

AGENDA
SUN VALLEY
AIR SERVICE BOARD MEETING
IN THE COUNCIL CHAMBERS – 81 ELKHORN ROAD
CITY OF SUN VALLEY, IDAHO
July 2, 2014 - 2:00 P.M.

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

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 March 12, 2014 and April 24, 2014;..... 1
2. Receive and File Financials:
 - a. 1% Local Option Tax Report – March 2014 7
 - b. 1% Local Option Tax Report – April 2014 8

PRESENTATIONS

3. Fly Sun Valley Alliance, Semi-Annual Report and Budget Presentation, Carol Waller; 9
4. Sun Valley Marketing Alliance, Semi-Annual Report and Budget Presentation, Arlene Schieven; 25

ACTION/DISCUSSION

5. Consideration of Terrorism Coverage for Insurance Policy Year October 1, 2013 – September 30, 2014; ... 71
6. Authorization of Payment of Bills on-hand through June 27, 2014; 75
7. Scheduling of next Sun Valley Air Service Board meeting.

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

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**REGULAR MEETING OF THE
SUN VALLEY AIR SERVICE BOARD
Wednesday, March 12, 2014**

Members present: Chairman DeWayne Briscoe - Mayor, City of Sun Valley
Secretary/Treasurer Nina Jonas - Mayor, City of Ketchum
Fritz Haemmerle - Mayor, City of Hailey

Members absent: Larry Schoen - Blaine County Commissioner

Staff present: Sun Valley City Administrator Susan Robertson
Ketchum Interim City Administrator Ray Silver
Hailey City Administrator Heather Dawson
Fly Sun Valley Alliance Board President Eric Seder
Fly Sun Valley Alliance Executive Director Carol Waller
Sun Valley Resort Marketing and PR Director Jack Sibbach
Friedman Memorial Airport General Manager Rick Baird
Ketchum Special Projects Manager Lisa Enourato
Minutes Written by Ketchum Recording Secretary Sunny Grant

1. **This meeting of the Sun Valley Air Service Board was called to order at 2:03p.m. at Ketchum City Hall, Ketchum, Idaho.**

2. **Amend Agenda**

Board Member Fritz Haemmerle moved to amend the agenda to include an item to set another meeting. Motion seconded by Board Member Nina Jonas, and passed unanimously; all members voting.

3. **Remarks from the Board**

Board Member Nina Jonas introduced the new interim Ketchum City Administrator, Ray Silver.

4. **Open Session for General Public Comments - None**

5. **Consent Calendar**

Approval of minutes from the February 13, 2014 Sun Valley Air Service Board meeting

Board Member Fritz Haemmerle moved to approve the minutes of February 13, 2014, as amended. Board Member Nina Jonas seconded the motion, and it passed unanimously; all members voting.

Board Member Nina Jonas moved to approve the Consent Calendar of March 12, 2014. Motion seconded by Board Member Fritz Haemmerle, and passed unanimously; all members voting.

Public Hearings

6. **Consideration and adoption of limited-time contract with Fly Sun Valley Alliance for air service development services including maintaining and expanding commercial air service to the local area through the use of Minimum Revenue Guarantees or other inducements to providers and all ancillary costs which are associated with the ongoing effort to maintain and expand commercial air services.**

7. **Consideration and adoption of limited-time contract with Sun Valley Marketing Alliance for promotion of existing for air service(s) and future service to ensure significant enplanements.**

Hailey City Attorney Ned Williamson outlined issues of concern in the three similar contracts:

- Contract for Services between the Sun Valley Air Service Board and Sun Valley Marketing Alliance
- The contract with Sun Valley Marketing Alliance contemplates monthly payments of about \$40,000 to Fly Sun Valley Alliance for air service development costs. It's fairly standard for a government entity to pay another entity to perform services. The bulk of the contract is for reimbursement.

There presently are contracts between Sun Valley Company and United Airlines and Alaska Airlines. The contracts allow for payment to the airlines for Minimum Revenue Guarantees (MRGs), start-up costs, and busing expenses. The contracts each have a confidentiality provision. Idaho law protects trade secrets and any public record that includes trade secrets does not have to be disclosed. The law's broad definition of "trade secrets" is any information that derives independent economic value and/or efforts to secure secrecy. The contracts probably fit that definition.

With that restriction, the contract for services agreements have been developed with the arrangement that Sun Valley Company would be reimbursed half the cost of their reimbursables. Fly Sun Valley Alliance, under this proposal, would be paid that amount and would then pay Sun Valley Company.

- Contract for Service between the Sun Valley Air Service Board and Fly Sun Valley Alliance based on monthly payments, based on percentage of revenue. The contract makes it clear that FSVA will only receive money the Air Service Board receives. The money can only be used for purposes set forth in the Local Option Tax vote and in the contract.
- Contract for Services between the Sun Valley Air Service Board and Fly Sun Valley Alliance based on payment upon invoice submittal.

All three agreements have recital provisions that were designed to meet the intent of the Local Option Tax vote. The Fly Sun Valley Alliance Agreement also contains provisions that are unique to the Fly Sun Valley Alliance arrangement with Sun Valley Company, including MRGs, busing, etc.

Because there's only about six months left in the fiscal year, the agreements last until September 30, 2015. The agreements make it clear that payment is derived from revenue from this fiscal year only. The Agreements are compliant with constitutional prohibition that governmental entities cannot incur debts and liabilities in excess of income and revenue for one year.

The Air Service Board has to decide if they want the monthly version of the FSVA agreement or the payment upon invoice submittal version of the FSVA agreement.

The monthly payment version allows FSVA to receive X number of dollars percent of the revenue every month. When contracts with Sun Valley Company and the airlines require reimbursement, FSVA would submit invoice and supporting documents and the Air Service Board would okay FSVA to pay Sun Valley Company.

Under the alternate contract with FSVA, the Air Service Board would hold the money. Sun Valley Company would submit an invoice to FSVA and FSVA would submit an invoice and supporting documents to the Air Service Board. The Air Service Board would pay FSVA and FSVA would pay Sun Valley Company. Under both methods, the Air Service Board approves the invoices in Executive Session. The big difference between the two agreements is who holds the money.

The confidentiality provision could be in jeopardy if there is payment upon invoice submittal. If the Air Service Board authorizes a check for X dollars, the carrier would be able to figure out what the other carrier did based on the amount of the check.

Staff recommends the monthly payment, since Hailey has used it on other contracts. The advantage to the invoice submittal contract is that it allows more control over the money, and perhaps less chance of misuse of the funds. Both agreements provide fairly sufficient contractual protection that the money has to be used for a specified purpose. Williamson said the Air Service Board will need to carefully review invoices and supporting documents to be sure the money goes for the proper purpose.

The contracts include an audit provision and a reporting provision. Williamson added language allowing for inspection of records; and also language that the contract would not provide any third party beneficiary rights.

