

AGENDA
SPECIAL SUN VALLEY AIR SERVICE BOARD MEETING

SUN VALLEY CITY HALL
81 ELKHORN ROAD
SUN VALLEY, ID
May 28, 2015 - 2:00 P.M.

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

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 April 9, 2015; 1
- 2. Receive and File Financials:
 - a. 1% Local Option Tax Report – February 2015; 3
 - b. 1% Local Option Tax Report – March 2015; 4

PRESENTATIONS

- 3. Fly Sun Valley Alliance, Semi-Annual Report, Carol Waller; 5
- 4. Sun Valley Marketing Alliance, Semi-Annual Report, Arlene Schieven; 19

ACTION/DISCUSSION

- 5. Receive and File Allocation of Voting Rights Report for 2015; 44
- 6. Authorization of Payment of Bills on-hand through May 15, 2015; 45
- 7. Discussion regarding Handling of Administrative Costs; 55

EXECUTIVE SESSION – Pursuant to Idaho Code 9-340D(1) and 9-340D(6) to discuss a matter that pertains to the expansion of business operations and trade secrets.

ADJOURNMENT

Please Note: The agenda is subject to revisions. Any person in need of assistance to attend or participate should contact Hailey City Hall prior to the meeting at 788-4221. Air Service Board Packets are online at www.haileycityhall.org; www.sunvalley.govoffice.com; and www.ketchumidaho.org.

DRAFT

SPECIAL SUN VALLEY AIR SERVICE BOARD MEETING
SUN VALLEY CITY HALL
81 ELKHORN ROAD
SUN VALLEY, ID
April 9, 2015 – 2:00 P.M.

Members Present: Dewayne Briscoe – Mayor of Sun Valley
Nina Jonas – Mayor of Ketchum
Fritz Haemmerle – Mayor of Hailey

Members absent: Lawrence Schoen – Chair of Blaine County Commission

Staff present: Sun Valley City Administrator – Susan Robertson
Ketchum City Administrator – Suzanne Frick
Ketchum City Clerk – Sandy Cady

CALL TO ORDER

The Sun Valley Air Service Board meeting was called to order at 2:03 p.m. in Sun Valley City Hall.

PLEDGE OF ALLEGIANCE

Pledge led by Jack Sibbach.

PUBLIC COMMENT

None.

REMARKS FROM THE CHAIR

None.

REMARKS FROM THE BOARD

None.

CONSENT AGENDA

1. Approval of Air Service Board Minutes of January 29, 2015;
2. Receive and File Financials:
 - a. 1% Local Option Tax Report – December 2014 and January 2015;

Mayor Fritz Haemmerle requested the Consent Agenda items be divided for the vote, noting he intended to abstain from the first issue because he was not at the meeting.

Mayor Nina Jonas moved to approve the Air Service Board minutes of January 29, 2015, seconded by Mayor Dewayne Briscoe. A voice vote was taken. All in favor, with Mayor Fritz Haemmerle abstaining. The motion carried.

Mayor Fritz Haemmerle moved to approve the financials, seconded by Mayor Nina Jonas. A voice vote was taken. All in favor. The motion carried unanimously.

ACTION/DISCUSSION

3. Discussion and possible action regarding Caselle database for the Sun Valley Air Service Board;

Ketchum City Clerk Sandy Cady discussed a proposal to purchase an additional Caselle database for the City of Ketchum to use for Air Service Board accounting. She stated the proposal was for a total of \$1,000 – \$500 for the accounts payable database and \$500 for the general ledger database – to be exclusively used for the Air Service Board work. She noted that, if needed, it could wait until the next fiscal year’s budget.

Mayor Dewayne Briscoe asked the City Administrators for their opinions on the proposal. Both Suzanne Frick and Susan Robertson agreed it was beneficial but not critical for purchase during the current fiscal year.

Mayor Fritz Haemmerle moved to approve the purchase of the Caselle software database in the amount of \$1,000 using the current fiscal year’s budget, seconded by Mayor Nina Jonas. A voice vote was taken. All in favor. The motion carried unanimously.

4. Authorization of Payment of Bills on-hand through April 1, 2015;

Mayor Nina Jonas asked about the bill from Williamson Law Office regarding a contract amendment. Susan Robertson explained that Ned Williamson had researched whether a contract amendment with the Sun Valley Marketing Alliance would be necessary and determined it was not.

Mayor Nina Jonas stated she thought the various cities absorb some of the costs of administering the Board. The Board held a discussion with staff regarding how staff time and other external contract work was billed to the Board. Mayors Dewayne Briscoe and Fritz Haemmerle agreed that administrative costs for running the Board, especially as they relate to attorney fees, should be covered by the Board. The Board decided to place the issue of how administrative costs were handled on an upcoming agenda for further discussion.

Mayor Fritz Haemmerle moved to authorize payment of bills on hand through April 1, 2015, seconded by Mayor Nina Jonas. A voice vote was taken. All in favor. The motion carried unanimously.

EXECUTIVE SESSION

None called.

ADJOURNMENT

Mayor Nina Jonas moved to adjourn, seconded by Mayor Fritz Haemmerle. A roll call vote was taken. All in favor. The motion carried unanimously.

The meeting adjourned at 2:21 p.m.

Dewayne Briscoe, Chair

ATTEST:

Nina Jonas, Secretary/Treasurer

1% Local Option Tax Report - February 2015

CASH FLOW of 1% LOT for FY 2014 -15 (October 14 - September 15 revenues and receipt of funds)

SUN VALLEY	BEDS 3%	BEDS 1%	LIQUOR 3%	LIQUOR1%	RETAIL 2.6%	RETAIL1%			TOTAL 3%	TOTAL 1%	MINUS COST	SVASB NET
October	15,550.45	5,183.48	3,175.80	1,058.60	32,499.75	12,948.11			51,226.00	19,190.19	-512.69	18,677.50
November	12,187.45	4,062.48	2,173.98	724.66	23,400.37	9,573.77			37,761.80	14,360.91	-512.69	13,848.22
December	39,496.11	13,165.37	6,436.76	2,145.59	66,925.05	29,234.17			112,857.92	44,545.13	-512.69	44,032.44
January	31,281.02	10,427.01	4,747.42	1,582.47	46,823.04	20,029.62			82,851.48	32,039.10	-512.69	31,526.41
February	31,724.42	10,574.81	4,614.02	1,538.01	50,521.44	22,019.38			86,859.88	34,132.19	-512.69	33,619.50
March												
April												
May												
June												
July												
August												
September												
TOTAL	130,239.45	32,838.34	21,147.98	7,049.32	220,169.65	93,805.05			371,557.08	144,267.53	-2,563.45	141,704.08
*Note: Sun Valley Pd SVASB on Jan. 14, 2015 for Nov. the total 1% before the direct costs were subtracted in Jan '15. SV invoiced SVASB for the \$512.69 to be pd. on Jan. 29, 2015												
KETCHUM	BEDS 3%	BEDS 1%	LIQUOR 3%	LIQUOR1%	RETAIL 2%	RETAIL1%	BDLG 2%	BDLG1%	TOTAL	TOTAL 1%	MINUS COST	SVASB NET
October	16,035.35	5,345.11	20,720.76	6,906.92	153,959.95	76,979.98	47,319.36	23,659.68	238,035.42	112,891.69	-5,471.08	107,420.61
November	12,229.06	4,076.35	15,425.46	5,141.82	154,173.15	77,086.57	45,125.11	22,562.55	226,952.78	108,867.29	-5,471.08	103,396.21
December	40,324.02	13,441.34	38,765.12	12,921.71	373,810.68	186,905.34	39,413.81	19,706.91	492,313.63	232,975.29	-5,471.08	227,504.21
January	33,441.66	11,147.22	30,189.45	10,063.15	226,039.45	113,019.73	34,439.17	17,219.59	324,109.73	151,449.68	-5,471.08	145,978.60
February	30,662.41	10,220.81	39,475.54	13,158.51	251,305.78	125,652.89	27,073.59	13,536.79	348,517.32	162,569.00	-5,471.08	157,097.92
March												
April												
May												
June												
July												
August												
September												
TOTAL	132,692.50	44,230.83	144,576.33	48,192.11	1,159,289.01	579,644.51	193,371.04	96,685.51	1,629,928.88	454,734.27	-27,355.40	438,321.03
HAILEY	BED/CAR3%	BED/CAR1%							TOTAL	TOTAL 1%	MINUS COST	SVASB NET
October	12,691.14	4,230.38								4,230.38	-118.45	4,111.93
November	7,101.45	2,367.15								2,367.15	-66.28	2,300.87
December	13,481.34	4,493.78								4,493.78	-125.83	4,367.95
January	25,612.11	8,537.37								8,537.37	-239.05	8,298.32
February	17,063.46	5,687.82								5,687.82	-159.26	5,528.56
March												
April												
May												
June												
July												
August												
September												
TOTAL	75,949.50	25,316.50								25,316.50	-708.87	24,607.63
									TOTAL FY	624,318.30	-30,627.72	604,632.74

1% Local Option Tax Report - March 2015

CASH FLOW of 1% LOT for FY 2014 -15 (October 14 - September 15 revenues and receipt of funds)

