

From: Paul Ivanoff
To: Muldoon, Albert (OST)
Cc: Trombley, Adam (Sullivan); Basner, Logan (Murkowski); Tammy Dodd; ccharles@nshcorp.org; Mark A Johnson; mitch@unalakleet.com; Kerilee K. Ivanoff; Tracy Cooper; Darrin Ottor; Mayor of Unalakleet; Kelsi Ivanoff; noriskimodad@gmail.com
Subject: Unalakleet Essential Air Service
Date: Friday, August 1, 2025 7:14:50 PM
Attachments: image001.png
image002.png
image003.png
image004.png
USDOT EAS Letter SIGNED (002).pdf
DOT-OST-2024-0144-0136_attachment_1 (003).pdf
Importance: High

You don't often get email from pivanoff@nsedc.com. [Learn why this is important](#)

CAUTION: This email originated from outside of the Department of Transportation (DOT). Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Dear Mr. Muldoon,

I am writing to you in regard to the decision USDOT made to award Unalakleet Essential Air Service to Kenai Aviation. This email is to give you updated information on Kenai Aviation lack of performance. Kenai began operating April 29, 2025 and 10 days later, on May 8, 2025 Reeve Air Alaska took over for a majority of their flights. **We are respectfully requesting that USDOT reconsiders their decision that awarded Kenai Aviation the EAS contract for Unalakleet, Alaska. We are requesting that USDOT award Sterling/Aleutian Airways the route by September 1st, 2025.**

Kenai has operated **two** flights with their own aircraft, of which they did not use their King Air they stated they'd be using. They operated these with a Tecnam P-2012 Traveller, the plane they use for commuter flights from Anchorage to Kenai (60 air miles). With this lower-performing aircraft, passengers were limited to 50 lbs. of baggage (of which were not guaranteed to make the plane) plus a 10 lb. carry on. The flight took almost 2 1/2 hours one way and near three hours to fly back to Anchorage, whereas flights on a King Air, Dash 8, Pilatus, or any other planes used for routes nearing 400 air miles take about 1.5 hours.

More importantly, of the last 150 scheduled flights, only 96 have been flown (roughly 66%). However, from the time period from July 6 to July 28 (roughly), out of 50 scheduled flights, only 24 have been flown (just 45%). That comes out to 54 seats per week--well below the 87 requested in USDOT's original RFP for Unalakleet EAS and even further below the 126 seats assured by Kenai in their unsubsidized bid.

Anecdotal Information from passengers and businesses:

There have been multiple people that have had their flights cancelled on short notice or no notice at all. One flight cancellation with two days-notice costs \$392 for Anchorage to Nome on Alaska Airline and Nome to Unalakleet costs \$325 on Bering Air. If you are even more unfortunate and have to stay a night in Nome, a hotel costs \$310 per night. This cancellation happened to multiple Unalakleet residents.

Below are snippets of what a passenger encounters when Kenai Aviation cancels a flight starting in Anchorage...There are no flights available on Alaska Air Saturday and no flights available on Bering Air until Monday. Kenai Aviation is limited to only 9 seats per flight, so when an aircraft cancels, the next available seat is usually 3-5 days away. Hotels in Anchorage cost anywhere from \$350 per night to \$500 per night. Rental cars in Anchorage, cost roughly \$100-\$150 per night.

Tue Jul 29

--

Wed Jul 30

--

Thu Jul 31

--

Fri Aug 1

--

Sat Aug 2

--

Sun Aug 3

\$392

Mon Aug 4

\$302

Tue Aug 5

\$302

Wed Aug 6

\$302

Thu Aug 7

\$302

Fri Aug 8

\$272

Sat Aug 9

\$272

Sun Aug 10

\$272

Sort by

Stops

Filter by

None

All prices are now round trip

Compare fares

AS 155

1h 37m

3:32 pm

ANC

5:09 pm

OME

Details

Seats

Main

Premium

First Class

Main

Premium

First

\$302

\$327

\$452

One-way

One-way

One-way

only 1 left
Recliner

Sat, 2 Aug - Sun, 3 Aug

1 room

1 Adult

0 kids (3-12)

SEARCH

Standard Room

Sleeps 4

TV

No Smoking

Bathroom

WiFi

Safe

No Pets

1 night
\$310.00

SELECT

1 Passenger traveling from Nome to Unalakleet,
departing Sunday Aug 3

Modify Search

Sat Aug 2 No flights	Sun Aug 3 Sold out	Mon Aug 4 From \$325	Tue Aug 5 From \$325	Wed Aug 6 From \$325	Thu Aug 7 From \$325
----------------------------	--------------------------	-------------------------------	-------------------------------	-------------------------------	-------------------------------

On 7/31/25 Kenai Aviation's (Reeve) flew to Unalakleet only having to turn around due to foggy weather. This flight lasted over three hours without a bathroom on board.

Businesses – As of today, they've cancelled all the weekend flights and have flown at most onetime per day and not the twice daily that they assured Unalakleet businesses. The unreliable services that Kenai Aviation has a significant impact on medical care on our communities. Norton Sound Health Corporation and the Unalakleet Clinic is forced route patients through Nome if there are no flights.

Unalakleet River Lodge (URL) – Despite assurances prior to the fishing season, Kenai Aviation cancelled six consecutive weekends requiring URL to either set up charters or to fly their clients through Nome. Even with the advance reservations, Kenai Aviation was NOT able nor willing to accommodate either the reservations that were held nor did Kenai Aviation offer any other solutions.

Other businesses, such as Unalakleet Native Corporation, Norton Sound Guide Service and Freelance Outdoor Adventures have also been adversely affected by Kenai Aviation's lack of service. These are just the business that we have first-hand knowledge of and I can only speculate that there are many others that have been affected.

I have attached a copy of the letter signed by the Unalakleet Leadership supporting the selection of Sterling/Aleutian Airways dated March 4, 2025 and USDOT's decision to award Kenai Aviation the contract. From the statistics provided and the lack of performance on their contract and proposal, it is clear that USDOT should reconsider and award the contract to Sterling Airways.

I have Cc'd the following individuals:

1. Adam Trombly, Senator Dan Sullivan's office
2. Logan Brasner, Senator Lisa Murkowski's office
3. Tammy Dodd, Bering Straits School District Superintendent
4. Carol Charles, Norton Sound Health Corporation
5. Mark Johnson, CEO, Unalakleet Native Corporation
6. Mitch Wisniewski, Owner, Unalakleet River Lodge
7. Tracey Cooper, General Manager, Native Village of Unalakleet
8. Darrin Otton, General Manager, Unalakleet Native Corporation
9. Christopher Masters, Mayor of Unalakleet
10. Kelsi Ivanoff, Former Unalakleet City Administrator
11. Jeff Erickson, Unalakleet Emergency Joint Response Team

If you have any questions, please contact me at my email address or call me on my cell from 8:00am, Alaska time to 5pm Alaska time. Note that there is a four hour time difference.

Respectfully,



Paul Ivanoff III | Norton Sound Economic Development Corporation
Community Benefits Director
PO Box 193
Unalakleet, AK 99684
Phone: (907) 624-3193
Fax: (907) 624-3183