Williamson submitted the Sun Valley Marketing Agreement to the Air Service Board, and pointed out specific language in the contract. Both Fly Sun Valley Alliance and the Sun Valley Marketing Alliance have copies of the contracts, and have no issues with the language. Williamson submitted the two versions of the Fly Sun Valley Alliance agreement, noting the language referring to confidentiality. In the event staff or the Air Service Board look at the airlines' records, they will maintain confidentiality if it relates to the confidentiality provisions involving MRGs. If a court requires disclosure, you have to comply; if an airline and/or Sun Valley Company okays disclosure, that's fine.

PUBLIC COMMENT:

Fly Sun Valley Alliance Board President Eric Seder agreed with Williamson on a monthly arrangement. Sun Valley Resort Marketing and PR Director Jack Sibbach urged the Air Service Board to sign the Sun Valley Marketing Alliance contract. He and Sun Valley Marketing Alliance Chief Marketing Officer Arlene Schieven are working closely together to market and support the Sun Valley area.

Air Service Board members supported the monthly contracts as submitted.

Board member Fritz Haemmerle moved to approve the Contract for Services with Fly Sun Valley Alliance for monthly payments. Motion seconded by Board member Nina Jonas. Roll Call: Board

member Jonas aye, Board member Haemmerle aye, Board member Briscoe aye. Motion carried unanimously; all members voting.

Board member Nina Jonas moved to approve the Contract for Services between the Air Service Board and Sun Valley Marketing Alliance. Motion seconded by Board member Fritz Haemmerle. Roll call: Board member Jonas aye, Board member Haemmerle aye, Board Member Briscoe aye. Motion carried unanimously; all members voting.

8. Set Next Meeting Date

Chairman Briscoe suggested the next Air Service Board meeting could be in June. Fly Sun Valley Alliance Executive Director Carol Waller said FSVA expected to have air service contracts for FY2015 finalized in May. She requested the ASB have a meeting in May to review budget presentations from FSVA and SVMA, which was part of their contracts. The Board said they would try to schedule a special meeting in May if advisable.

Board member Fritz Haemmerle moved to set the next meeting of the Air Service Board for Wednesday, June 4, in Sun Valley. Motion seconded by Board Member Nina Jonas, and passed unanimously; all members voting.

9. Old Business - None

10. Adjournment

Board member Fritz Haemmerle moved to adjourn at 2:37pm. Motion seconded by Board Member Nina Jonas. Roll call: Board member Haemmerle aye, Board member Jonas aye, Board member Briscoe aye. Motion passed unanimously; all members voting.

Chairman DeWayne Briscoe

Attest:

Secretary/Treasurer Nina Jonas

Special Meeting of the
Sun Valley Air Service Board
Tuesday, April 24, 2014

Present: Fritz Haemmerle – Mayor, City of Hailey
Nina Jonas – Mayor, City of Ketchum (via conference call)

Absent: Dewayne Briscoe – Mayor, City of Sun Valley
Larry Schoen – Blaine County Commissioner

Staff Present: Sun Valley – Susan Robertson
Hailey – Heather Dawson
Ketchum – Ray Silver (via conference call)

The Sun Valley Air Service Board met in a Board Meeting in the Hailey City Hall Meeting Room on April 24, 2014 at 3:00 p.m.

CALL TO ORDER:

3:06:25 PM Called to order by Vice-Chairman Fritz Haemmerle. Nina Jonas conferenced in via telephone.

REMARKS FROM THE VICE-CHAIR:

None.

REMARKS FROM THE BOARD:

None.

CONSENT AGENDA:

3:07:30 PM Vice-Chairman Haemmerle moved to approve invoices except the Fly Sun Valley Alliance and Sun Valley Marketing Alliance invoices. Motion seconded by Jonas. Motion passed.

Discussion regarding the Sun Valley Marketing Alliance (SVMA) and Fly Sun Valley Alliance (FSVA) invoices. In the future Haemmerle would like to have staff review the bills going forward to make sure they are going towards contract purposes. Jonas agrees with Haemmerle that this Board should confirm whether these funds are going towards contract purposes. Discussion ensued regarding more detail in the invoices. Susan Robertson will request more detail from both organizations. Jonas offered to have the Interim-Ketchum-City-Administrator review the FSVA invoice detail since she is the Treasurer of this Board.

3:09:53 PM Haemmerle then discussed the FSVA and the SVMA invoices. Haemmerle moved to approve the FSVA and the SVMA invoices. Jonas seconded the motion and clarified Haemmerle's comments regarding asking for more detail in future invoices from both FSVA and SVMA, as well as

having a staff member of this board review the details of the FSVA invoices in an Executive Session, to confirm that the funds are going towards contract purposes. Motion approved.

3:11:11 PM Jonas moved to adjourn meeting. Motion seconded by Haemmerle. Motion passed.

Fritz X. Haemmerle, Vice-Chairman

ATTEST:

Nina Jonas, Secretary/Treasurer

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1% LOCAL OPTION TAX EARNED THROUGH MARCH 31, 2014

SUN VALLEY	BEDS 3%	BEDS 1%	LIQUOR 3%	LIQUOR 1%	RETAIL 2.5%	RETAIL 1%	BDLG 2%	BDLG 1%	TOTAL	TOTAL 3%	TOTAL 1%	MINUS COST	SVASB NET
JAN	31,978.97	10,659.66	6,285.19	2,095.06	48,526.91	18,663.76	17,060.58	8,530.29	219,987.56	86,791.07	31,418.48	-591.78	30,826.70
FEB	47,919.13	15,973.04	5,639.91	1,879.97	58,374.54	25,385.47	15,154.85	7,577.42	274,251.25	111,933.58	43,238.49	-591.78	42,646.71
MAR	43,512.54	14,332.83	6,776.93	2,258.98	49,014.94	20,545.41	24,666.25	12,333.12	275,555.11	99,304.41	37,137.22	-591.78	36,545.44
APR												-591.78	
MAY												-591.78	
JUNE												-591.78	
JULY												-591.78	
AUG												-591.78	
SEPT												-591.78	
Total	123,410.64	41,136.88	18,702.03	6,234.01	155,916.39	64,594.64	56,881.68	28,440.83	769,793.92	298,029.06	111,794.19	-5,326.02	110,018.85

KETCHUM	BEDS 3%	BEDS 1%	LIQUOR 3%	LIQUOR 1%	RETAIL 2%	RETAIL 1%	BDLG 2%	BDLG 1%	TOTAL	TOTAL 1%	MINUS COST	SVASB NET
JAN	14,117.75	4,705.92	25,106.47	8,368.82	163,702.76	81,851.38	17,060.58	8,530.29	219,987.56	103,456.41	-7,425.44	96,030.97
FEB	20,086.56	6,695.62	30,452.85	10,150.95	208,566.99	104,278.50	15,154.85	7,577.42	274,251.25	128,702.39	-7,425.44	121,276.95
MAR	19,240.82	6,413.61	31,194.86	10,398.29	200,453.18	100,226.59	24,666.25	12,333.12	275,555.11	129,371.60	-7,425.44	121,946.16
APR											-7,425.44	
MAY											-7,425.44	
JUN											-7,425.00	
JUL											-7,425.44	
AUG											-7,425.44	
SEPT											-7,425.44	
Total	53,445.13	17,815.04	86,754.18	28,918.06	572,712.93	286,356.47	56,881.68	28,440.83	769,793.92	361,530.40	-66,828.52	339,254.08