SUN VALLEY	BEDS 3%	BEDS 1%	LIQUOR 3%	LIQUOR1%	RETAIL 2.6%	RETAIL1%			TOTAL 3%	TOTAL 1%	MINUS COST	SVASB NET
October	15,550.45	5,183.48	3,175.80	1,058.60	32,499.75	12,948.11			51,226.00	19,190.19	-512.69	18,677.50
November	12,187.45	4,062.48	2,173.98	724.66	23,400.37	9,573.77			37,761.80	14,360.91	-512.69	13,848.22
December	39,496.11	13,165.37	6,436.76	2,145.59	66,925.05	29,234.17			112,857.92	44,545.13	-512.69	44,032.44
January	31,281.02	10,427.01	4,747.42	1,582.47	46,823.04	20,029.62			82,851.48	32,039.10	-512.69	31,526.41
February	31,724.42	10,574.81	4,614.02	1,538.01	50,521.44	22,019.38			86,859.88	34,132.19	-512.69	33,619.50
March	32,555.02	10,851.67	4,062.53	1,354.18	40,151.21	16,432.99			76,768.76	28,638.84	-512.69	28,126.15
April												
May												
June												
July												
August												
September												
TOTAL	162,794.47	32,838.34	25,210.51	8,403.50	260,320.86	110,238.04			448,325.84	172,906.37	-3,076.14	169,830.23
*Note: Sun Valley Pd SVASB on Jan. 14, 2015 for Nov. the total 1% before the direct costs were subtracted in Jan '15. SV invoiced SVASB for the \$512.69 to be pd. on Jan. 29, 2015												
KETCHUM	BEDS 3%	BEDS 1%	LIQUOR 3%	LIQUOR1%	RETAIL 2%	RETAIL1%	BDLG 2%	BDLG1%	TOTAL	TOTAL 1%	MINUS COST	SVASB NET
October	16,035.35	5,345.11	20,720.76	6,906.92	153,959.95	76,979.98	47,319.36	23,659.68	238,035.42	112,891.69	-5,471.08	107,420.61
November	12,229.06	4,076.35	15,425.46	5,141.82	154,173.15	77,086.57	45,125.11	22,562.55	226,952.78	108,867.29	-5,471.08	103,396.21
December	40,324.02	13,441.34	38,765.12	12,921.71	373,810.68	186,905.34	39,413.81	19,706.91	492,313.63	232,975.29	-5,471.08	227,504.21
January	33,441.66	11,147.22	30,189.45	10,063.15	226,039.45	113,019.73	34,439.17	17,219.59	324,109.73	151,449.68	-5,471.08	145,978.60
February	30,662.41	10,220.81	39,475.54	13,158.51	251,305.78	125,652.89	27,073.59	13,536.79	348,517.32	162,569.00	-5,471.08	157,097.92
March	30,839.46	10,279.82	34,116.71	11,372.24	211,477.62	105,738.81	35,039.23	17,519.62	311,473.02	144,910.48	-5,471.08	139,439.40
April												
May												
June												
July												
August												
September												
TOTAL	163,531.96	54,510.65	178,693.04	59,564.35	1,370,766.63	685,383.32	228,410.27	114,205.13	1,941,401.90	454,734.27	-32,826.48	438,321.03
HAILEY	BED/CAR3%	BED/CAR1%							TOTAL	TOTAL 1%	MINUS COST	SVASB NET
October	12,691.14	4,230.38								4,230.38	-118.45	4,111.93
November	7,101.45	2,367.15								2,367.15	-66.28	2,300.87
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January	25,612.11	8,537.37								8,537.37	-239.05	8,298.32
February	17,063.46	5,687.82								5,687.82	-159.26	5,528.56
March	17,258.19	5,752.73								5,752.73	-161.08	5,591.65
April												
May												
June												
July												
August												
September												
TOTAL	93,207.69	31,069.23								31,069.23	-869.95	30,199.28
									TOTAL FY	658,709.87	-36,772.57	638,350.54



FY15 MID-YEAR REPORT WINTER RECAP & SUMMER UPDATE

May 2015

Presented To

**SUN VALLEY
AIR SERVICE BOARD**





FY15 GOALS & PERFORMANCE METRICS

- **Retain/Expand Current Air Service**
 - Retain contracted nonstop SEA, LAX, SFO, DEN flights
 - Optimize all air service schedules and frequency as feasible
 - Improve diversion bussing passenger experience in winter
- **Increase Load Factors & Enplanements**
- **Reduce Air Service Contract Costs**
 - Work with airlines & marketing partners to increase load factors & minimize air service contract costs. Reduce local market leakage
 - Work with airlines to make SUN fares as competitive as possible.
- **New Air Service**
 - Pursue new nonstop flight market for FY16
- **Research**
 - Conduct 1000+ air passenger surveys at SUN
 - Continue with competitive and economic impact analysis and studies



FY15 MID-YEAR UPDATE

FSVA Air Service Development Efforts

• Airline Meetings/Strategic Development

- Negotiated and secured optimized winter & summer air service contracts w/United and Alaska
- Continued discussions, analysis on performance, fares, etc. with airlines
- Continued pursuit of strategic opportunities for enhanced/new future service
- Initiated improvements to diversion bussing for winter
- Weekly monitoring/tracking of bookings, competitive developments

• Local Air Marketing/Community Outreach

- Promotion in local and regional (southern ID) markets.
Encourage use of SUN as air gateway
- Keep community, stakeholders, consumers, media updated with information via Enews, website, social media, press releases, presentations, etc.
- Gather input from business on air service needs

• Research

- Air Passenger survey for winter 2015 season completed
- Other ongoing research studies, analysis, etc.

Alaska
Fly from Sun Valley!

Seattle from
\$89!* ONE WAY

Los Angeles
from
\$115!* ONE WAY

HURRY!
Book by May 4, 2015

Alaska Airlines offers nonstop flights to SUN from Seattle (SEA) and Los Angeles (LAX), beginning June 12.



FY15 YTD RESULTS & SUCCESS


Secured Expanded Contracted Service for Winter/Summer

- ❖ Maintained contract nonstop SEA, LAX, SFO winter & summer flights
- ❖ Added new United DEN-SUN winter 2014/15 service
- ❖ Made schedule adjustments to maximize service utilization, reduce costs

Improved Diversion Busing Operations & Customer Experience

- ❖ Newer motor coaches – standby busses & drivers
- ❖ Airport hosts in TWF/SUN - improved communication with passengers

❖ **MORE COMPETITIVE average business and leisure airfares to SUN**

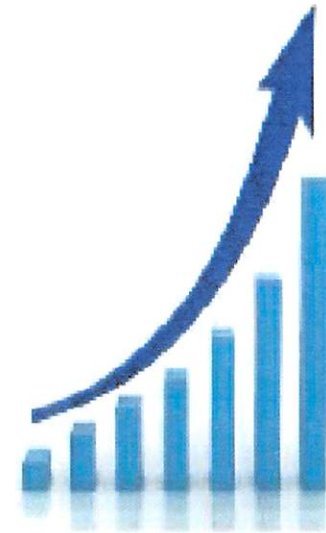
Fly SUN. 
Non-stop to DEN, LAX, SEA, SFO, SLC
ONE-STOP TO THE WORLD



FY15 YTD RESULTS & SUCCESS

2014/15 WINTER SEASON (Dec- April)

- 41,153 seats available - up 7%
- 29,995 enplanements - up 11%
- Average Load Factor: 73% - up 3 pts



Notes:

- Passengers/flights diverted to TWF and BOI not included in these stats
- Diverted and cancelled flights decreased this winter.

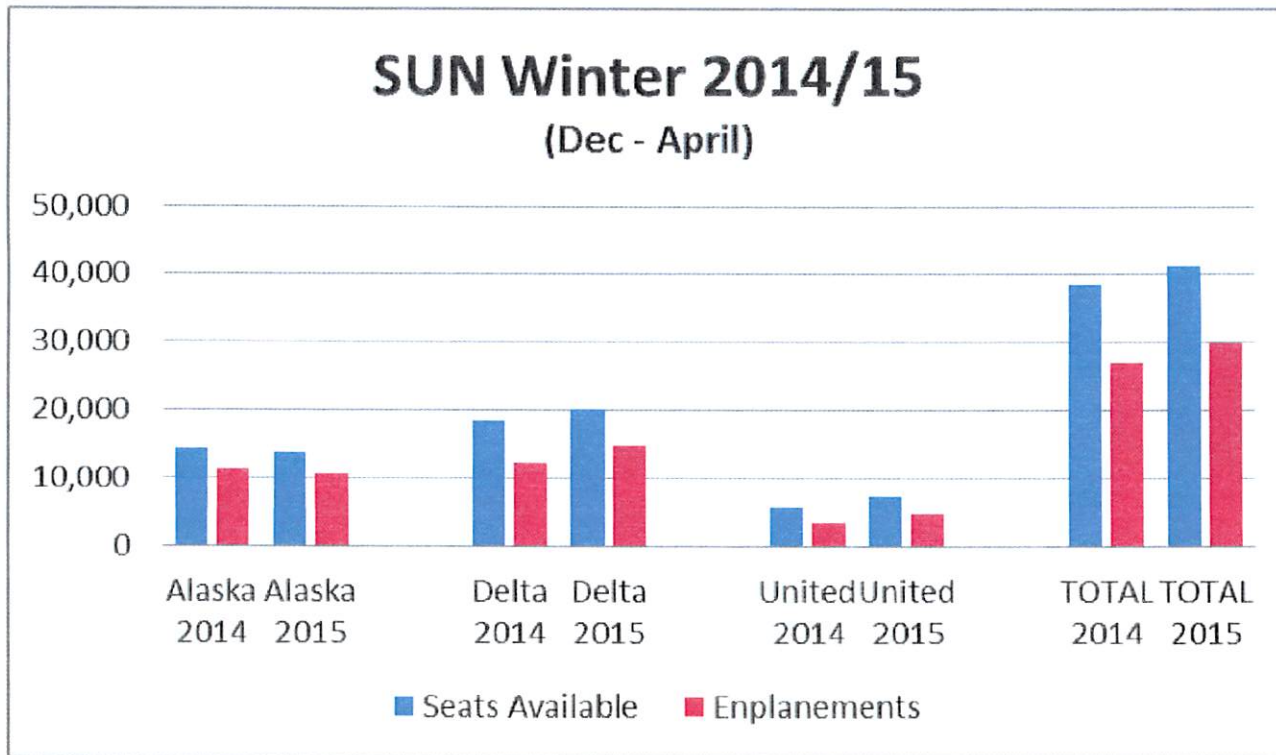
Average annual flight load factor at competing Rocky Mtn destinations: 65-75%



FY15 YTD RESULTS & SUCCESS

SUN Winter Stats – Continued Growth

Notes: Statistics do not include flights, passengers diverted to TWF or BOI in winter

