

July 29, 2019

Shawn Simpson, CEO Boutique Air, Inc. 5 3<sup>rd</sup> Street, Suite 925 San Francisco, CA. 94103

Mr. Simpson,

I write to you today to express the Airport Authority's concerns regarding Boutique Air's recent performance. For the period of January through June 2019 your company's reliability has been averaging 89%. In addition, for the year 2018 Boutique's reliability was 91%. These numbers have had a noticeable effect on passenger enplanements and indeed the Airport Authority is frequently hearing from the community that they feel they can no longer rely on Boutique Air.

We understand you strive for 98% reliability and have periodically summarized your efforts in order to obtain that goal. Unfortunately your efforts have not had the desired outcome when it comes to the Thief River Falls market.

In addition to our concerns over Boutique's reliability, the Airport Authority has heard from numerous passengers that delay notifications occur frequently and are frustratingly inaccurate, often requiring multiple extensions to the delay sometimes culminating in a cancelled flight. These situations, while not always avoidable, have a disastrous effect on customer confidence. In fact Thief River Falls' largest employer, Digi-Key, has informed the Airport Authority that they no longer recommend the airline to their employees, vendors, and customers when traveling to/from Thief River Falls for these reasons.

With winter just around the corner, we are concerned this performance trend will continue, if not worsen. The Airport Authority would very much like to hear from you regarding your efforts in the aforementioned areas. How are you planning to improve your service? What are the barriers affecting Boutique's reliability in the Thief River Falls market? What is the status of your pilot supply? How many spare aircraft do you have in your fleet and under what circumstances do you send an aircraft to our market to recover the route?

We look forward to hearing from you on this important matter.

Respectfully,

Don Jensen

Airport Authority Chair