HAILEY	BED/CAR3%	BED/CAR1%	TOTAL	TOTAL 1%	MINUS COST	SVASB NET
JAN	18,567.51	6,189.17	18,567.51	6,189.17	-173.30	6,015.87
FEB	11,064.51	3,688.17	11,064.51	3,688.17	-103.27	3,584.90
MAR	15,172.05	5,057.35	15,172.05	5,057.35	-141.35	4,916.00
APR						
MAY						
JUNE						
JULY						
AUG						
SEPT						
Total	44,804.07	14,934.69	44,804.07	14,934.69	-417.92	14,516.77
Total FY			TOTAL FY	488,259.28		463,789.70

Expect to distribute
April 2014
1% LOT
at meeting



FY14 Winter Results – Summer Update

FY15 Contract for Service Scope of Work/Budget

July 2, 2014

Presented To

**SUN VALLEY
AIR SERVICE BOARD**

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FSVA FY14 Scope of Work & Performance Metrics

Mission Support & improve air service to Sun Valley

Contract Scope of Work

- Air Service Development – air service contracts/MRGs, other
- Research
- Local Air Marketing/Community outreach & education

Key Contract Performance Metrics

Retain/Expand Current Air Service

- Retain contracted nonstop SEA, LAX, SFO, DEN flights;
- Secure contracted nonstop DEN flights for winter 2014/15
- Optimize all air service schedules/frequency as feasible (including SLC)

Minimize Air Service Contract Costs

- Work with airlines & marketing partners to increase load factors & minimize contract costs
- Work with airlines to make SUN fares more competitive; reduce passenger leakage.

New Air Service

- Pursue new nonstop flight market (s) for 2015 or 2016

Research


- Conduct 1000+ air passenger surveys at SUN; continue with competitive analysis, economic impact and air service ROI research.




FY14 Winter Successes


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

New Regional Jet Service and Increased Seat Capacity

- 
- ❖ Secured new United SFO-SUN winter/summer service- Dec 13, 2013-March 30 2014; July- Sept 23, 2014
 - ❖ Secured new United DEN-SUN summer CRJ 700 service – to begin July 2, 2014
 - ❖ Delta CRJ 700 service SLC-SUN - began on Jan 6, 2014

Secured expanded air service for 2014

- 
- ❖ Alaska Airlines SEA & LAX winter flights daily Dec 14 through April 6, 2014
 - ❖ Alaska Airlines SEA summer flights daily June 13 thru Sept 28; weekends Oct 3 – 19
 - ❖ Alaska Airlines LAX summer flights daily June 13- Sept 28

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- ❖ 30% INCREASE in seat capacity scheduled to date in 2014
23,000+ additional seats

(even with airport closure spring, winter DEN not yet included)

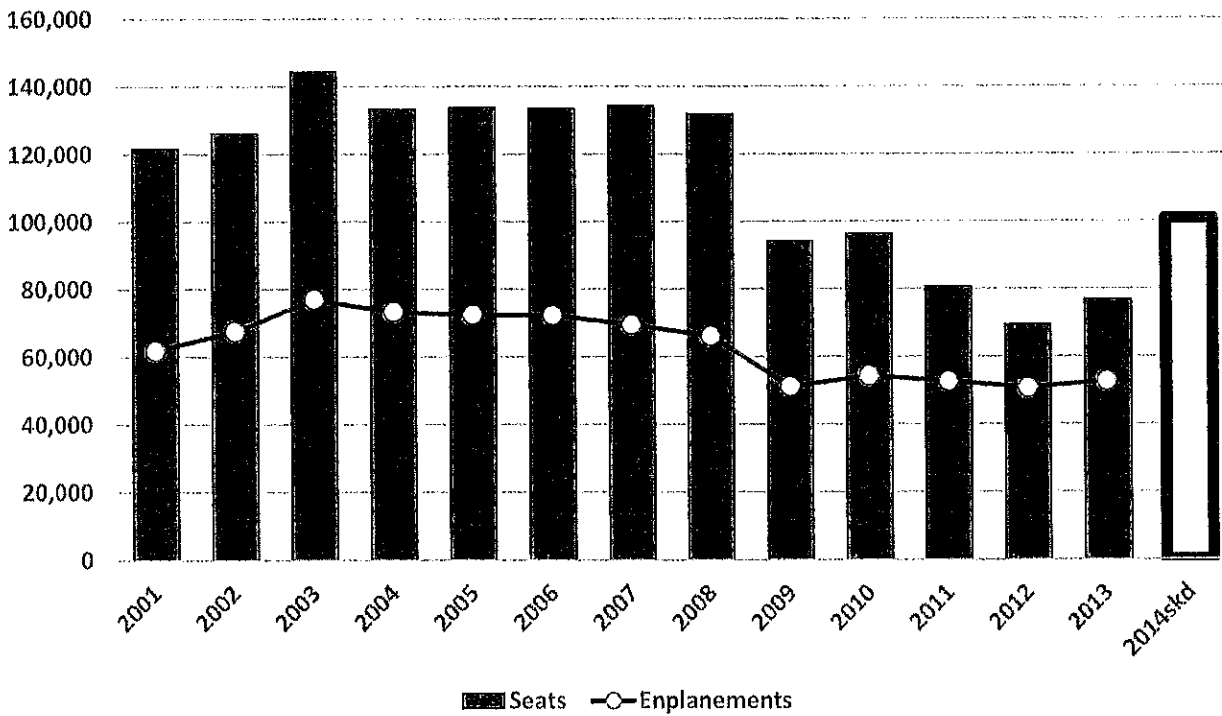
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- ❖ 20% DECREASE in average business and leisure airfares to SUN



THE GOOD NEWS

SEATS = PASSENGERS = BUSINESS

SUN CAPACITY/PASSENGERS 2001-2014 Projected





FY14 Winter Successes

More Seats = More Enplanements

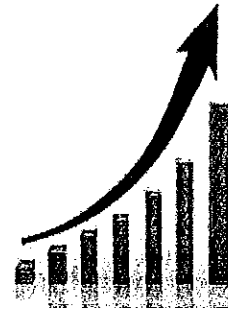
The addition of more seats into the market this winter came from:

- The new United daily SFO nonstop flights
- Longer season with Alaska flights – through April 6
- More capacity with new Delta regional jets

2014 WINTER SEASON (Jan-April)

- 37,515 seats available - up 28%
- 23,199 enplanements - up 16%

Load factors averaged 75% for all flights.