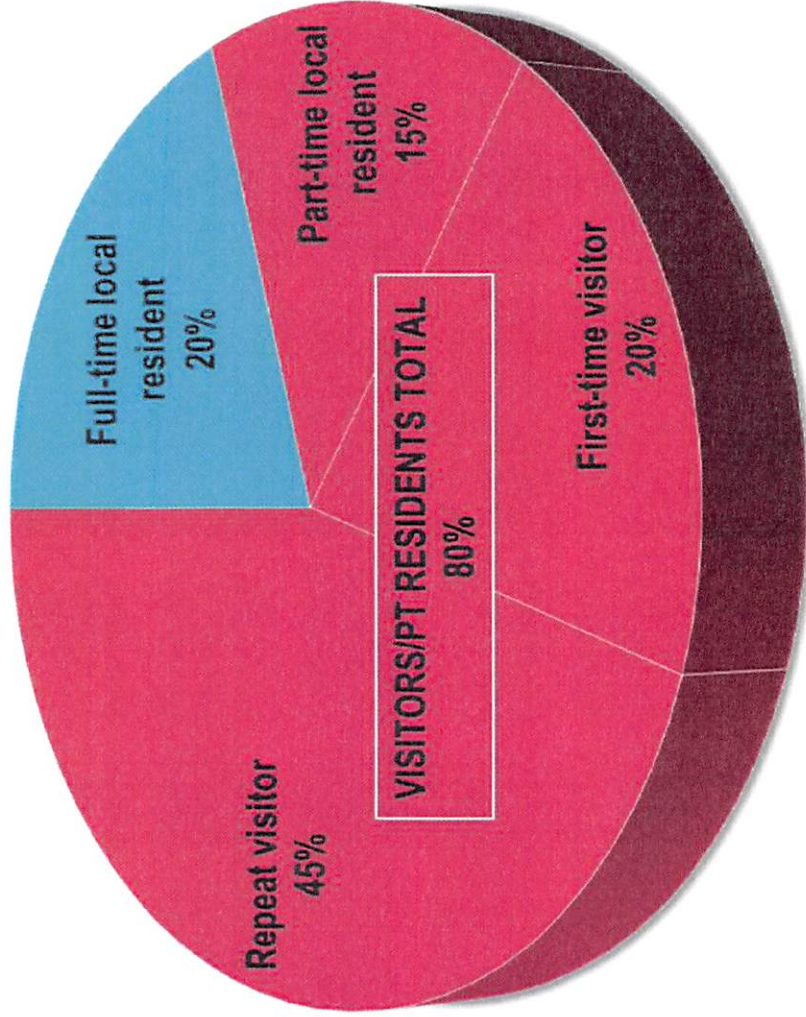


TOTAL WINTER DEC-APRIL	Alaska 2014	Alaska 2015		Delta 2014	Delta 2015		United 2014	United 2015		TOTAL 2014	TOTAL 2015	% Change
Seats Available	14,364	13,680	-5%	18,417	20,081	9%	5,676	7,392	30%	38,457	41,153	7%
Enplanements	11,258	10,604	-6%	12,298	14,641	19%	3,487	4,750	36%	27,043	29,995	11%
LF % Avg	78%	78%	0pts	67%	73%	10 7pts	61%	64%	3 pts	70%	73%	3 pts



FY15 WINTER RESULTS & SUCCESS

AIR PASSENGER MIX (Winter 2014.15)



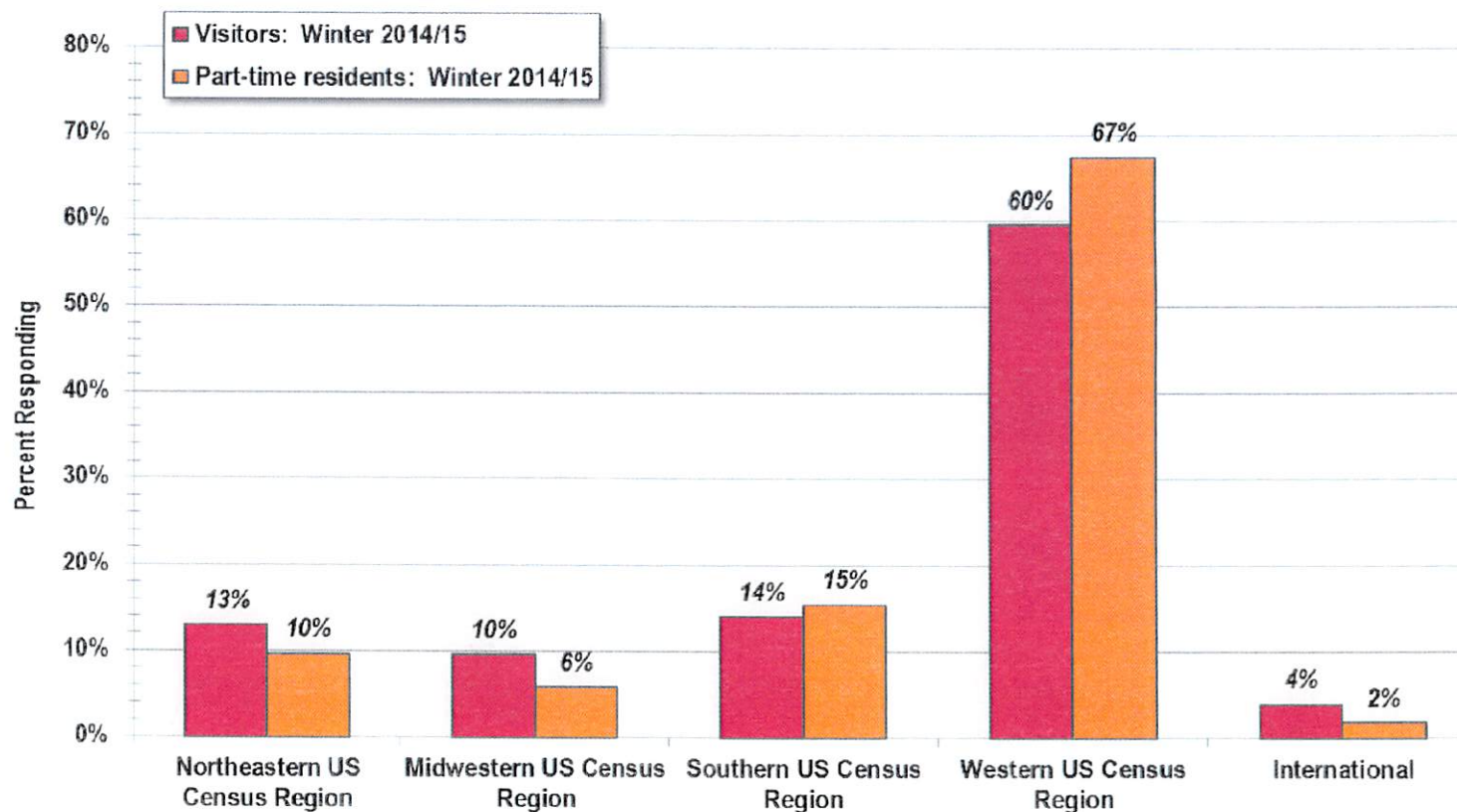
80% SUN Air Passengers were Visitors or PR residents/2nd Homeowners

