

AGENDA
SUN VALLEY AIR SERVICE BOARD MEETING
KETCHUM CITY HALL
480 EAST AVENUE NORTH
KETCHUM, ID
March 28, 2018 - 2:00 P.M.

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT

REMARKS FROM THE CHAIR

REMARKS FROM THE BOARD

CONSENT AGENDA *All items listed under the Consent Agenda will be approved in one motion without discussion unless any Board Member requests that the item be removed for individual discussion and possible action.*

1. Approval of Air Service Board Minutes of February 28, 2018;
2. Receive and File Financials:
 - a. 1% Local Option Tax Report – December 2017 and January 2018;

NEW BUSINESS

3. Authorization of payment of bills on-hand through March 23, 2018;

ADJOURNMENT

Please Note: The agenda is subject to revisions. Any person in need of assistance to attend or participate should contact Ketchum City Hall prior to the meeting at 208-726-3841. Air Service Board Packets are online at www.halleycityhall.org; www.sunvalleyidaho.gov; and www.ketchumidaho.org.

**Sun Valley Air Service Board
Meeting Minutes
February 28, 2018
Hailey City Hall Meeting Room 2 pm**

Present: Peter Hendricks – Mayor, City of Sun Valley
Fritz Haemmerle – Mayor, City of Hailey
Neil Bradshaw – Mayor, City of Ketchum

Absent: Larry Schoen – Blaine County Commissioner

Staff Present: Sun Valley – Susan Robertson
Hailey – Heather Dawson
Ketchum – Suzanne Frick

CALL TO ORDER

[2:05:06 PM](#) call to order by Chair Fritz Haemmerle

ROLL CALL

Neil Bradshaw, Peter Hendricks, and Fritz Haemmerle

[2:05:34 PM](#) Carol Waller hands out a report on leakage to Boise, the update came from the Sun Valley Resort, it's from 2010 through last winter, in 2010-2011 30% of skiers were flying into Boise, and the leakage dropped in half this winter.

[2:06:21 PM](#) Hendricks asked what the approximate numbers of skiers queried? Waller not sure the size, they get their information weekly. And the leakage trend is dropping.

[2:07:14 PM](#) Nina Jonas Ketchum business owner comments, and is wondering about the Fly Sun Valley audit, do you have it? Is there any progress on that? And moving forward are you going to adopt a new contract without having that information and how it coordinates with the Ballot language and the JPA.

No remarks from the Chair.

CONSENT AGENDA:

[2:07:53 PM](#) Hendricks moves to approve the minutes from January 31, 2018, seconded by Bradshaw, motion passed with roll call vote. Hendricks, yes. Bradshaw, yes. Haemmerle, yes.

OLD BUSINESS/REPORTS:

Item number 2: Continuation of discussion regarding the Sun Valley Air Service Board Communities' Administrative costs:

[2:08:27 PM](#) Robertson, last time we discussed this was in the December 2017 meeting and each community relayed how they determined their administrative costs. There was some discussion about what went into the anticipated cost prior to the 1% for air election and then how real costs and reimbursement of staff time after the election. The Board asked the various communities to go back and find out what was intended in the beginning of this board. In case of Sun Valley, she could not find anything that said how the administrative costs would be calculated. In Ketchum, Grant has information on how their administrative costs are calculated. Robertson asked Dawson about Hailey City. Dawson replied, Hailey did not discuss the matter.

[2:09:51 PM](#) Bradshaw would like all cities do use the same methodology for consistency sake. Bradshaw likes the fully allocated basis, as it is better to support, easier argument to taxpayers. Bradshaw has used this model in the businesses he's been involved with, otherwise the city is subsidizing the process. He would like to see Hailey and Sun Valley adopt a similar format.

[2:11:38 PM](#) Haemmerle, after the December meeting, what precipitated this is that the administrative costs from Ketchum were much higher than other 2 cities. The way we left it is each city has their own way of applying its administrative costs, not sure if the other cities can do anything about that. We collect LOT money for public purposes and the public wants to see as little as possible to go towards administrative purposes. I think we each have to be accountable to our political forces when the votes for these LOT purposes come due.

