supports an award to Security Aviation consistent with their proposal but through the Alternative Essential Air Service (AEAS) program.

III. Award Conditions.

The community of SPI respectfully requests inclusion of the following award conditions as part of the replacement EAS award to Sterling Airways. Most of what is requested is consistent with representations made by Sterling Airways during conversations with community members.

- If Sterling contracts with Security Aviation to provide interim service until the Saab 2000 is approved for extended overwater operations, the community of SPI requests a level of frequency like what has been provided since the end of July 2025. If Sterling decides to use another air carrier to provide this service, the community requests prior communication about and approval of the specific arrangements for such service.
- Sterling’s proposal requests the “ability to incorporate a maximum of one stop per flight for operational optimization.” Our understanding is this will not be a regular occurrence and will be due primarily to accommodate weather challenges. The community of SPI requests a contract term to this effect.
- Provide make-up or additional flights regularly to accommodate problems due to inclement weather or mechanical difficulties, or as needed during peak travel times.
- Endeavor to ensure baggage travels on the same plane with passengers.
- Commit to regular community meetings on a quarterly basis to discuss any problems or upcoming service changes.

IV. Summary.

The U.S. Department of Transportation must consider, in deciding an award for EAS, “the preferences of the actual and potential users of air transportation at the eligible place, including the views of the elected officials representing the users” (49 U.S.C. 41733 (c)(1)(C)). We have

expressed in this and prior letters our views in clear terms justified by the needs of the users of this critical air service and consistent with applicable statutory requirements.

The community wishes to reiterate its support for award of replacement EAS for SPI to Sterling Airways using the Saab 2000 in a 30-seat configuration and supports a 4-year award consistent with the terms incorporated in Sterling's proposal. The community also wishes to see contract terms added as described in section IV of this letter.

The community is very appreciative of your efforts and those of others in the department to work closely with community members and move expeditiously to find a workable solution to ensure Saint Paul Island can receive Essential Air Service.

Thank you for your attention to this matter.

Sincerely,



Jacob Merculief, Mayor
City of Saint Paul



John Wayne Melovidov, President
Aleut Community of St. Paul Island



Raymond Melovidov, President
Central Bering Sea Fishermen's Association



John Lyons, Chief Executive Officer
Tanadgusix Corporation

cc. Saint Paul City Council
Tribal Council of St. Paul
CBSFA Board of Directors
TDX Corporation Board of Directors
Pribilof School Board Members
SCF Board Members
Governor Mike Dunleavy
Lt. Governor Dahlstrom
Senator Murkowski
Senator Sullivan
Representative Begich
Lyman Hoffman, Alaska State Senator
Bryce Edgmon, Alaska State House Representative
Alaska DOT/PF Commissioner Anderson
Todd M. Homan, Director, US DOT Office of Aviation Analysis
Kevin Hubbard, Acting Alaska Regional Administrator, Federal Aviation Administration
Phillip A. Zavadil, City Manager, City of Saint Paul
Patrick Baker, Executive Director, Pribilof Islands Aleut Community of St. Paul
Chris Arnim and Dean Fasnacht, Trident Seafoods
Ray Melovidov, President, Central Bering Sea Fishermen's Association
Michael Baldwin, Superintendent, Pribilof School District