• * Estimated from SUN Air Passenger surveys



FY15 WINTER RESULTS & SUCCESS

ALL VISITOR AIR PASSENGERS ORIGIN BY REGION

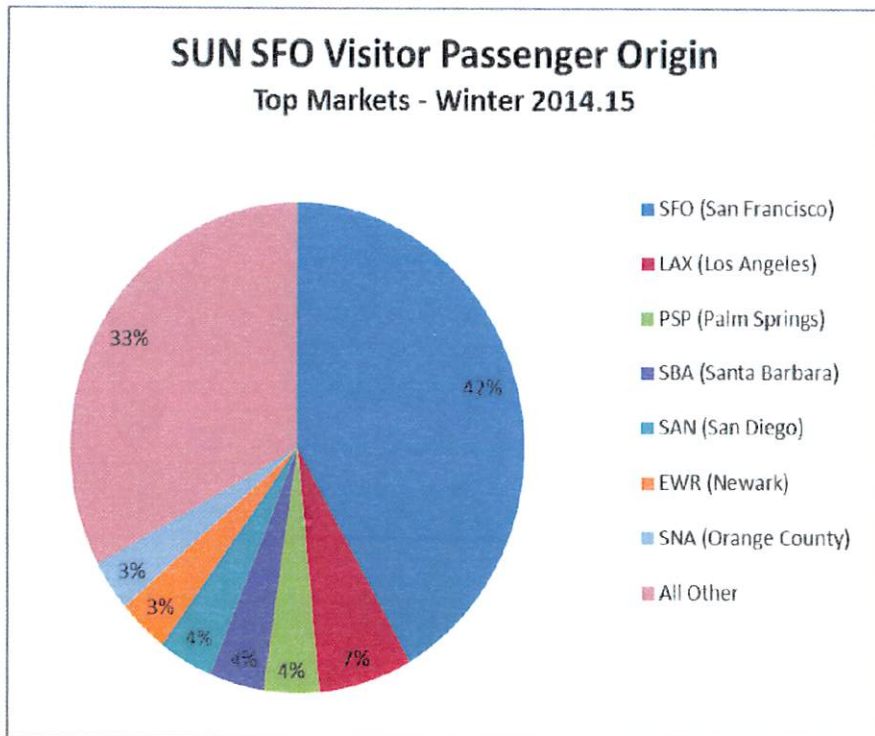




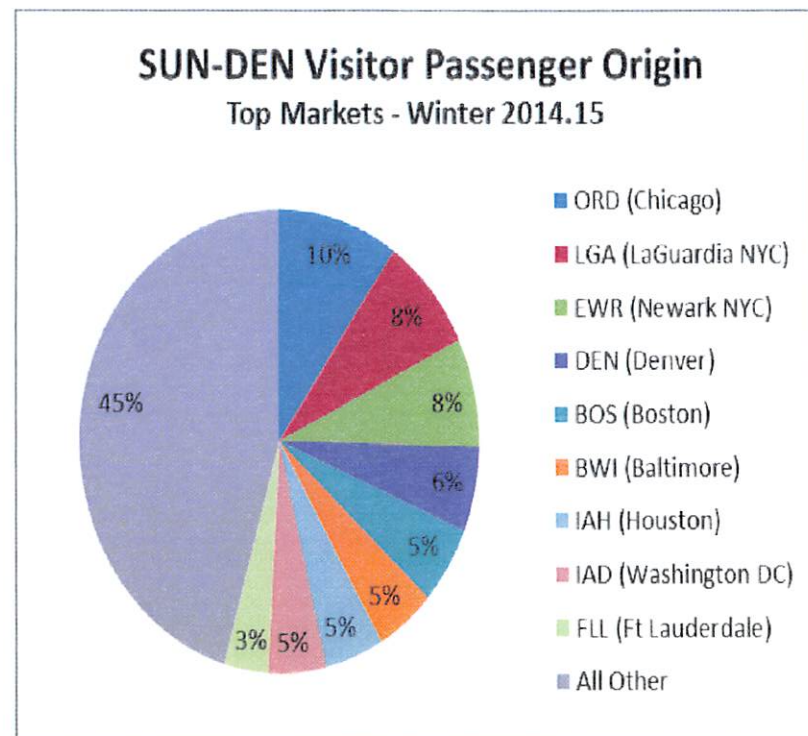
FY15 WINTER RESULTS & SUCCESS

VISITOR PASSENGER ORIGIN ON NEW FLIGHTS

Visitor Passenger Origin SFO Flights



Visitor Passenger Origin DEN Flights





FY15 YTD RESULTS & SUCCESS

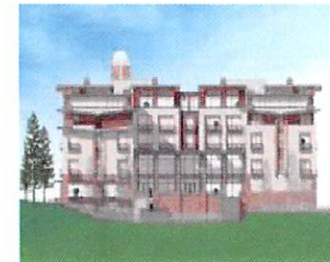
ECONOMIC IMPACTS

OTHER ECONOMIC IMPACTS OF IMPROVED AIR SERVICE

➤ Estimated \$150M + in new infrastructure investments and new jobs

Investment in new & renovated upscale hotel projects

- **Limelight Hotel - \$ 54M Construction Investment**
205 jobs during construction*; 57 jobs when open*
Opening fall of 2017
- **Auberge Resort: Sun Valley - \$55M Construction Investment**
100+ jobs during construction; 80+ jobs when open
Opening fall of 2017
- **Sun Valley Lodge renovation** – reopening June 15, 2015



Investment in SUN airport improvements

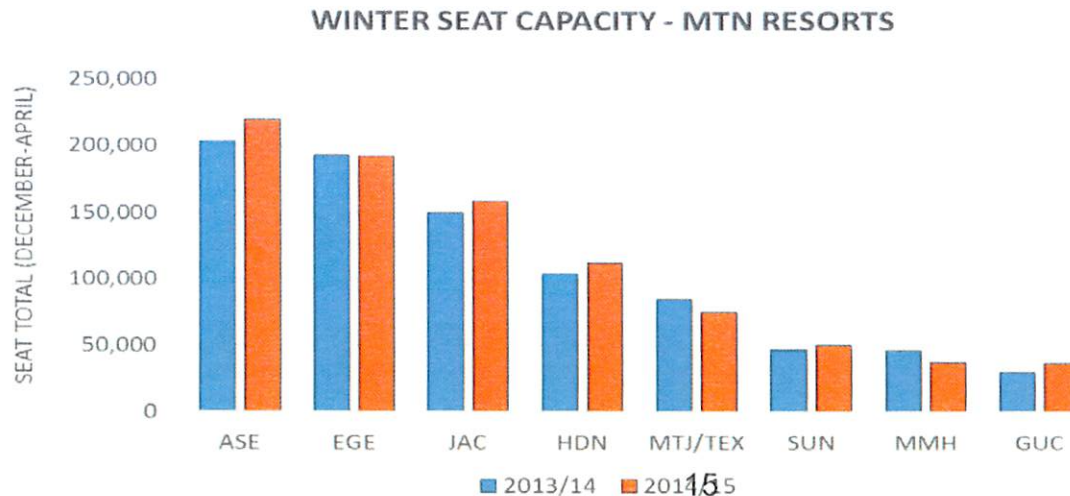
- \$34 million 30 jobs during construction



THE COMPETITION

We are successfully expanding our air service but so is our competition. This past winter.....

- **Sun Valley:** added Denver winter - 5 nonstop cities
- **Jackson Hole:** added Washington DC – 13 nonstop cities
- **Steamboat:** added Washington DC, San Francisco – 11 nonstop cities
- **Vail:** added Salt Lake City – 11 nonstop cities
- **Telluride/Montrose:** added San Francisco, Phoenix – 10 nonstop cities
- **Mammoth:** added Denver, Las Vegas – 6 nonstop cities





SUMMER FY15 UPDATE

- SUN Airport re-opened in May with terminal addition/airfield redesign
Big investment which will have safety and economic dividends for years
- FSVA negotiating with contract airlines for FY16 winter/summer service
- SUN Air Passenger Surveys for summer/fall will begin in mid-June
- Local marketing of SUN air service continuing
- Advance flight bookings running ahead of last summer – good sign

SUMMER/FALL 2015 SUN VALLEY (SUN) NON-STOP FLIGHT SCHEDULE

AIRLINE	CITY	AIRPORT	PLANE	DEPARTS CITY	ARRIVES SUN	DEPARTS SUN	ARRIVES CITY	FREQUENCY	DATES
Alaska Airlines www.alaskaair.com	Los Angeles	LAX	Q400	1:35pm	5:00pm	11:20am	12:55pm	Daily	June 12-Sept 7
				1:35pm	5:00pm	11:20am	12:55pm	Th/Fri/Sun	Sept 10-20
	Seattle	SEA	Q400	8:10am	10:50am	5:35pm	6:23pm	Daily	June 12-Sept 21
				11:50am	2:30pm	3:00pm	4:00pm	Th/Fri/Sun	Sept 24-Oct 18
DELTA www.delta.com	Salt Lake City	SLC	CRJ700	11:15am	12:25pm	6:50am	7:53am	Daily	Year-round
				9:50pm	10:49pm	1:00pm	2:00pm	Daily	Year-round
				4:10pm	5:19pm	5:55pm	6:57pm	Sat/Sun only	June 13-Aug 30 (except 7/4)
UNITED www.united.com	Denver	DEN	CRJ700	6:45pm	8:35pm	7:15am	9:00am	Daily	June 26-Aug 22
								5x week	Aug 23-Sept 7
	(no Tues/Wed to SUN, no Wed/Thurs from SUN)								
	San Francisco	SFO	CRJ700	4:00pm	6:50pm	8:10am	9:25am	Daily	June 26-Aug 22
							5x week	Aug 23-Sept 7	
(no Tues/Wed to SUN, no Wed/Thurs from SUN)									

Flight times and dates are approximate and subject to change.
Airline and independent booking resources should be checked for accurate flight schedules and times.





FSVA AIR SERVICE PARTNERS

FLY SUN VALLEY ALLIANCE SUN VALLEY AIR SERVICE KEY PARTNERS



Plus.....

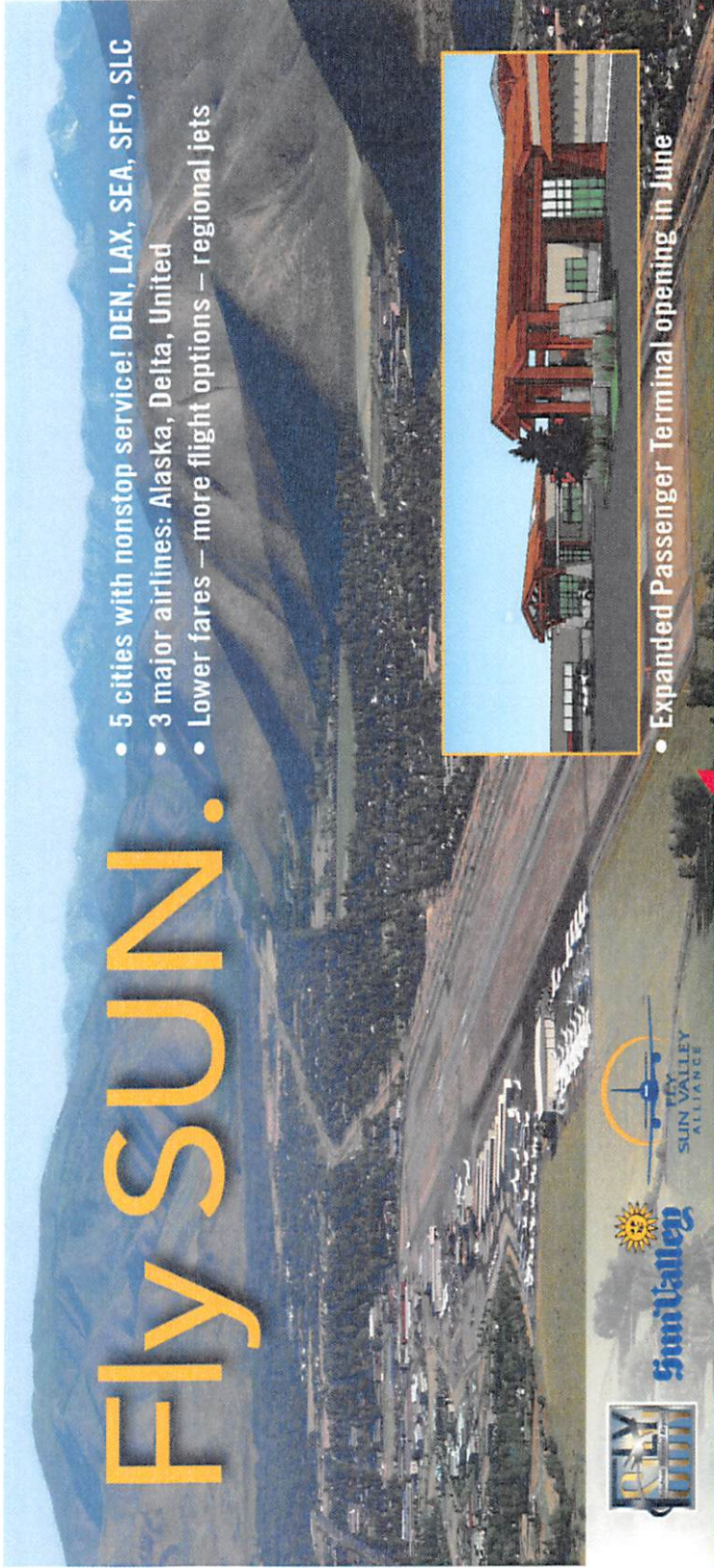
The Wood River Valley Community
Over 50 Local Businesses



AIR SERVICE = BUSINESS

We are making great progress - more to come.