[2:12:53 PM](#) Bradshaw, there are costs associated with collecting the LOT funds, if not fully allocated, Ketchum would have to absorb costs within the city if not allocated to LOT.

[2:13:56 PM](#) Hendricks, this could be looked upon as a subsidy. I don't know if Sun Valley would go through a process of allocation, or if it would change things.

[2:14:41 PM](#) Robertson, did not include some time as we were already collect LOT before the 1% was passed, she'd have to spend time if requested to get more specific on the time allocation. Hendricks, would it make a difference? Robertson, replies, it could be a bit more, \$15,000 - \$20,000.

[2:16:03 PM](#) Bradshaw it is not a fully allocated FTE, 1 person does LOT full time.

[2:16:49 PM](#) Haemmerle, interest is to bring visitors here, seems contradictory to the purpose.

[2:17:25 PM](#) Hendricks, should we use the same method. Haemmerle responds, doesn't seem to be worth it to do it the same way. Hendricks agrees with Haemmerle,

understanding that Ketchum has biggest burden, is it important to use the same method.

OLD BUSINESS ITEM NUMBER 3:

[2:18:47 PM](#) Continuation of discussion and possible action regarding a review and scope of work for an audit of FSVA and SVMA.

Robertson, was on December SVASB meeting, while Jonas was on board. We need to determine size and scope, how in depth do you want? Before staff could do RFPs we need input from you the board.

[2:20:15 PM](#) Bradshaw thinks it is a good idea to do an audit for the taxpayers. Bradshaw is happy to pick up his equivalent share of the audit for Fly Sun Valley Alliance, relative costs, \$66,000 versus \$8,000 and \$7,000 for Sun valley and Hailey.

[2:21:24 PM](#) Hendricks responds, Fly Sun Valley Alliance should pay for the audit themselves. The scope of the audit should be similar to what Dennis Brown performs for us, so it should be a similar cost. If we have other questions, then address those later. Hendricks suggests that Dennis Brown perform the audit and a closer audit if warranted by results.

Bradshaw is okay with this approach.

Haemmerle asked if Fly Sun Valley Alliance (FSVA) or Sun Valley Marketing Alliance (SVMA) has any comments.

[2:22:39 PM](#) Eric Seder, with FSVA speaks, he's not sure he knows what the auditor does, but he is sure they have no objection to an audit.

[2:23:28 PM](#) Haemmerle we are half way through this year, maybe next year have the audit before we adopt the next contract.

[2:23:50 PM](#) Hendricks how long does audit take? Robertson, usually the auditor works during the November December months. Hendricks which audit year would it be for? Robertson replies, it would be for FY17/18 and Dennis Brown could bill each agency for their audit costs.

[2:24:46 PM](#) Scott Fortner with Sun Valley Marketing Alliance (SVMA) replies, we provide a report on yearly basis already to our funding partners. We are going through the RFP process now to hire someone to do the annual report. This annual report is a requirement of a grantee.

Hendricks is good with the FY18 audit. Haemmerle is also okay with it. Haemmerle then asks FSVA and SVMA if they are okay with the audit? Seder confirmed, yes. Fortner replied yes. Bradshaw is okay with this too.

Carol Waller with FSVA asked if the audit would be for the FY18? Their fiscal year end is Sept 30th.

[2:25:48 PM](#) Robertson comes to this board with budget information in July, you will talk about budget and audit at that time.

Old Business item number 4, Discussion of contract with FSVA.

[2:26:05 PM](#) Haemmerle opens this item, there is a redlined and clean version on page 31 of the packet. Does anyone have any questions on the contract?