• *Note: Passengers/flights diverted to TWF and BOI not included in these stats*



Winter FY14 Successes

New Flights Bring New Visitors

2013/14 Winter SUN Air Passenger Survey - Key Highlights

San Francisco (SFO) Flight Impacts:

- Over 1000 new first-time visitors
 - *30% of the total SFO flight passengers were new visitors*
 - *SFO pax: 83% visitors/PT residents; 17% local residents*
(68% visitors, 15% PT residents, 17% local residents)
- \$1.3M in direct spend economic impact from new visitors on SFO flight
- More frequent trips by second-homeowners, repeat visitors

Total Winter Flight Impacts:

- Visitors: 15,220 - Direct Spend \$28M
- PT Residents 4455 – Direct Spend \$16M
- TOTAL VISITOR + PT RESIDENT SPEND:
\$44 MILLION





Summer 2014 Update

Air Service

- **Alaska Airlines SEA & LAX flights**



- SEA flights run daily June 13 - Sept 28, 3x week Oct 3-19
- LAX flights run daily June 13 – Sept 21

- **United Airlines SFO & DEN flights**

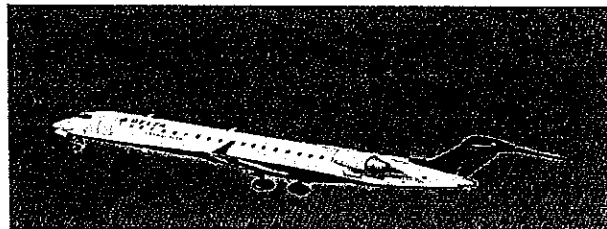


- SFO & DEN run daily July 2 – Aug 25, 5x week Aug 26-Sept 23

- **Delta Air Lines SLC flights**



- SLC flights run daily (3x week through 9/30)





Summer 2014 Update

Other FSVA Efforts

• Airline Meetings/Strategic Development

- Met with airline officials from United, Alaska, Delta this spring to review winter results, start contract negotiations for winter FY15 service.
- Met with current/potential new airlines at Jumpstart Airline Conference
- Ongoing monitoring/tracking of bookings, competitive developments
- Began planning improvements to diversion bussing for winter FY15

• Local Air Marketing

- Promotion of air service and fare sales to local and regional (southern ID) markets.
- Coordinate start-up effort for new DEN service
Launch celebration on July 2, marketing, etc

• Community Outreach & Education

- Keep stakeholders, consumers, media updated with information via enews, website, social media, press releases, presentations, etc.

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

Alaska Airlines

Fly between Los Angeles and Sun Valley this June from as low as \$125!

Hurry! Book by June 2, 2014. Restrictions apply. Book today at www.alaskaair.com. CLICK for details.

Check SUN Fares First - See how fares now compare to Boise!

NEW FLIGHTS FOR SUMMER 2014!
• Alaska daily service begins between Los Angeles and Seattle June 13 - Sept 21
• Delta daily service begins between Denver and San Francisco June 7 - Sept 23
• United daily service begins between Salt Lake City and San Francisco



FY15 Scope of Work & Budget Proposal

Air Service Development

Secure & Manage Contract Air Service

Alaska for SEA & LAX flights; United for SFO & DEN flights



- Negotiate air service contract terms with airlines, in partnership with SV Resort :
 - Operating season and schedules
 - MRG cap amount; analysis of cost per flight & projected revenues
 - LOC requirements
 - Weather diversion busing provisions

- Monitor bookings on weekly basis; cost & revenue monthly
- Monitor fares on ongoing basis within our competitive set, plus BOI, TWF
- Initiate fare adjustment discussions with airlines where appropriate
- Coordinate airline marketing efforts for SUN with other partners (SVMA, SVR, ITC, etc.)
- Assist with coordination of local marketing of flights/fares sales, etc. with airlines and local/state partners



FY15 Scope of Work & Budget Proposal

Air Service Development

Manage & Support Non-Contract Air Service

Delta for SLC-SUN flights



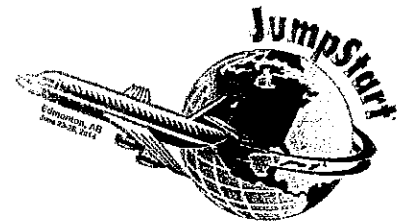
- Work with FMAA re: monitoring fares on ongoing basis within our competitive set, plus BOI, TWF
- Continue fare & schedule adjustment discussions as appropriate
- Coordinate airline marketing efforts for SUN w/other partners (SVMA, SVR, ITC)
- Assist with coordination of local marketing of flights/fares sales, etc. with airlines and local/state partners



FY15 Scope of Work & Budget Proposal

Additional air service support

- Work with FMAA on leakage analysis and recapture strategies, fare analysis & monitoring, service expansion opportunities
- Maintain strong relationships with industry partners/contacts: airlines, consultants, officials, air service program directors in other areas
- Assist with customer service issues at SUN as feasible



Air service development

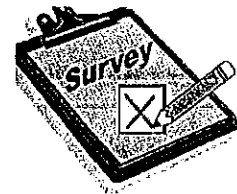
- Identify strategic opportunities for current service expansion
- Research and identify opportunities for new service; provide extensive economic/demographic analyses of our market to prospective airlines
- Attend national industry conferences to meet with airlines
- Keep abreast of new air service development nationally and within our competitive set (other Rocky Mountain resort areas, regional cities)



FY15 Scope of Work & Budget Proposal

Research

- Conduct SUN air passenger survey research winter & summer
 - 1000+ surveys to be collected/analyzed re: trends, demographics, economic impact
- Monitor monthly enplanement, seat occupancy, other air service data for SUN and our competitors



Local Air Marketing/ Community Outreach & Education

- Maintain FSVA website, www.flysunvalleyalliance.com with information on SUN air service, economic impact studies
- Ongoing communications via Enews, Social Media, press releases/media relations, meetings, presentations
- Local marketing/PR re: air service news, fare deals, other
- Discussions on air service needs with local businesses (tourism & non-tourism)



FSVA FY15 BUDGET

FSVA FY15 1% LOT ASB CONTRACT BUDGET (FYE 9/30/15)	
FSVA CONTRACT INCOME	
1% LOT Revenues*	\$ 1,200,000
TOTAL INCOME	\$ 1,200,000
<i>*Contract for Services with Air Service Board</i>	
FSVA AIR SERVICE DEVELOPMENT EXPENSE	
Air Service Contracts/MRG/Busing (United SFO/DEN; Alaska SEA/LAX)	\$ 1,100,000
<i>Projected max MRGs/Busing expense - FSVA 50% share with Sun Valley Resort</i>	
Air Service Consulting Fees/Meetings/Travel	\$ 65,000
<i>Mead & Hunt consulting fees, Airline meetings</i>	
Local Air Service Marketing (fare sales, etc)	\$ 15,000
<i>Wood River Valley, southern Idaho</i>	
Research	\$ 20,000
<i>Winter/summer air passenger surveys, other research</i>	
TOTAL EXPENSE	\$ 1,200,000
TOTAL 1% LOT PROJECTED FY15	\$ 1,994,083
LESS TAX COLLECTION COST/AIR SERVICE BOARD EXPENSES	\$ (54,000)
TOTAL 1% FUNDS AVAILABLE	\$ 1,940,083
FSVA FY15 AIR SERVICE DEVELOPMENT	\$ 1,200,000
SVMA FY15 AIR SERVICE MARKETING (includes FY14 carryover)	\$ 900,000



FY15 Performance Metrics

- **Retain/Expand Current Air Service**
 - Retain contracted nonstop SEA, LAX, SFO, DEN flights
 - Optimize all air service schedules/frequency as feasible (including SLC)

- **Minimize 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 analysis, economic impact and air service ROI research.