THANK YOU



FLY SUN.

- 5 cities with nonstop service! DEN, LAX, SEA, SFO, SLC
- 3 major airlines: Alaska, Delta, United
- Lower fares — more flight options — regional jets



• Expanded Passenger Terminal opening in June



Sign up for email alerts on Flight Deals & News:

www.flysunvalleyalliance.com
www.iflysun.com

Check SUN Fares First —
Book Early & Save!

Fly SUN. ✈️

Non-stop to DEN, LAX, SEA, SFO, SLC
ONE-STOP TO THE WORLD



Visit Sun Valley Semi-Annual Update for the Air Service Board

May 28, 2015



Agenda



- Recap of Winter 2014/15
- Upcoming marketing programs for Summer 2015



Winter 2014/15



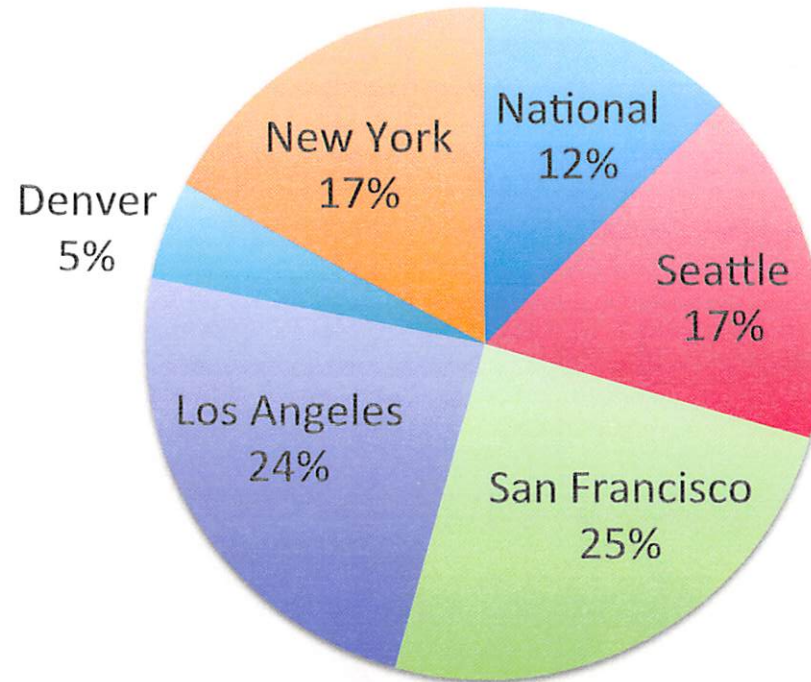
Winter 2014/15



- First winter with additional 1% funds
- \$650K (\$500K from ASB budget) compared to \$310K last winter
- Target markets: Seattle, San Francisco, Los Angeles, National, Denver, New York
- Results:
 - Nov +35%
 - Dec +11%
 - Jan +9%
 - Feb +2%
 - Mar +19%
 - Winter Overall +13%



Budget by Market



Media Plan Overview



- Print (air service markets only):
 - Seattle Met
 - Seattle Weekly
 - LA Weekly
 - SF Weekly
 - The Ski Journal
 - Skiing
 - Conde Nast Traveler
 - Mountain Living



Media Plan Overview



- Digital:
 - [OnTheSnow.com](#)
 - [Backcountry.com/Steepandcheap.com](#)
 - [Pixelmags](#)
 - [TravelSpike](#)
 - [iExplore/Travel Mindset](#)
 - [AFAR](#)
 - [YuME](#)
 - [SnoCountry.com](#)
 - [National Geographic.com](#)
 - [Tetongravity.com](#)



SEEK *purity* ■

The clarity of knowing this is all there ever needed to be. Return to simplicity.
Embrace the moment because it is as it always has been.

BOOK NOW FOR THE BEST LOGGING
AT VISITSUNVALLEY.COM

Visit
SunValley



IDAHO
www.visitidaho.org

SEEK *authenticity*

In a world mired in the manufactured, you can still find one experience that is true.

Visit **Sun Valley**
VisitSunValley.com

LOS ANGELES TO SUN VALLEY IN 2 1/2 HOURS.
NONSTOP FLIGHTS ALL WINTER.

IDAHO
www.visitidaho.org



SEEK *the moment.*

And then it happens. Everything comes together. Time seems to pause just long enough for you to realize - this is what it's all about.

IDAHO
www.visitidaho.org

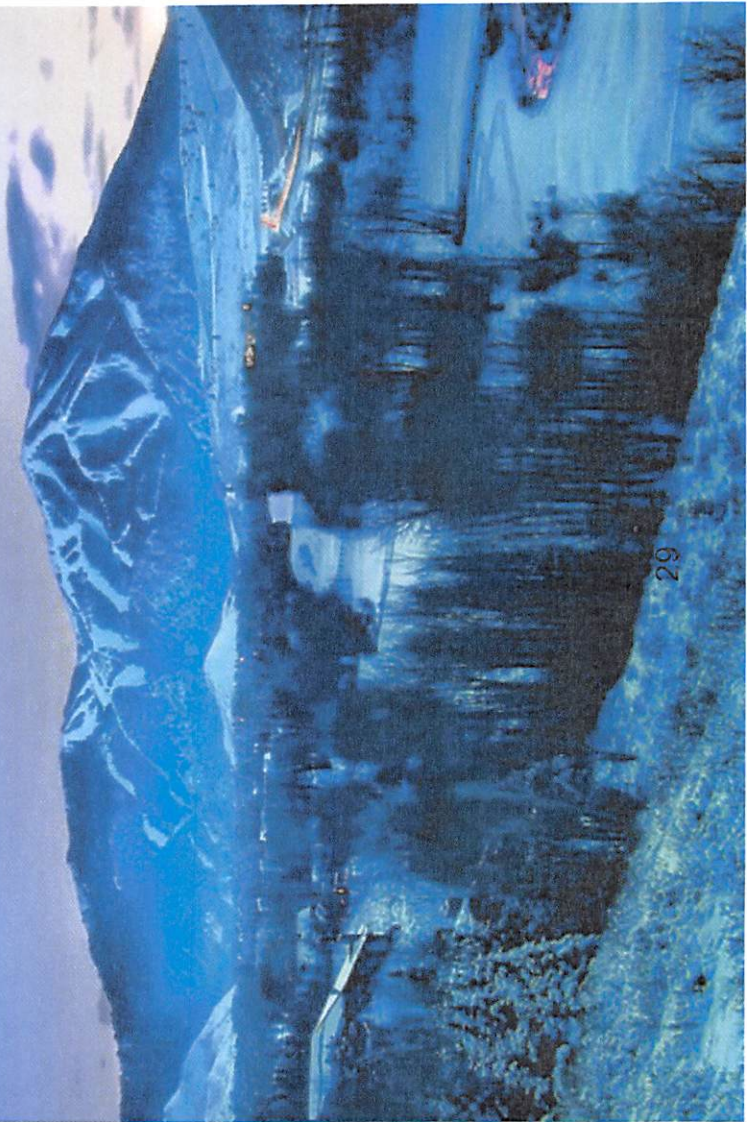
Visit
SunValley
VisitSunValley.com

SEEK *perspective*

Take a moment. Pause to breathe. See life for all it is. Because giving yourself a chance to reflect can reveal things you've never seen.

Visit
SunValley
VisitSunValley.com

SAN FRANCISCO TO SUN VALLEY IN 2 HRS
DAILY NON-STOP FLIGHTS ALL WINTER





SEEK *the moment* .

And then it happens. Everything comes together. Time seems to pause just long enough for you to realize – this is what it's all about.

Visit
SunValley
VisitSunValley.com

IDAHO
www.visitidaho.org



SEEK

the moment.

THIS IS WHAT IT
IS ALL ABOUT.

Visit
SunValley

[MORE INFO](#)

SEEK

the moment.

ROOMS FROM
\$99 / NIGHT

Visit
SunValley

[MORE INFO](#)

SEEK

the moment.

NONSTOP FLIGHTS
FROM LAX TO SUN

Visit
SunValley

[MORE INFO](#)

SEEK

the moment.

NONSTOP FLIGHTS
FROM SFO TO SUN

Visit
SunValley

[MORE INFO](#)

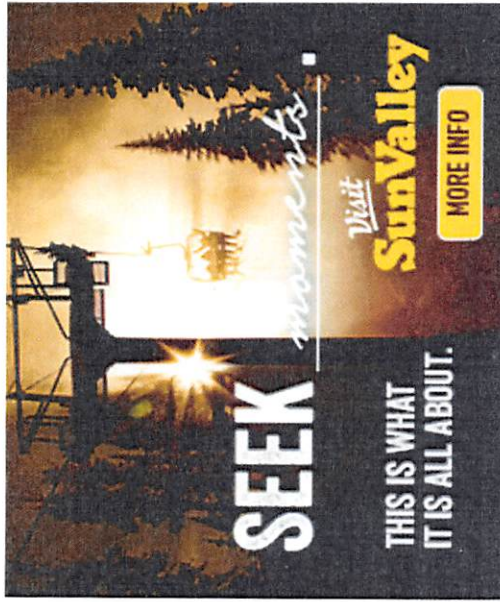
SEEK

the moment.

