

April 7, 2020

Todd M. Homan, Director  
United States Department of Transportation  
Office of Aviation Analysis  
1200 New Jersey Ave SE  
Washington, D.C. 20590

**Re:** Response to Oder 2020-3-2/Proposal to Provide Essential Air Service at Alamosa, Colorado.

**Via e-mail to:** [EAS@dot.gov](mailto:EAS@dot.gov) and [scott.faulk@dot.gov](mailto:scott.faulk@dot.gov)

Dear Mr. Homan,

Attached is Denver Air Connection's proposal to provide air service at Alamosa, Colorado (ALS) to Denver International Airport (DEN).

We look forward to the opportunity to support the economic growth of the region by providing scheduled passenger service with our safe and reliable 50-seat ERJ-145 Jet or our 30-seat Dornier 328-Jet aircraft with service and schedules tailored to the community's needs.

Our reliable service will provide the Alamosa region with options to access the world's most comprehensive route network of United Airlines and other major carriers through Denver International Airport. Our service is dedicated to the Alamosa community to ensure seat availability and direct flights to and from Denver. The communities we service praise our **98.7% rate on completed flights and impressive 92.15% on time performance rate, both well above industry standards.**

As directed by the RFP, we will offer the Alamosa community 12 non-stop, round-trip flights per week for a new 2 or 4 year contract term to Denver International Airport. We will work closely with the community to set the best possible schedule. Denver Air Connection believes this proposal meets the needs of the community and provides the best overall option for air service to the Alamosa community with reliable connectivity at Denver.

Thank you for your consideration.



Marcus Hesting,  
Director of Finance

Denver Air Connection

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# Proposal to Provide Essential Air Service at Alamosa, Colorado

## Filed: April 7, 2020

Via e-mail to: [EAS@dot.gov](mailto:EAS@dot.gov) and [scott.faulk@dot.gov](mailto:scott.faulk@dot.gov) with the title  
"Proposal to Provide EAS at Alamosa, Colorado."

Order: 2020-03-02  
Served: March 11, 2020  
Docket: DOT-OST-1997-2960  
Under 49 U.S.C. § 41731 *et seq*



# ALAMOSA'S AIRLINE

## WE LISTEN

Our partnerships with communities are built on the premise of *promises made, promises kept*. For us to fulfill that core mission, we listen first and never assume.

Alamosa requires quality scheduled passenger jet service to the major hub of Denver International Airport. Denver Air Connection believes it can provide such service with the recognized reliability and exceptional customer service that surpasses the performance of our competitors.



Denver Air Connection considered the historical data in the Department of Transportation's Request for Proposal (RFP) for Alamosa and the importance of reliable, scheduled passenger jet service to the community.

- Denver Air Connection utilizes both 50 seat and 30 seat Jets with passenger and cargo capacity that exceeds the current enplanement needs of Alamosa, allowing for growth.
- Denver Air Connection can increase enplanements either through higher frequency of flights or through utilization of larger aircraft.
- Denver Air Connection prides itself on being a partner in the community by participating in coordinated marketing efforts to increase enplanements and economic growth.
- Denver Air Connection's current route network reflects our ability to complete scheduled flights, connect to major hubs and increase enplanements over time.

## ABOUT US

Denver Air Connection is the passenger airline operated by Key Lime Air Corporation, its parent company. Key Lime Air was founded in 1996. It has grown its scheduled passenger service by focusing on its mission to empower emerging communities with global travel and economic access by providing safe and reliable regional airline service.



*Over 23 Years of passenger and cargo experience*

The Denver Air Connection community represents some of the finest talent in aviation and our very simple promise is ***“Deliver Every Day.”***

Deliver... Service...Comfort...Family...Friends...Safety...Reliability.

We are here to happily serve our customers with a positive attitude every day. We love what we do, and our passion shows by providing an extraordinary customer experience for the small communities we are proud to serve with safe, reliable and on-time jet service.