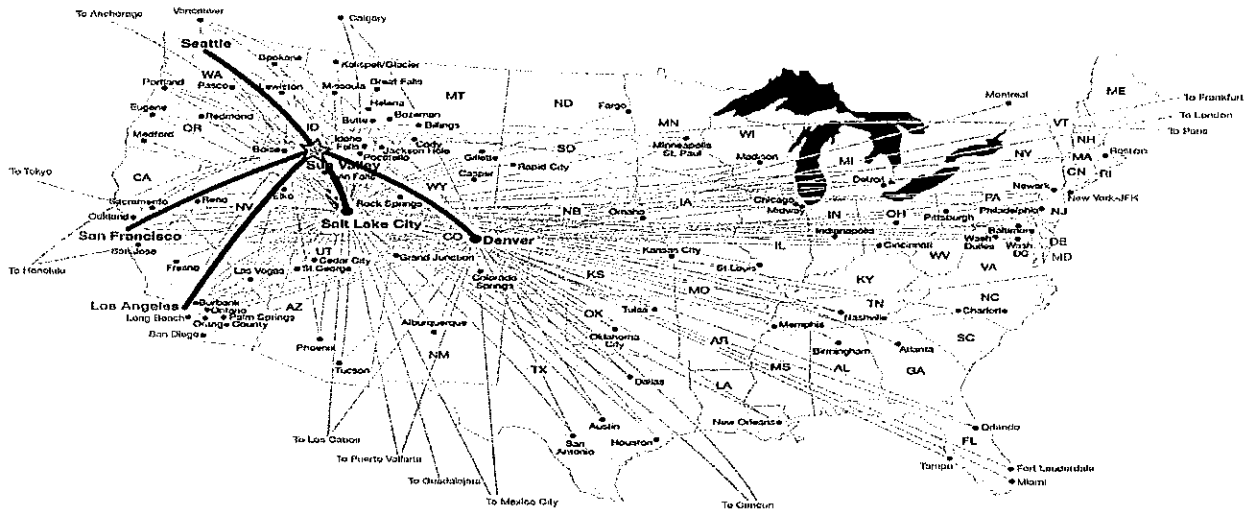


AIR SERVICE = BUSINESS

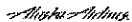
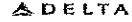

We are making great progress – more to come

THANK YOU

DAILY NONSTOP FLIGHTS to SUN VALLEY from DENVER, LOS ANGELES, SALT LAKE CITY, SAN FRANCISCO and SEATTLE



NON-STOP FLIGHTS TO SUN VALLEY (SUN)

-  Los Angeles, Seattle – Sun Valley via Alaska Airlines: summer/fall/winter
-  Salt Lake City – Sun Valley via SkyWest/Delta Connection: year-round
-  Denver, San Francisco – Sun Valley via United Express: summer/fall/winter (winter DEN-SEA/TSA)

© Fly Sun Valley Alliance 2014

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Visit Sun Valley

Presentation for the Air Service Board
July 2, 2014



Results from Winter 13.14 ^{Visit} SunValley

- **Note #1:** No additional funds were available for this past winter. All funds came from Visit Sun Valley's core budget
- **Note #2:** In order to create demand for the new San Francisco flight, funds were diverted from Boise. As well, \$50,000 from reserve funds were used to bolster marketing efforts.



Winter Results



- **Room Nights Sold:**

- Winter 2012/2013 = 100,107
- Winter 2013/2014 = 100,258 (flat)

- **Winter Visitors:**

- Winter 2012/13 = 123,872
- Winter 2013/14 = 131,758 (up 6.4%)
 - *More visitors staying in second homes and with friends and relatives; less in paid accommodation; day visitors on par*



Website Visits



www.visitsunvalley.com

- Winter 2013.14 (Nov 1 – Mar 31, 2014): +60%
- By Market:
 - San Francisco +1,135%
 - Los Angeles +151%
 - Seattle +76%



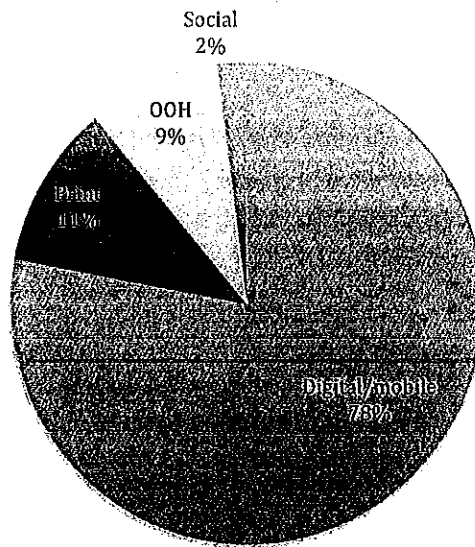
Summer Results To Date



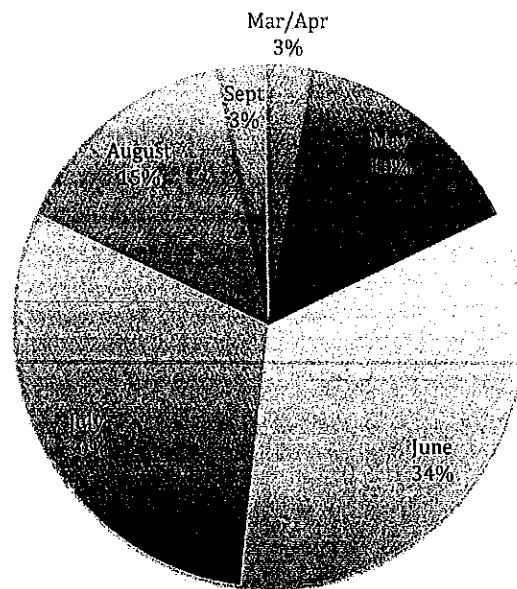
- Summer to date (May 1- Jun 26)
 - Website visits +40%
 - LA +47%
 - NY +132%
 - Seattle +64%
 - SF +46%
 - Digital campaign is performing well with video ads far outperforming static ads



