



Mayor Matthew Serratto &
Members of the Merced City Council
Merced, California
BY ELECTRONIC TRANSMISSION

June 28, 2021

Dear Mayor Serratto and Members of the Council:

It is my understanding that the City of Merced has reopened its evaluation of the bids for Essential Air Service at Merced Regional Airport. Regretfully, Southern Airways must hereby withdraw its bid from consideration. Since we believed this matter had been concluded some weeks ago, we have committed our resources once designated for Merced to new proposals in Mississippi and Michigan. We take the bidding process quite seriously, and we are careful not to overcommit ourselves, especially during the current pilot shortage.

Having bid and won dozens of EAS contracts in every time zone across the country, Southern Airways wishes to affirm our desire to someday serve the people of Merced—though just not in this round of bidding.

We hope that while considering the remaining proposals at MCE, you will choose one which exemplifies the best qualities and corporate governance within our industry. Every airline has a reputation—among your fellow communities in the EAS program and among our peers in the commuter airline industry. I would respectfully encourage you to do your due diligence in calling these airport managers, mayors, and even other airline CEOs.

There is a wide gulf of difference between the bidders at Merced. This is something that is well known among EAS airport managers and airline CEOs. It is not enough to simply take at face value a promise made to sway public opinion. Anyone can make promises. A good company keeps them. I hope you find it to be your duty to look past promises *made* to investigate promises **kept**.

Whichever way you ultimately go, Southern Airways wishes your community all the best. We hope to someday have the opportunity to again bid on service at MCE. If I or my company can be of assistance to you in any way, please do not hesitate to reach out.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Stan Little".

STAN LITTLE
Chairman & CEO