Our communities praise our **98.7% rate on completed flights and impressive 92.15% on time performance rate, well above industry standards** meeting or exceeding their expectations and defined requirements.

Denver Air Connection has been a partner to and member of the **Grand Junction, Colorado** community since 2005 with reliable scheduled passenger service enabling travelers to fly to and from Denver with convenience and reliability.

The **Telluride, Colorado** community chose Denver Air Connection to bring the first and only scheduled passenger jet service to their city with similar praise about our service and professionalism. Connecting quickly and safely to Telluride from anywhere in the world has never been easier.

**Alliance, Nebraska** partnered with Denver Air Connection to structure their DOT EAS to meet their community's unique needs.

## ***TAILORED PASSENGER JET SERVICE***

Tailored service for Alamosa includes:

- 12 nonstop roundtrips each week on 50-seat ERJ-145 jet or a 30-seat Dornier 328-Jet.
- Access to our current Interline Agreement with United Airlines.
- Inclusion in Denver Air Connection's integrated marketing program that includes our other partner communities and airline partners.
- Reliability of service exceeding industry standards.
- Optional 9 seat service to bridge for part 139 certification, if needed.

***Alamosa is precisely why we are in business and exactly the type of service we specialize in with a proven track record that our partner communities are proud to offer their citizens and businesses.***



## THE ALAMOSA FLEET

Denver Air Connection will provide service with the Embraer 145LR Jet or the Dornier 328 Jet.

### Dornier DO-328

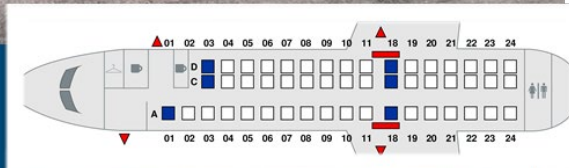
The Dornier DO-328 is a 30-seat passenger jet, with overhead stowage compartments and a lavatory. The large cargo compartment has 1,500 pounds capacity. The DoJet is the hands down winner in all critical areas of flight comfort and flying experience. The shape of the fuselage creates more headroom and the DoJet has wide seats – 18.1 inches, and spacious legroom, with a 31"-34" pitch.

In the DoJet, there are no middle seats. Every seat is a window or aisle seat. To round out the passenger experience, our Flight Attendants provide a bountiful snack basket and beverage service



## Embraer 145LR

With 20 years in operation, over 26 million flight hours, in service with 36 airlines in 26 countries, the ERJ-145 is a proven runway legend. The ERJ-145 has a 50-seat capacity and a 1550-mile range fully loaded. Our jets underwent an Embraer refurbishment in the Summer of 2019 resulting in like new aircraft.



In the cabin, every detail has been considered. Overhead stowage compartments feature space-saving retractable panels. With no middle seat and the three-abreast, 31" seat pitch, every passenger has a comfortable window or aisle seat. Our 50 seat jets provide flexibility and choice to meet the community's emergent needs.

***Denver Air Connection will listen to Alamosa and work together to provide the aircraft that meets the community's needs.***

## CONNECTED TO THE WORLD

Denver Air Connection's Interline Agreement with United Airlines provides our community partners with travel network access benefits including the convenience to search, book and purchase tickets on United's web site, *United.com*, as well as baggage transfers and thru-checks to and from any of United's 500 destinations in over 30 countries.

### No Checked Baggage or Security Hassles

Our Interline Agreement also allows our partners to participate in setting fares and schedules. Denver Air Connection will work with Alamosa to tailor an airline service for their specific community needs.

In addition to the United Interline Agreement, Denver Air Connection participates in multiple Global Distribution Systems (GDS's) including SABRE, Travelport and Amadeus. Ticket distribution through these GDS systems provides world-wide visibility for the route and for the community through websites such as: Google, Expedia, Travelocity, Priceline and many other Online Travel Agencies (OTA's).