[2:26:39 PM](#) Hendricks on page 21, looking at the redlined version, under 5. Consideration, ASB will reimburse....as a not to exceed on exhibit B, page 29, \$1,268,000, when you go down to page 22, under C. Limitation of Funds, annual FSVA pays pursuant exhibit c, page 23, bottom of page section d, invoices and supporting docs., reimbursement of up to 50% Air Service contracts of cost. You come up with 1,268,000 and the Sun Valley Company pays 50%, then ASB pays...[2:28:48 PM](#) Waller jumped in to clarify, Sun Valley Company pays 50% of \$1,138,849, the other costs are paid for by ASB, the difference between \$1,138,849 and \$1,268,849.

[2:29:19 PM](#) Hendricks clarifies, Sun Valley Company pays 50%, and the other elements and other 50% are paid by ASB?
Lastly, is the MRG acronym an industry standard. It's more than revenues right asks Hendricks?

[2:30:31 PM](#) Dick Fenton replies, it is revenue to cover cost plus marketing.

[2:30:58 PM](#) **Motion to approve contract with FSVA as presented by Bradshaw, Hendricks seconds. Motion passed with roll call vote. Bradshaw, yes. Hendricks, yes. Haemmerle, yes.**

NEW BUSINESS/REPORTS:

[2:31:51 PM](#) Haemmerle opens this item, there are 3 invoices.

[2:32:13 PM](#) **Hendricks moves to approve payment of bills as presented, Bradshaw seconds. Motion passed with roll call vote. Bradshaw, yes. Hendricks, yes. Haemmerle, yes.**

[2:32:34 PM](#) With no further business to conduct, Bradshaw moves to adjourn meeting, Hendricks seconds, motion passed unanimously.

Fritz Haemmerle, Chairman

ATTEST:

Neil Bradshaw, Secretary/Treasurer

**Sun Valley Air Service Board
1% Local Option Tax Report
December 2017 and January 2018**

1% LOT Generated	1% LOT Received	1% LOT Contribution				Expenses		Funds for Contracts
		Sun Valley	Ketchum	Hailey	TOTAL	Communities' Direct Costs	SVASB Administritive Budget	
Fund Balance								
Oct-17	Dec-17	28,376.50	131,270.25	4,387.28	164,034.03	-6,292.22	-2,893.00	154,848.81
Nov-17	Jan-18	24,640.11	123,216.81	4,585.85	152,442.77	-6,297.76	-83.00	146,062.01
Dec-17	Feb-18	67,476.35	290,166.67	7,352.25	364,995.26	-6,375.22	-83.00	358,537.04
Jan-18	Mar-18	48,599.90	170,447.49	10,571.74	229,619.13	-6,465.37	-83.00	223,070.76
Feb-18	Apr-18						-83.00	
Mar-18	May-18						-83.00	
Apr-18	Jun-18						-583.00	
May-18	Jul-18						-83.00	
Jun-18	Aug-18						-83.00	
Jul-18	Sep-18						-83.00	
Aug-18	Oct-18						-83.00	
Sep-18	Nov-18						-15,083.00	
Total		169,092.86	715,101.22	26,897.11	911,091.20	(25,430.57)	(19,306.00)	

1% LOT Generated	1% LOT Received	Funds for Contracts	Fly SV Alliance				SVMA				
			% of Available Funds Owed	Funds for Contract	Invoiced Amount	Available Funds	% of Available Funds Owed	Funds for Contract	Invoiced Amount	Available Funds	
Fund Balance											
Oct-17	Dec-17	154,848.81	20%	30,969.76		30,969.76	80%	123,879.05		123,879.05	
Nov-17	Jan-18	146,062.01	20%	29,212.40	59,982.16	200.00	80%	116,849.61	239,928.65	800.00	
Dec-17	Feb-18	358,537.04	20%	71,707.41		71,907.41	80%	286,829.63		287,629.63	
Jan-18	Mar-18	223,070.76	20%	44,614.15		116,521.56	80%	178,456.61		466,086.24	
Feb-18	Apr-18		20%				80%				
Mar-18	May-18		80%				20%				
Apr-18	Jun-18		80%				20%				
May-18	Jul-18		80%				20%				
Jun-18	Aug-18		80%				20%				
Jul-18	Sep-18		80%				20%				
Aug-18	Oct-18		80%				20%				
Sep-18	Nov-18		Bal of Cont				Bal of Cont				
Total				176,503.16				706,014.90			