Summer 2014 Media Spend by Type



Summer 2014 Media Spend by Month



SEEK *Summer.*

WHATEVER IT IS YOU SEEK, YOU'LL FIND IT HERE



SAN FRANCISCO TO SUN VALLEY IN 2 HOURS
DAILY NON-STOP FLIGHTS ALL SUMMER

MORE INFO

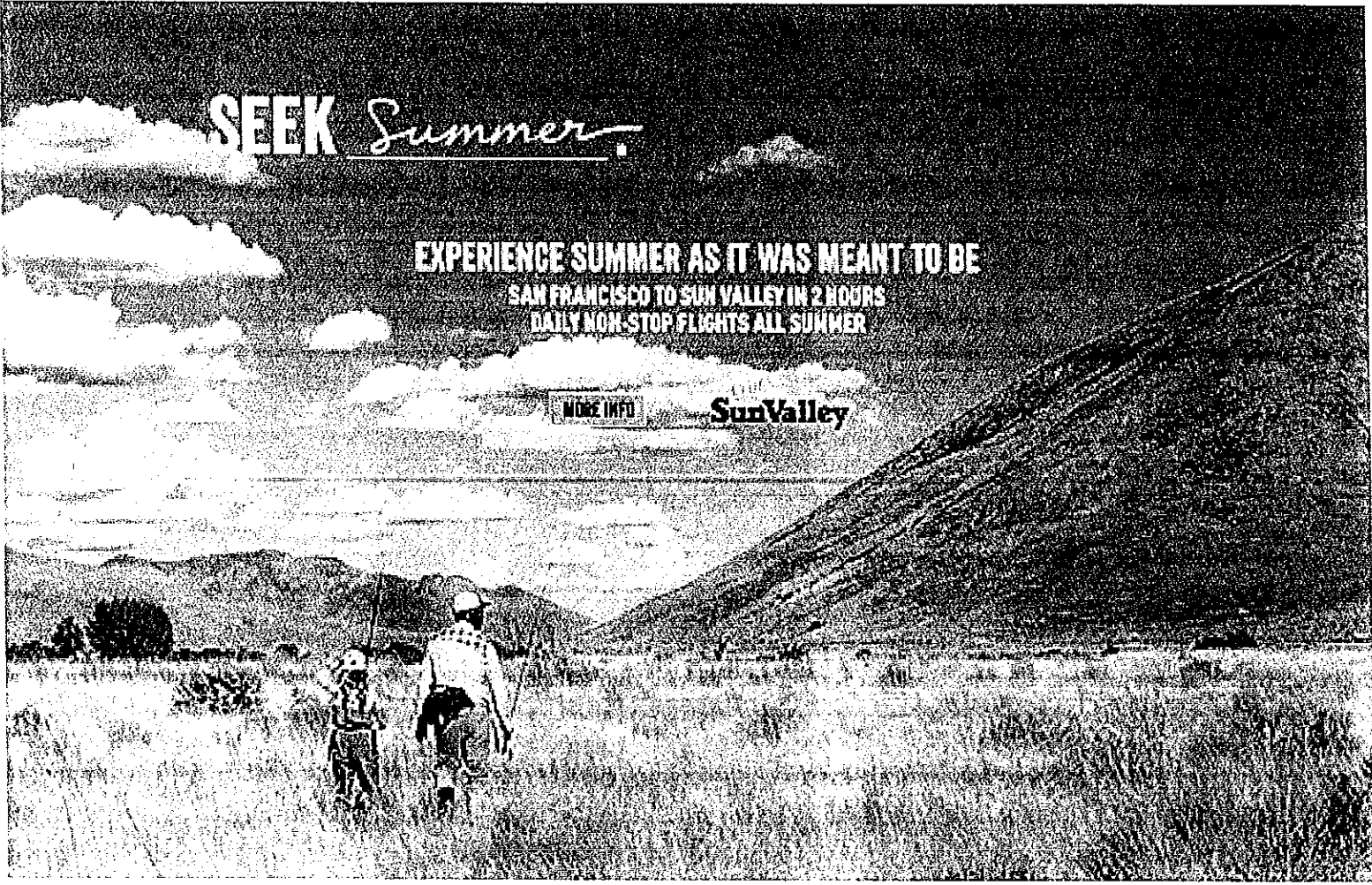
SunValley

SEEK *Summer.*

EXPERIENCE SUMMER AS IT WAS MEANT TO BE
SAN FRANCISCO TO SUN VALLEY IN 2 HOURS
DAILY NON-STOP FLIGHTS ALL SUMMER

[MORE INFO](#)

SunValley

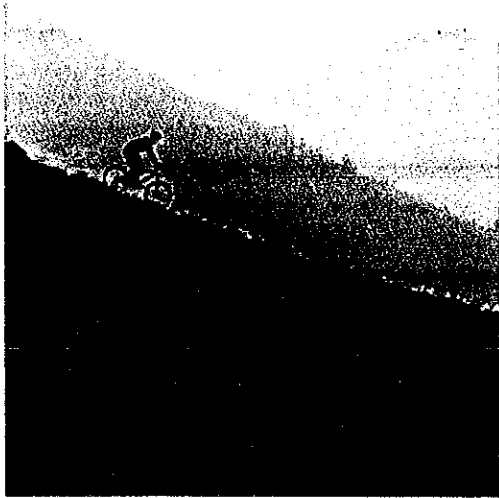


SEEK *Summer.*

Summer in Sun Valley is like nowhere else on Earth. Marked by mesmerizing vistas, over 400 miles of *Healy* single track, world class fly fishing, inspiring community events, concerts and so much more. It's a destination so authentic and vivid, whatever it is you seek, you'll find it here.

DAILY NON-STOP FLIGHTS ALL SUMMER.
ROOMS FROM \$119.

Visit
SunValley
visitsunvalley.com

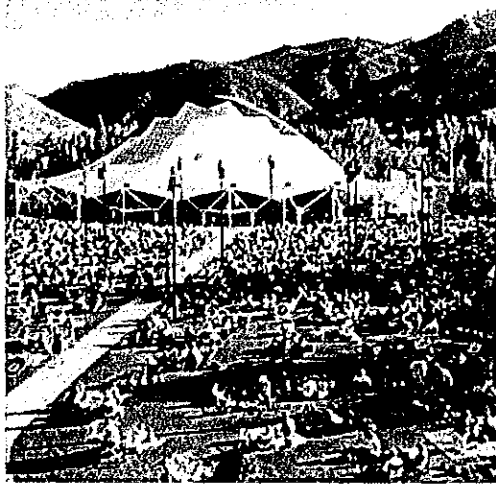


SEEK *Summer.*

For lovers of solitude and single track, festival fans and fishermen, we're here inspired by fresh mountain air. Whose perfect day ends with delicious food and hearty laughter. This is your place. Summer in Sun Valley, where no matter what it is you seek, you'll find it here.

SEATTLE TO SUN VALLEY IN 70 MINUTES.
DAILY NON-STOP FLIGHTS ALL SUMMER.

Visit
SunValley
visitsunvalley.com



SEEK *culture*

THE 2014 FESTIVAL SEASON IS HERE
ROOMS STARTING AT \$119/NIGHT

Visit SunValley **GET EVENT INFO**

SEEK
Summer

SEA TO SUN
IN 90 MINUTES.

BOOK NOW

Visit
SunValley

SEATTLE TO SUN VALLEY
IN LESS THAN 2 HOURS.