**Denver Air Connection Provides  
Alamosa Access to the World**



## ***SAFETY, RELIABILITY & SKILL***

### **Safety**

Safety is at the core of Denver Air Connection's culture. We maintain a Safety Management System that is integrated into every aspect of our operation.

### **Skill**

Denver Air Connection pilots and mechanics are trained to the highest standards in the world.

Our pilot culture aspires to perfection on every flight.

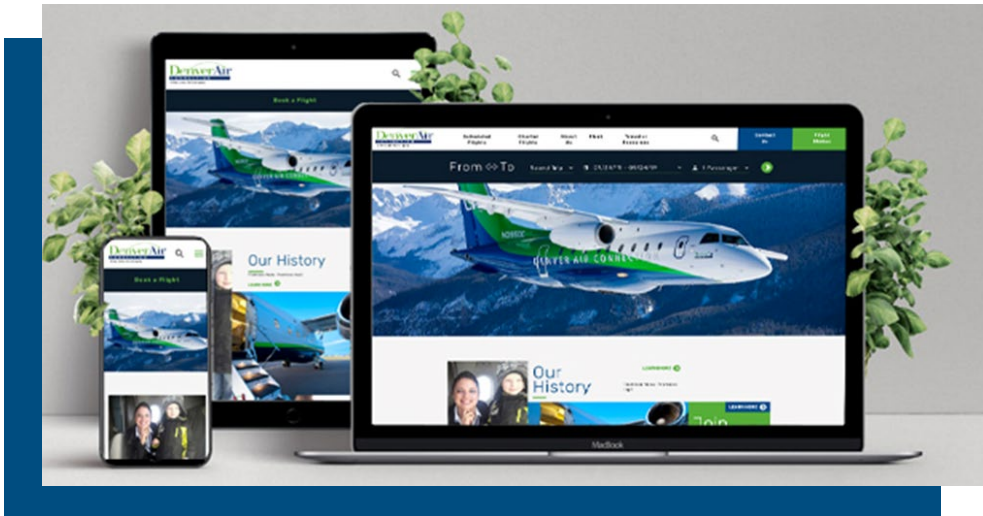


### **Reliability**

All aircraft are maintained in house under our FAA approved maintenance program. This in conjunction with our part 145 Repair Station gives us the ability to maintain, inspect, and alter our aircraft and components at all levels. We pride ourselves on never leaving passengers stranded due to maintenance issues. Our communities know that we will use our fleet to bring maintenance to a location to fix an issue or send a replacement aircraft to get the passengers to their destination.



## MARKETING



Denver Air Connection recognizes how critical marketing is to the success of a community's airline service. We have budgeted a minimum of \$20,000 annually to create awareness for the service and promote its utilization.

Our budget will support our coordinated effort with the community to form an integrated traditional marketing campaign in print and broadcast as well as the effective utilization of digital platforms including our social media channels to raise awareness, visibility and customer satisfaction for the community's passengers.

Marketing efforts utilize our collaborative skills and experience working with your local professionals, to create and distribute messaging to obtain the highest utilization rate possible for the service.

***Denver Air Connection will listen to Alamosa and work together to build a successful marketing campaign.***

## ***PROMISES MADE, PROMISES KEPT***

Denver Air Connection prides itself on our ability to be agile and present to address the needs of our community partners. *It's the community's airline and we operate it that way* – to meet each community's unique needs.

Our mission to “Deliver Every Day” is a simple statement that means *promises made are promises kept*. Our promise goes to the core of our vision to empower emerging communities with global travel and economic access by providing the safest, most reliable regional airline passenger and cargo service.

Our employees happily serve our customers with a positive attitude every day. They love what they do, and their passion shows in our promise to provide an extraordinary customer experience for the communities, people, and partners we are proud to serve.

Our customers also enjoy our comfortable amenities and unlimited full-size high-end snacks and beverages not offered on our competitor's flights.