NONSTOP FLIGHTS
FROM SEA TO SUN

Visit
SunValley

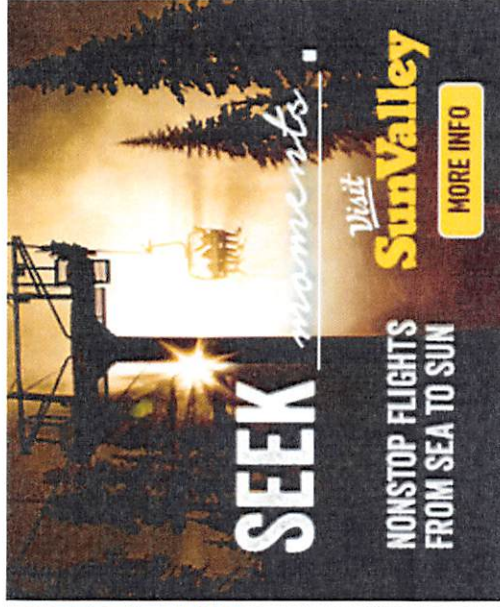
[MORE INFO](#)



SEEK *moments* .

Visit **SunValley**
[MORE INFO](#)

THIS IS WHAT
 IT IS ALL ABOUT.



SEEK *moments* .

Visit **SunValley**
[MORE INFO](#)

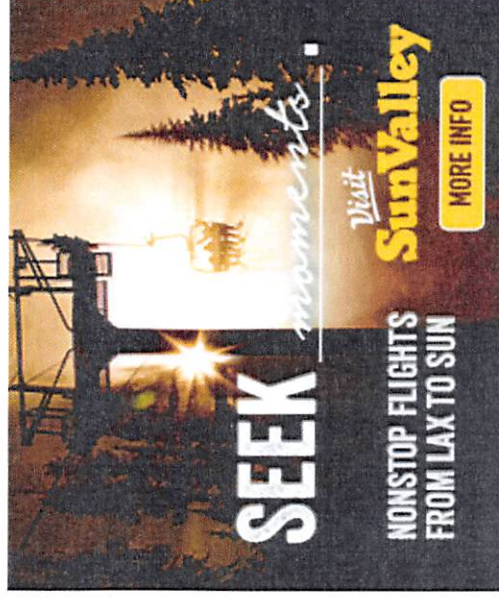
NONSTOP FLIGHTS
 FROM SEA TO SUN



SEEK *connectedness* .

Visit **SunValley**
[MORE INFO](#)

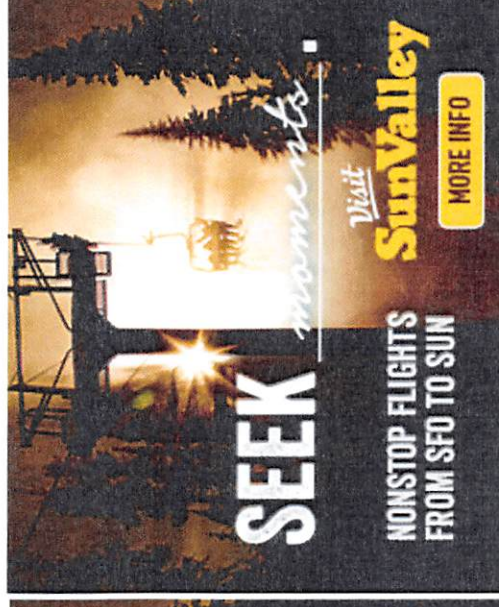
NONSTOP FLIGHTS
 FROM SFO TO SUN



SEEK *moments* .

Visit **SunValley**
[MORE INFO](#)

NONSTOP FLIGHTS
 FROM LAX TO SUN



SEEK *moments* .

Visit **SunValley**
[MORE INFO](#)

NONSTOP FLIGHTS
 FROM SFO TO SUN



SEEK *connectedness* .

Visit **SunValley**
[MORE INFO](#)

THIS IS WHERE
 YOU BELONG.



SEEK *perspective* .

SEE LIFE FOR
 ALL IT IS. ³²

Visit **SunValley**
[MORE INFO](#)

Summer 2015



Summer 15



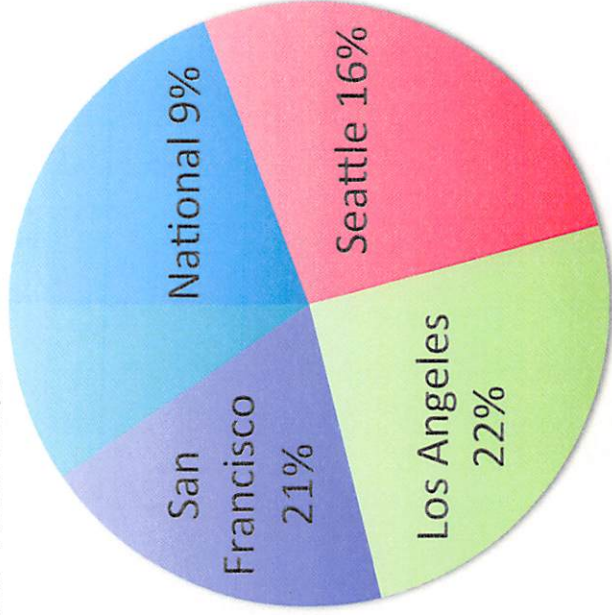
- Second summer with additional 1% funds
- \$450K (\$355K from ASB budget) compared to \$450K (all from ASB budget) last summer
- 86% digital; 14% print
 - Digital includes: e-newsletters, high impact digital, mobile, video and content
- Impressions (43 million approx.)
 - 96% digital; 4% print
- Target markets: Seattle, San Francisco, Los Angeles, National, Denver, New York



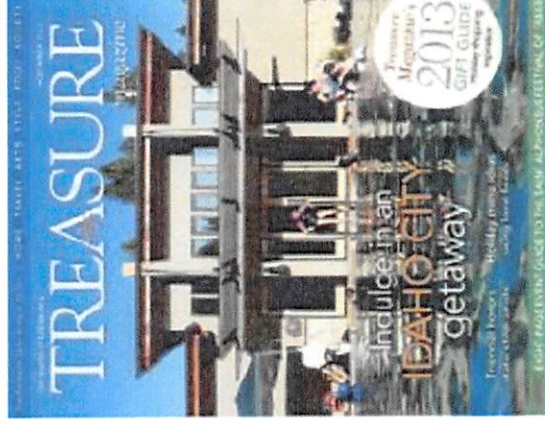
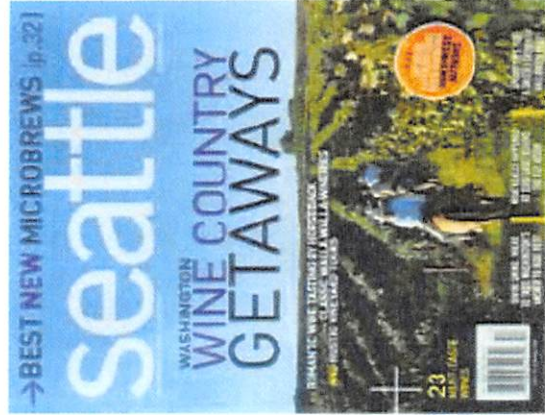
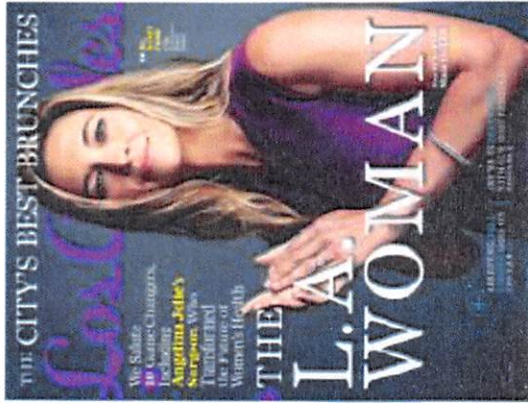
Budget by Market



New York 16%



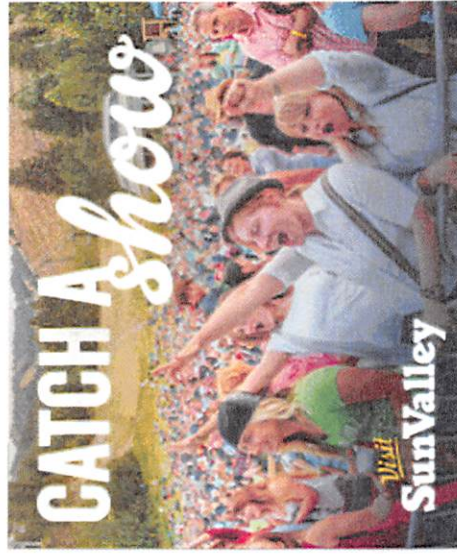
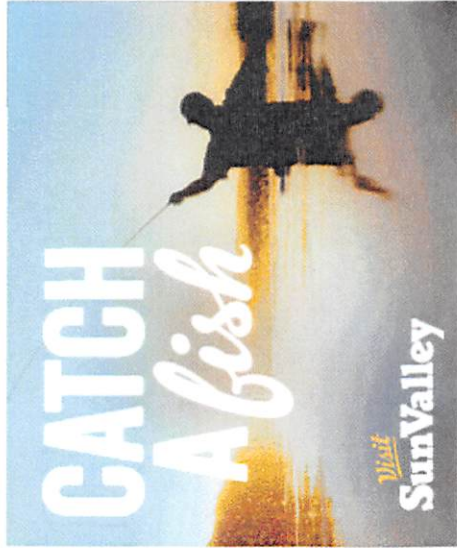
PRINT PARTNERS



Digital Partners

- **Backcountry.com** - *largest online retail group of premium outdoor gear and apparel in the world*
- **Pandora** - *highest reach of any audio product in most markets in the US*
- **FastG8** – *real time targeting*
- **IXplore & Travel Mindset** – *content partner*
- **Outside Online** - *#1 resource for active lifestyle participants. Travel and adventure channels most visited*
- **YUME** – [*pre-roll video*](#); *high performer*
- **Matador Network** – *content partner*