DAILY NON-STOP FLIGHTS ALL SUMMER

BOOK NOW **Visit SunValley**

SEEK *Summer*

WHATEVER IT IS YOU SEEK, YOU'LL FIND IT HERE
SEATTLE TO SUN VALLEY NONSTOP FLIGHTS DAILY

[MORE INFO](#)

SEEK *Summer*

EXPERIENCE SUMMER AS IT WAS MEANT TO BE. **SunValley**
ROOMS FROM \$119

[BOOK NOW](#)

SEEK *Summer*

WHATEVER IT IS YOU SEEK, YOU'LL FIND IT HERE
SAN FRANCISCO TO SUN VALLEY NONSTOP FLIGHTS DAILY

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

SEEK *escape*

WHATEVER IT IS YOU SEEK, YOU'LL FIND IT HERE **SunValley**
ROOMS FROM \$119 PER NIGHT

[BOOK NOW](#)

SEEK Summer

SUMMER IS CLOSER THAN YOU THINK.
SFO TO SUN IN 2 HOURS

Visit **SunValley**

BOOK NOW

SEEK Summer

EXPERIENCE SUMMER AS IT WAS MEANT TO BE.
ROOMS FROM \$119

Visit **SunValley**

BOOK NOW

SEEK Summer

WHATEVER IT IS YOU SEEK,
YOU'LL FIND IT HERE.

Visit **SunValley**

BOOK NOW

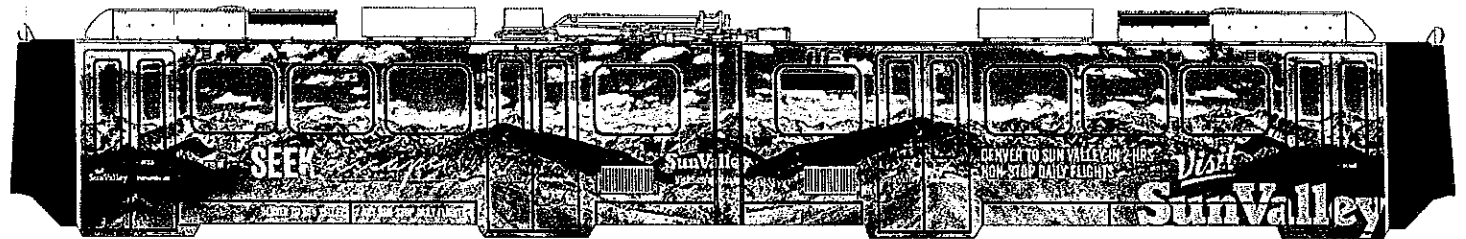
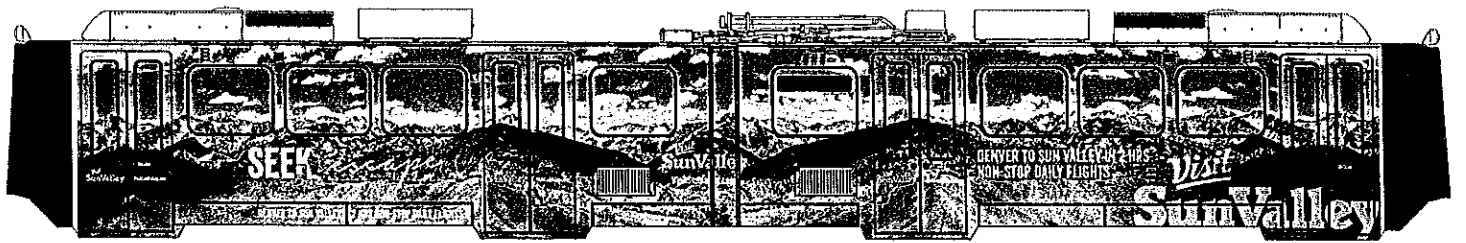
SEEK Summer

SUMMER IS CLOSER THAN YOU THINK.
SFO TO SUN IN 2 HOURS

Visit **SunValley**

BOOK NOW





Summer Video

Visit
SunValley

- <http://vimeo.com/95774329>



Marketing for Air Service Markets 2014.15



- Core funding covers base functions plus staff and overhead
- Funds from the new 1% are invested ***directly into air service markets, with funds allocated to incremental advertising and supporting activities***
- Air service markets will also be supported through the core budget with additional advertising, PR and social media support



Draft Budget Marketing Allocation



- FY 15 – Total Available for marketing = \$900,000
- Funds from core budget/additional carry-over from 2013/14 Air Service funds (TBC) = \$100,000
- **Total = \$1,000,000**
- Recommended spend for Winter 2014/15 = **\$600,000**
- Recommended spend for Summer 2015 = **\$400,000**



Target Markets

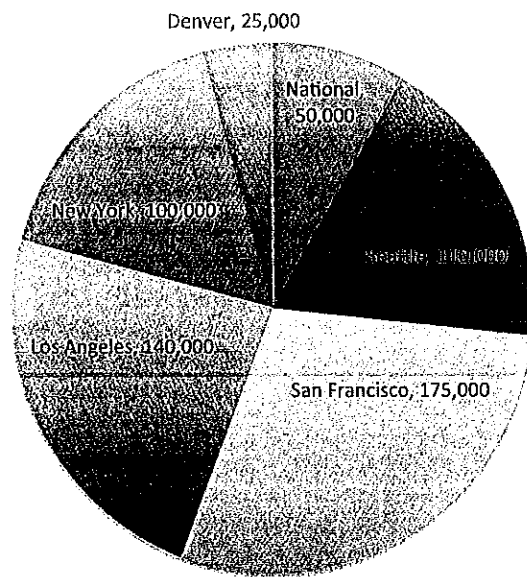


In order of priority for spending:

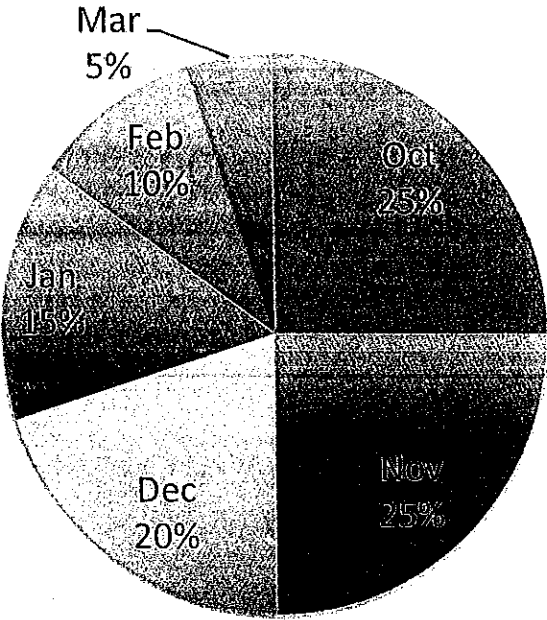
1. San Francisco
2. Los Angeles
3. Seattle
4. New York
5. Denver



Tentative Winter 2014.15 *Visit* SunValley



Winter 2014.15 Spend by Month



Summer 2014



- Target markets to be determined based on air service contracts but are likely to be the same as winter
- Will start summer advertising programs earlier, based on booking patterns and availability of funds
- Currently securing video and photography for Summer 2015



Questions?