SUN VALLEY AIR SERVICES BOARD

INVOICES TO BE PAID

Through March 23, 2018

Fly Sun Valley Alliance	December 2017 LOT Invoice	\$ 71,907.41
Fly Sun Valley Alliance	January 2018 LOT Invoice	44,614.15
Sun Valley Marketing Alliance	December 2017 LOT Invoice	287,629.63
Sun Valley Marketing Alliance	January 2018 LOT Invoice	178,456.61
JML Publishing	Invoice for Website Hosting	240.00
TOTAL		\$582,847.80

Fly Sun Valley Alliance Inc.

PO Box 6316

Invoice

Date	Invoice #
12/31/2017	201

Bill To
Sun Valley Air Service Board Attn: Grant G & Kathleen S City of Ketchum

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
	1% LOT December 2017 - Feb 2018 FSVA Contract Services	71,907.41	71,907.41
		Total	\$71,907.41



TO: SUN VALLEY AIR SERVICE BOARD

CONTRACT SERVICES RENDERED – February 2018

AIR SERVICE

AIR SERVICE DEVELOPMENT

- Reviewed/monitored/analyzed weekly flight booking reports; monthly reports
- Ongoing research/analysis of seat, enplanements, load factors; for SUN and competitive markets
- Continued strategic planning/analysis regarding future air service needs/opportunities
- Continued discussions/planning with airlines regarding current and future service; contracts, etc.
- Monitored diversion busing program; continued implementation of various enhanced communication systems for passengers, stakeholders.
- Planning for upcoming airline meetings at Mead & Hunt Air Service Conference in March
- Ongoing communication/meetings with airlines, M&H consultant, FMAA, customers, stakeholders
- Prepared materials for Air Service Board reports, invoices, etc. Attended meetings as needed
- Worked with VSV and other marketing partners on air service marketing efforts in key markets

LOCAL AIR MARKETING/COMMUNITY OUTREACH

- Provided information via monthly FSVA Enews and ongoing social media channels; updated website
- Created/coordinated/executed FSVA/FMA joint local public outreach campaign via local publications
- Created/executed ongoing FSVA local marketing/ PR for air service (*print, digital*)
- Attended various community and stakeholder meetings to continue information outreach efforts
- Provided information regarding air service to inquiries from local and other travelers

RESEARCH/OTHER

- Continued winter SUN Air Passenger survey collection
- Worked on analysis of survey data from FSVA summer/fall air passenger survey, VSV summer visitor survey and other survey data from industry and competitor resort destinations.
- Continued work on compiling/tracking relevant news and comparative data and information of air service

Fly Sun Valley Alliance Inc.

PO Box 6316

Invoice

Date	Invoice #
1/31/2018	202

Bill To
Sun Valley Air Service Board Attn: Grant G & Kathleen S City of Ketchum

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
	1% LOT January 2018 - March 2018 FSVA Contract Services	44,614.15	44,614.15
		Total	\$44,614.15



TO: SUN VALLEY AIR SERVICE BOARD

CONTRACT SERVICES RENDERED – March 2018

AIR SERVICE

AIR SERVICE DEVELOPMENT

- Reviewed/monitored/analyzed weekly flight booking reports; monthly reports
- Ongoing research/analysis of seat, enplanements, load factors; for SUN and competitive markets
- Continued strategic planning/analysis regarding future air service needs/opportunities
- Continued discussions/planning with airlines regarding current and future service; contracts, etc.
- Finalizing summer 2018 Air Service Contract with United for SFO and DEN flights.
- Monitored diversion busing program; continued implementation of various enhanced communication systems for passengers, stakeholders.
- Attended Mead & Hunt Air Service Conference; met with current and potential airline partners
- Ongoing communication/meetings with airlines, M&H consultant, FMAA, customers, stakeholders
- Worked with airport on strategic planning efforts re: landing approach procedure to improve reliability
- Prepared materials for Air Service Board reports, invoices, etc. Attended meetings as needed
- Worked with VSV and other marketing partners on air service marketing efforts in key markets