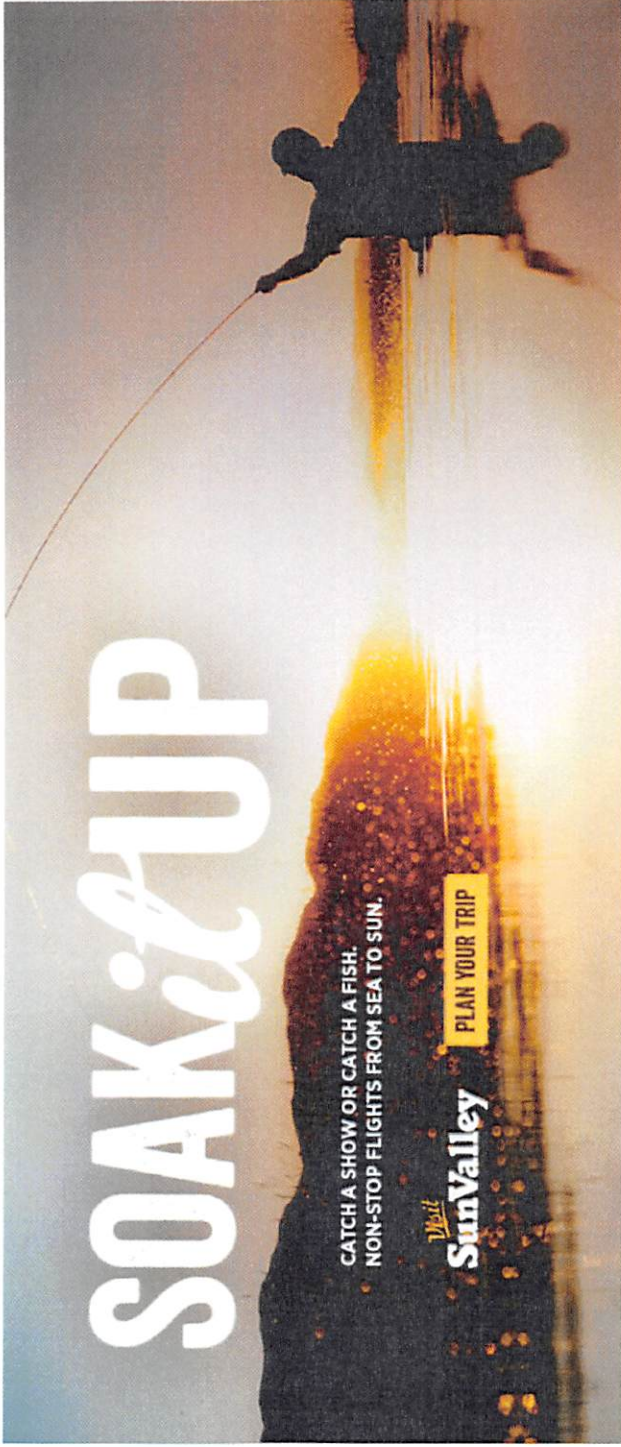
**SOAK
it UP**

NON-STOP FLIGHTS
FROM SEA TO SUN

PLAN YOUR TRIP

Visit
SunValley

The advertisement features a vibrant scene of a large crowd of people in swimwear gathered around a pool area. In the background, there are green hills and a clear blue sky with light clouds. A yellow button with the text 'PLAN YOUR TRIP' is positioned in the lower right. The 'SunValley' logo is prominently displayed in the bottom right corner, with the word 'Visit' written in a smaller, italicized font above it.



SOAK & UP

CATCH A SHOW OR CATCH A FISH.
NON-STOP FLIGHTS FROM SEA TO SUN.

Visit **SunValley**

PLAN YOUR TRIP

SOAK *it* UP

HIT THE TRAILS OR HIT THE TOWN.
FIND WHATEVER IT IS YOU SEEK AT
VISITSUNVALLEY.COM

Visit
SunValley

SEA TO SUN IN UNDER 2 HRS. NON-STOP FLIGHTS ALL SUMMER



SOAK *it* UP

GRAB A BOARD OR GRAB A BITE.
HIT THE TRAILS OR HIT THE TOWN.
FIND WHATEVER IT IS YOU SEEK
AT VISITSUNVALLEY.COM



Visit
SunValley

SFO TO SUN IN UNDER 2 HRS, NON-STOP FLIGHTS ALL SUMMER

Other Marketing Efforts for Air Service Markets (outside of 1% funds)



- Corporate and group sales (Sun Valley Resort)
- Mountain biking campaign (in partnership with Sun Valley Resort)
- Golf campaign (Sun Valley Resort)
- PR and social media



SUN VALLEY AIR SERVICE BOARD

INVOICES TO BE PAID

Through May 15, 2015

Fly Sun Valley Alliance	February 2015 LOT Invoice	\$ 176,490.14
Fly Sun Valley Alliance	March 2015 LOT Invoice	155,710.23
Sun Valley Marketing Alliance	February & March 2015 LOT Invoice	36,911.15
Caselle, Inc.	Invoice for Separate Database for Air Service Board (General Ledger and Accounts Payable)	1,000.00
JML Publishing	Invoice for Website Hosting	240.00
TOTAL		\$370,351.52

ALLOCATION OF SUN VALLEY AIR SERVICE BOARD VOTING RIGHTS

2015 Voting Rights

	<u>Total 1% LOT Collected in FY14</u>	<u>Percent of Total LOT Collected</u>	<u>Each City's Percentage of Total LOT Multiplied by 90%</u>	<u>Each City's Voting Rights (add 10% to Hailey's rights)</u>
Ketchum	\$1,165,167	73.3%	(.733 x .9) = 65.95%	65.95%
Sun Valley	\$371,706	23.4%	(.234 x .9) = 21.04%	21.04%
Hailey	<u>\$53,223</u>	3.3%	(.033 x .9) = 3.01%	13.01%
Total	\$1,590,096	100.0%	90.00%	100.00%

2014 Voting Rights

	<u>Total LOT Collected in FY13*</u>	<u>Percent of Total LOT Collected</u>	<u>Each City's Percentage of Total LOT Multiplied by 90%</u>	<u>Each City's Voting Rights (add 10% to Hailey's rights)</u>
Ketchum	\$1,774,378	55.4%	(.554 x .9) = 49.85%	49.85%
Sun Valley	\$1,248,522	39.0%	(.390 x .9) = 35.08%	35.08%
Hailey	\$180,385	5.6%	(.056 x .9) = 5.07%	15.07%
Total	\$3,203,285	100.0%	90.00%	100.00%

* Per Joint Powers Agreement, the initial allocation of these voting rights shall be determined using each City Party's year ending September 30, 2013, total fiscal year actual LOT revenue collection on taxable sales described in the Ballot Questions. Each year thereafter, the voting percentages shall be revised as necessary to reflect each City Party's year ending September 30 actual 1% LOT revenue contributions to the Board.

Fly Sun Valley Alliance Inc.

PO Box 6316
Ketchum, ID 83340

Invoice

Date	Invoice #
4/30/2015	155

Bill To
Sun Valley Air Service Board Attn: Sandy C & Kathleen S City of Ketchum

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
	1% LOT - February 2015 collections - April 2015 FSVA Contract Services	176.490.14	176.490.14
		Total	\$176.490.14



TO: SUN VALLEY AIR SERVICE BOARD

SERVICES RENDERED – April 2015

AIR SERVICE

AIR SERVICE RETENTION, IMPROVEMENT, DEVELOPMENT

- Reviewed/monitored final season booking stats & MRG reports for winter 2014-15 flights; fares, etc.
- Ongoing analysis of seat, enplanements, load factors by season by market; for SUN and competitive markets.
- Met with Alaska Airlines in Seattle to negotiate FY16 air service contract, schedule and terms. Prepped accordingly.
- Began negotiations with United and local partners regarding winter FY16 air service contract and schedule.
- Continued strategic planning and analysis regarding future air service needs and opportunities for FY16 and beyond.
- Held end of season wrap up meeting with diversion bus company, airport hosts, airline station managers from SUN and TWF, and FMA airport manager to review past season, outline positives of new enhanced busing service and areas for improvement for next winter season.
- Ongoing communication/meetings with airlines, M&H consultant, FMAA, customers, stakeholders.
- Prepared materials for Air Service Board reports, invoices, etc.

LOCAL AIR MARKETING/COMMUNITY OUTREACH

- Provided information via monthly FSVA Enews and ongoing social media postings; updated website as needed
- Worked on development of new winter 2015/16 flight schedule
- Created/executed ongoing local area marketing/ PR for air service; in partnership with FMA. (*print, digital, tv*)
 - *Developed new ads and media plan for summer campaign; postcards for Twin Falls Women's Show, etc*
- Attended various community meetings to continue information outreach efforts.

RESEARCH/OTHER

- Worked with survey firm to review/analyze winter 2014/15 SUN Air Passenger Survey results
- Continued work on compiling/tracking relevant comparative data and information of air service

Fly Sun Valley Alliance Inc.

PO Box 6316
Ketchum, ID 83340

Invoice

Date	Invoice #
5/31/2015	156

Bill To
Sun Valley Air Service Board Attn: Sandy C & Kathleen S City of Ketchum

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
	1% LOT - March 2015 collections - May 2015 FSVA Contract Services	155,710.23	155,710.23
		Total	\$155,710.23



TO: SUN VALLEY AIR SERVICE BOARD

SERVICES RENDERED – May 2015

AIR SERVICE

AIR SERVICE RETENTION, IMPROVEMENT, DEVELOPMENT

- Reviewed/monitored final season booking stats & MRG reports for winter 2014-15 flights; analyzed impact of key schedule and cost changes, ROI, marketing, etc.
- Ongoing analysis of seat, enplanements, load factors by season by market; for SUN and competitive markets.
- Continued negotiations for Alaska FY16 air service contract, schedule and terms.
- Continued negotiations with United and local partners regarding winter FY16 air service contract and schedule.
- Continued strategic planning and analysis regarding future air service needs and opportunities for FY16 and beyond.
- Prepared for annual Jumpstart airline conference – meetings with airlines (current and future potential)
- Ongoing communication/meetings with airlines, M&H consultant, FMAA, customers, stakeholders.
- Prepared materials for Air Service Board reports, invoices, etc.