***Deliver  
Every  
Day***



## ***YOUR CHOICE. YOUR AIRLINE.***

Denver Air Connection represents the airline choice that listens to the Alamosa community's needs and customizes its service to meet those needs. The Department of Transportation awards Essential Air Service contracts based on the five criteria below. The DOT will formally solicit the views of the Alamosa community as to which carrier and option they prefer. The Department is directed to consider five factors when making a carrier selection:

1. The demonstrated reliability of the applicant in providing scheduled air service.

**Denver Air Connection delivers a 98.7% rate on completed flights and impressive 92.15% on time performance rate.**

2. The contractual and marketing arrangements the applicant has made with a large carrier to ensure service beyond the hub airport.

**Denver Air Connection has an established interline agreement with United Airlines which provides seamless access to the United Airlines network through Denver.**

**maintains close contractual and marketing relationships with our airline partners and the communities we serve to ensure service beyond the hub airport of DEN.**

3. The interline agreements that the applicant has made with larger carriers to allow passengers and cargo of the applicant at the hub airport to be transported by the larger carrier(s) through one reservation, ticket, and baggage check in.

**Denver Air Connection has an interline agreement with United Airlines**

4. Community views. The preferences of the actual and potential users of air transportation at the eligible place, giving substantial weight to the views of the elected officials representing the users of the service.

**Denver Air Connection enjoys high levels of customer support from our passengers, who we monitor closely on social media. We are proud to introduce Alamosa's elected officials to the elected and appointed officials in all the communities we serve to hear firsthand how we deliver on our promises every day.**

**Alamosa should consider the carrier, their reliability, with greatest consideration given to the needs and wants of the community.**

5. The air carrier has included a plan in its proposal to market the service.

**Denver Air Connection has a well-developed marketing system that integrates digital and print media to bring hundreds of thousands of impressions to the Alamosa airline service and the Alamosa region. We have committed \$20,000 annually to support the systemic marketing of the Alamosa airline service with campaigns integrated with Alamosa community messaging.**

In accordance with DOT EAS requirements, Denver Air Connection certifies it is in compliance with:

- 49 CFR Part 20 – New restrictions on lobbying; and
- 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation – Effectuation of title VI of the Civil Rights Act of 1964; and
- 49 CFR Part 27 – Nondiscrimination on the basis of disability in programs and activities receiving or benefiting from federal financial assistance; and
- 14 CFR Part 382 – Nondiscrimination on the basis of disability in air travel; and
- 2 CFR Part 1200 – Government-wide debarment and suspension (non-procurement) and government-wide requirements for drug-free workplace (grants).

***Denver Air Connection's mission, vision, culture and performance make it the right choice for Alamosa.***



## Financials

We understand the scheduling needs Alamosa and will provide 12 weekly nonstop roundtrip flights to DEN. The daily schedules will be adjusted based on the needs and wants of the Alamosa community. The bid is available for either a two-year or four-year term. The subsidy will escalate 2% for each contract year.

**Denver Air Connection  
Essential Air Service Bid  
April 7, 2020**

	ALS-DEN
Number of round trips per week	12

<b>Aircraft Data</b>	ERJ145/328Jet
Block Hours	939
Available Seats (30 seat config)	37,440
Load Factor	48%

<b>Passenger Revenue</b>	
Passengers	17,971
Average Fare	79.00
Revenue	1,419,725

<b>Expenses</b>	
Aircraft Lease	540,000
Crew Cost	865,400
Maintenance	678,870
Insurance	264,000
DEN Operating Expense	699,797
ALS Operating Expense	495,189
Deice, Catering and Misc.	137,856
Marketing	20,000
Set-Up	5,000
Fuel Cost	772,200
Total Expense	4,478,312

<b>Annual Subsidy Requirement</b>	
Operating Income	(3,058,587)
Profit (5%)	236,216
Total Subsidy	3,294,802

<b>Effective Subsidy Rates</b>	
Subsidy per Trip (98% completion)	2,694
Subsidy per Passenger	183

**For questions or comments, please contact:**

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