LOCAL AIR MARKETING/COMMUNITY OUTREACH

- Provided information via monthly FSVA Enews and ongoing social media channels; updated website
- Created/published SUN 2018 Summer/Fall Air Service Schedule, distributed to all key partners
- Created/coordinated/executed FSVA/FMA joint local public outreach campaign via local publications
- Created/executed ongoing FSVA local marketing/ PR for air service (*print, digital*)
- Attended various community and stakeholder meetings to continue information outreach efforts
- Provided information regarding air service to inquiries from local and other travelers

RESEARCH/OTHER

- Continued winter SUN Air Passenger survey collection
- Continued work on compiling/tracking relevant news and comparative data and information of air service

SUN VALLEY MARKETING ALLIANCE, INC.

PO Box 4934
Ketchum, ID 83340
208-726-3423
Scott@VisitSunValley.com
www.visitsunvalley.com

Invoice



BILL TO
Air Service Board PO Box 3801 Ketchum, ID 83340

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
967	03/22/2018	\$287,629.63	04/21/2018	Net 30	

ACTIVITY	QTY	RATE	AMOUNT
Air Service Board Air Service Board Contract - Add'l 1% LOT for Direct Air Service Marketing December 2017	1	287,629.63	287,629.63

Thank you for your continued support of Visit Sun Valley!

BALANCE DUE

\$287,629.63

SUN VALLEY MARKETING ALLIANCE, INC.

PO Box 4934
Ketchum, ID 83340
208-726-3423
Scott@VisitSunValley.com
www.visitsunvalley.com

Invoice



BILL TO
Air Service Board PO Box 3801 Ketchum, ID 83340

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
968	03/22/2018	\$178,456.61	04/21/2018	Net 30	

ACTIVITY	QTY	RATE	AMOUNT
Air Service Board Air Service Board Contract - Add'l 1% LOT for Direct Air Service Marketing January 2018	1	178,456.61	178,456.61

Thank you for your continued support of Visit Sun Valley!

BALANCE DUE

\$178,456.61



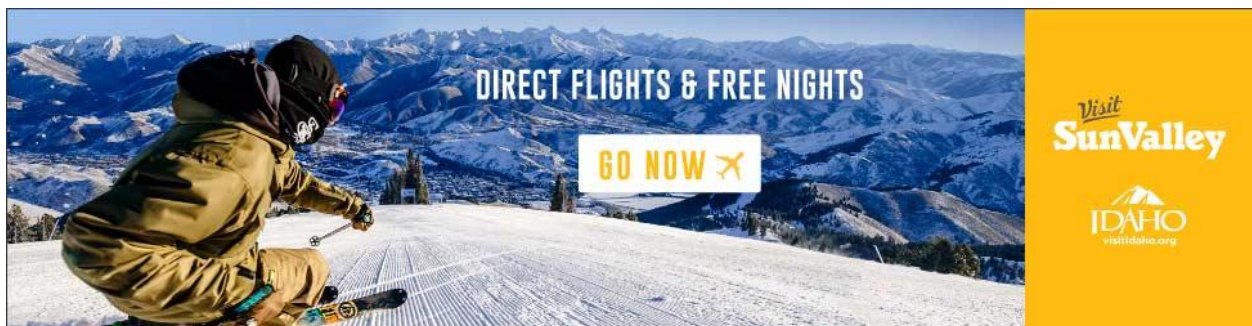
PO Box 4934, Ketchum ID 83340 | T- 208 726 3423 1 800 634 3347 F- 208 726 4533 | visitsunvalley.com