LOCAL AIR MARKETING/COMMUNITY OUTREACH

- Provided information via monthly FSVA Enews and ongoing social media postings; updated website as needed
- Worked on development of new winter 2015/16 flight schedule
- Created/executed ongoing local area marketing/ PR for air service; in partnership with FMA. *(print, digital, TV)*
 - *Developed new ads/media plan for local summer campaign; Alaska Airlines summer fare sale promotion, postcards for Twin Falls Women's Show, etc.*
- Attended various community meetings to continue information outreach efforts; provided interview on air service for City of Ketchum's new business recruitment video.

RESEARCH/OTHER

- Worked with survey firm to review winter 2014/15 SUN Air Passenger survey results – shared summary data with key stakeholders, public via presentations, press releases, etc.
- Continued work on compiling/tracking relevant comparative data and information of air service



T 208.725.2109
F 208.726.4533

Sun Valley Marketing Alliance, nc. www.VisitSunValley.com
PO Box 4934 • 460 E. Sun Valley Rd. • Suite 201 • Ketchum ID • 83340

Invoice

Date	Invoice #
5/14/2015	5583

Bill To
Air Service Board PO Box 3801 Ketchum, ID 83340

P.O. No.	Terms

Quantity	Description	Rate	Amount
	Air Service Board Contract - March 2015	19,610.01	19,610.01
	Air Service Board Contract - April 2015	17,301.14	17,301.14
Thank you for your support of Visit Sun Valley!		Balance Due	\$36,911.15



Detail for invoices submitted to Air Service Board FY'15 @ May 15, 2015

October-November:

- Placed 25% of winter media, including design and submission of ads
- Began winter PPC (pay per click) campaign in air service markets
- Utilized a variety of creative styles and messaging to test which ads perform the best
- Investigated additional add-ons to winter campaign including remnant ad buys and additional SF outreach

December-January:

- Continued execution of winter media plan in SF, LA, Seattle, Denver and New York
- Added an additional boost campaign (50K) to San Francisco
- Optimized media plan based on early results
- Continued PPC (pay per click) campaign in Air Service markets
- Began work on summer campaign, including development of creative brief, meetings and discussions regarding creative approach and media strategy

Additional Funds:

- The additional carry-over funds will be used to bolster the summer 2015 advertising campaign
 - 20,739.40 from the excess funds will be allocated to San Francisco
 - 22,660.60 from the applied fund balance will be allocated to Los Angeles

February-March

- Continued placing winter ads in air service markets – digital, print, video
- Continued campaign optimization based on monthly results
- Continued PPC (pay per click) campaign in air service markets
- Selected creative concept for summer campaign
- Began media planning for summer campaign – sent out requests for RFP's to all potential vendors
- Bolstered late season advertising with additional dollars
- Began planning for research in air service markets to measure awareness and barriers to additional travel to Sun Valley

April-May

- Analyzed winter results to inform final decisions for the summer media plan and next winter's plan.
- Selected all vendors and finalized summer media plan
- Commenced summer PPC (pay per click) campaign
- Re-launched new responsive website design to coincide with summer launch (April 15)
- Created a 30 second video ad to be used in advertising



Visit SunValley

- Finalized design for all summer ads – static digital, animated GIF, print, video, etc
- Created and resized ads for submission. Submission of ads will continue through September
- Prepared marketing summaries for Alaska Airlines and United Airlines
- Fielded research in California and Washington, with an additional focus on the Bay area. Results will be forthcoming in the next few weeks and will assist in future planning
- Began work on development of preliminary concepts for Winter 2015/15 and beyond



CASELLE, INC.

1656 S East Bay Blvd
Suite 100

Provo UT 84606

Phone: 800-228-9851 Fax: 801-850-5001

Billing Inquiries: 801-850-5033

INVOICE

65350

**Bill To: CITY OF KETCHUM, ID
480 E AVE N
PO BOX 2315
KETCHUM ID 83340**

Date: 5/04/2015
Terms: Net 30 Days

Customer No: 1681

Description	Net Amount
Caselle Connect Application Setup: Separate Database for Sun Valley Air Service Board General Ledger, Accounts Payable	1,000.00
Amount Sales Tax Total Amount	1,000.00 <hr/> 1,000.00

Interest at 1.5% per month will be charged on all accounts 30 days past due.

Cancellation of orders for software are subject to a cancellation fee of 10%, if cancelled within 30 days of order, or 25%, if cancelled within 60 days of order. Cancellations after 60 days will receive no credit.

JML Publishing

PO Box 3958
Hailey, ID 83333

Invoice

Date	Invoice #
5/1/2015	7041

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

Terms	Due Date
Due on receipt	5/1/2015

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

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

5. **Organization Bylaws.** The Board shall be governed by the Bylaws specifying the procedural method and manner by which it shall conduct its business and affairs, provided, however, that said Bylaws shall be amended so as not be inconsistent with or contrary to the provisions of this Agreement, or any applicable local, state or federal law and shall provide that at least a simple majority must concur for the Board to act. The Bylaws shall provide, among other items, that a majority of the members of the Board shall constitute a quorum. A non-voting member is not a member for quorum purposes.

6. **Purposes and Powers.** The purpose of the Board is to establish, implement, maintain and fund a program to retain, improve and develop commercial air service to Friedman Memorial Airport. In furtherance of that purpose, the Parties hereto hereby delegate to the Board their power to carry out the duties as described and contemplated by the Ballot Questions, including entering into Contracts for Services with such entities as the Board may select, subject to the specific LOT allocations of the City Parties. It is anticipated that the Board will have no employees and that, except for the holding, distribution and oversight of the monetary contributions and entering into Contracts for Services, the Board will have a very limited scope of operation. Such delegated powers shall more specifically include, but not be limited to, the following:

- A. The Board, as allowed under state and federal statutes, may apply for, receive and operate under financial assistance from the federal or state government, and from any agency or political subdivision thereof, or from any private sources;
- B. To acquire by purchase, gift, lease, sublease or otherwise, to the extent and in the manner that a city or county operating under the laws of the State of Idaho might do so, personal property, including money, necessary to carry out the purposes of the Board and to invest and hold such money until distributed for the purposes contemplated by the Ballot Questions;
- C. **To fund administrative costs, if any, to carry out the purposes of the Board;**
- D. To contract with public or private agencies, companies or entities to retain, improve and develop commercial air transportation services to Friedman Memorial Airport, including contracting with third parties pursuant to Contracts for Services;

7. **Manner of Financing.** The Board shall annually adopt a budget. **Subject to the provisions herein, each City Party hereto will annually budget and contribute monthly to the Board the money collected pursuant to their respective Ballot Question, less their direct costs to collect and enforce the tax, including administrative and legal fees; each City has the option to direct its monetary contribution to those purposes it specifically directs as allowed by the Ballot Questions, except for contributions to cover a pro-rata share of administrative expenses, if any, of the Board; provided, however, in the event of any litigation or other challenges to the Ballot Questions, this Agreement, the Board, or any related matters, each City shall contribute a pro-rata share of its contribution to defray any expenses related thereto. During each fiscal year, the City Parties shall contribute monthly to the Board their respective amount of money collected,**


less their direct costs to collect and enforce the tax, including administrative and legal fees, subject to allocations approved by each City Party's governing board.

- A. In adopting the annual budget, each City Party must contribute the money collected pursuant to its respective Ballot Question, less their direct costs to collect and enforce the tax, including administrative and legal fees. The County, in its discretion, may contribute funds to the Board; it is anticipated that the County will continue its historical support for the Airport.
- B. Any entity may contribute additional funds to the Board. It is anticipated that Sun Valley Company will fund fifty percent (50%) of any MRG expenses and will provide marketing support for the air service in collaboration with the airlines and other community marketing efforts.
- C. Any funds received by the Board shall be used for payments to entities pursuant to the Contract for Services, as contemplated by the Ballot Questions, for the purposes authorized therein. The budgeting, allocation and use of said funds by the Board shall be in accordance with the purposes and powers herein provided for, and in no event shall the Board use, spend, encumber or commit funds of the Parties hereto in amounts exceeding those actually budgeted and contributed to the Board by the Parties. All specific allocations of LOT proceeds by a City Party shall be followed by the Board in its budget and actual spending.
- D. An annual audit or similar financial review shall be conducted consistent with Idaho statutory requirements.
- E. So as to minimize Board expenses, all City Parties may agree to share in the administrative tasks of the Board through pro-rata contribution of their City staff time to perform such tasks.

8. Contracts for Services. The initial Contracts for Services with entity(ies) selected by the Board shall be entered into as soon as practicable following the appointment of the Board Members and passage of the Ballot Questions. Each year thereafter, the Board shall enter into similar contracts with such entities as the Board may select. The Contracts for Services shall (i) set forth those specific services which are to be provided consistent with the Ballot Questions, (ii) provide for detailed reporting to the Board and, as appropriate directly to the Parties, of how funds were spent in sufficient detail to demonstrate compliance with constitutional and statutory guidelines as reflected in the AG Opinion; (iii) include performance metrics consistent with expectations for the work to be performed. A Contract for Services may be for more than one year, but must explicitly state that annual funding is subject to annual appropriations which meet the Cities' statutory limitations.

9. Duration. The duration of the Board created by this Agreement shall be for a period of at least five and one-half years; provided, however, that the same may be extended for an additional period of time, as the Parties hereto deem appropriate in order to expend the monies and satisfy the purposes set forth in the Ballot Questions. Any such extension of this Agreement shall be in writing, adopted by the governing body of each of the Parties hereto.

Memo

To: Sun Valley Air Service Board
From: Susan E. Robertson, ICMA-CM 
City Administrator, City of Sun Valley
Date: May 20, 2015
Re: Discussion re Air Service Board Administrative Costs

At the last Sun Valley Air Service Board meeting, the Board indicated that it wanted to discuss how administrative costs [associated with the Board] are handled. I have included pages 4 and 5 of the Joint Powers Agreement establishing the Sun Valley Air Service Board in your packet and highlighted the portions of the text that deal with administrative costs to aid in your discussion.