February 2018 Updates

- Sun Valley DestiMetrics:
 - Occupancy:
 - December 34.3% vs. 41.4% in 2016—17.2% decrease
 - January 36.7% vs. 35.1% in 2016—4.7% increase
 - ADR:
 - December \$313 v. \$206 in 2016—51.7% increase
 - January \$242 in January vs. \$190 in 2016—27.6% increase
 - NEW report available feat. Room Nights Sold
 - 11 properties reporting
- [Facebook](#) fans: 4,299 | December gained +696, January +778
- [Instagram](#) followers: 10,700 (gained 500 since January)
- [Website](#) sessions for winter (Nov 1st – February 12th) to visitsunvalley.com were up +2% compared to the same period in 2016/2017.
- Visit Sun Valley DMO page on [TripAdvisor](#) saw a 56% increase in page views from December to January as we built in the brunt of the winter season

Marketing & Advertising

- Orchestrated a collaborative [lodging special](#) for the last part of the ski season
 - Free night stay when you booked 3 or 4 nights
 - Collaborated with [Ski.com](#) to be the central booking site to take reservations
 - Promoting special with digital ad placements through Backbone Media



Visit SunValley

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OPENSNOW

Weekly forecasts, promos, & news

Wed Ngt - Sat Snowfall (in)	Low	High	
East Side (Mt. Rose, Diamond Peak, Heavenly)	6000'	29	31
	7000'	25	34
	8000'	28	37
	9000'	30	40
Central (Northstar)	6000'	31	37
	7000'	34	41
	8000'	37	44
West (Homewood, Bear Valley, Dodge Ridge)	6000'	38	43
	7000'	40	47
	8000'	44	52
Crest (Boreal, Sugar Bowl, Square/Alpine, Sierra, Kirkwood)	6000'	40	47
	7000'	44	52
	8000'	49	57
	9000'	55	62

DIRECT FLIGHTS & FREE NIGHTS

GO NOW ✈️



SunValley IDAHO

DIRECT FLIGHTS & FREE NIGHTS

GO NOW ✈️



Visit SunValley IDAHO

California: FEET of powder Thu/Fri/Sat

Here we go! This is a special storm because it will move slowly, bringing snow for three days, and it will also be cold, with snow-to-liquid ratios closer to 15-to-1 (that's fluffy snow). Safe travels and enjoy the deep powder!

[Read the forecast](#)

Free Nights in Sun Valley

Ditch the crowds, soak up the sun and shred some primo skiing in **Sun Valley, Idaho** this spring. Earn a free night of lodging when you book 3 or 4 nights at participating properties, got the kids skiing for free & fly non-stop from 7 major cities.

[Book Your Free Night Now](#)

4+ FEET OF SNOW IN FEBRUARY!

25% OFF lodging in Snowmass, CO 6 miles from Aspen airport

DESTINATION RESORTS SNOWMASS BOOK NOW

Dumping in Snowmass!



▶

The Snow Report Show: Olympic Recap





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- VICE News | [Clear, Dark Skies Are Disappearing in the US – Except in Rural Idaho](#)

Social Media

- Continual content building and distribution of Visit Sun Valley Facebook page
- [Internally composed and distributed a variety of blog pieces including:](#)
 - [Spring Break in Sun Valley, Idaho](#)
 - [Couples Weekend Getaway to Sun Valley](#)
 - [The Ultimate Guide to Snowshoeing in Sun Valley, Idaho](#)
 - [Three, One-of-a-Kind Winter Dining Experiences](#)
 - [Dine Around Sun Valley](#)
 - [Ice Ice Baby: Ice Skating & Hockey in Sun Valley, Idaho](#)
 - [Ditch the Car for Your Sun Valley Visit](#)
 - [Art in the Sky](#)
 - [The Independent Spirit of the Community Library](#)



JML Publishing

PO Box 3958
Hailey, ID 83333

Invoice

Date	Invoice #
2/26/2018	8007

Sun Valley Air Service Board
Lisa Enourato
P.O. Box 2315
Ketchum, ID 83340

Terms	Due Date
Due on receipt	2/26/2018

Description	Amount
1 year hosting SVAirServiceBoard.org	240.00
Total	\$240.00

*JML Publishing, website design & hosting
Thank you for your business, we truly appreciate it!*

Balance Due	\$240.00
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