SEEK *Summer.*

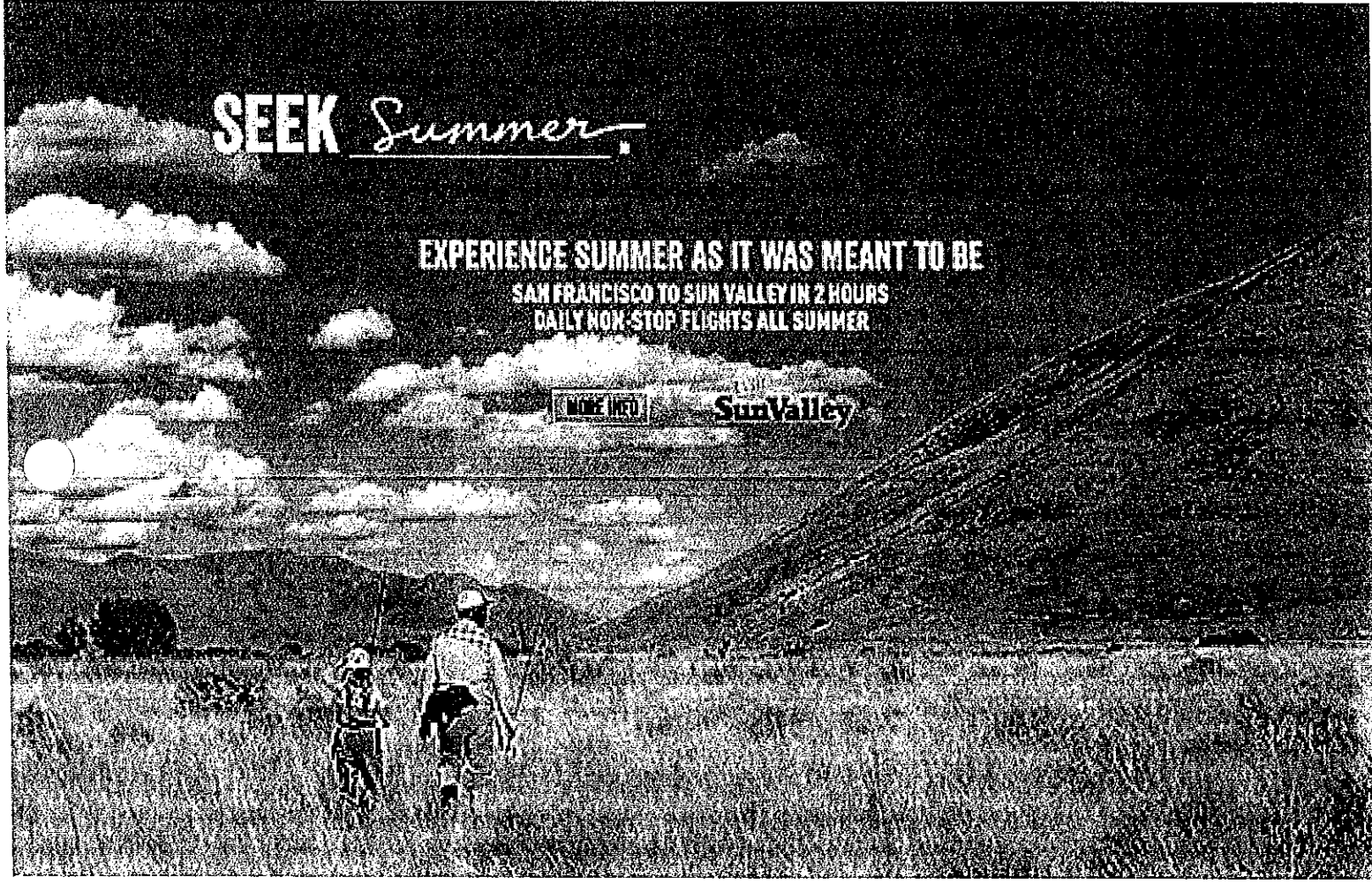
WHATEVER IT IS YOU SEEK, YOU'LL FIND IT HERE



SEEK *Summer.*

EXPERIENCE SUMMER AS IT WAS MEANT TO BE
SAN FRANCISCO TO SUN VALLEY IN 2 HOURS
DAILY NON-STOP FLIGHTS ALL SUMMER

NOBE HED **SunValley**



SEEK *Summer*.

Summer in Sun Valley is like nowhere else on Earth. Marked by unimpaired vistas, over 450 miles of flowy single-track, world-class fly fishing, inspiring community events, concerts and so much more. It's a destination so authentic and vivid, whatever it is you seek, you'll find it here.

DAILY NON-STOP FLIGHTS ALL SUMMER.
ROOMS FROM \$119.

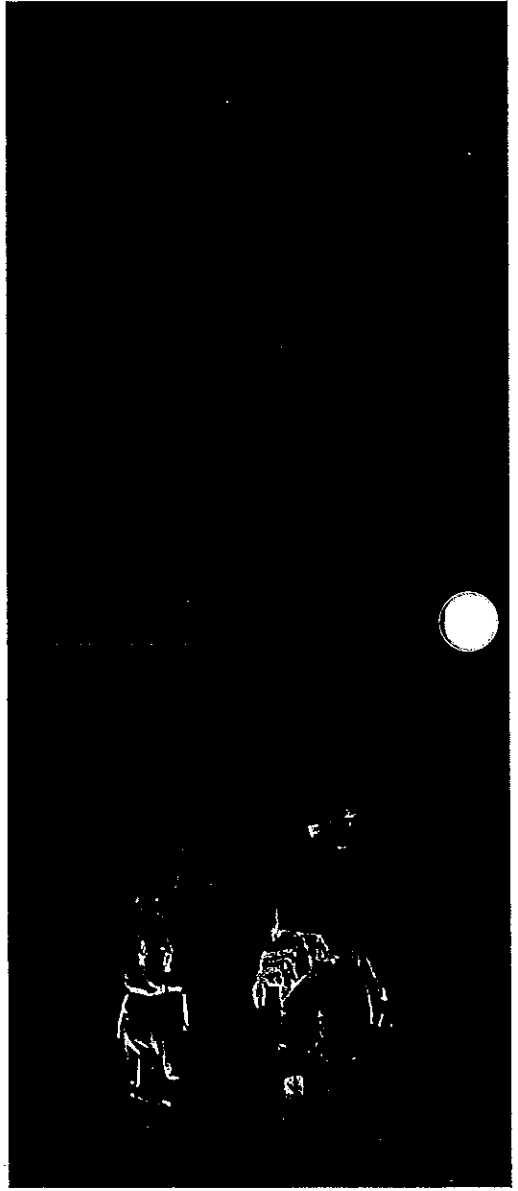
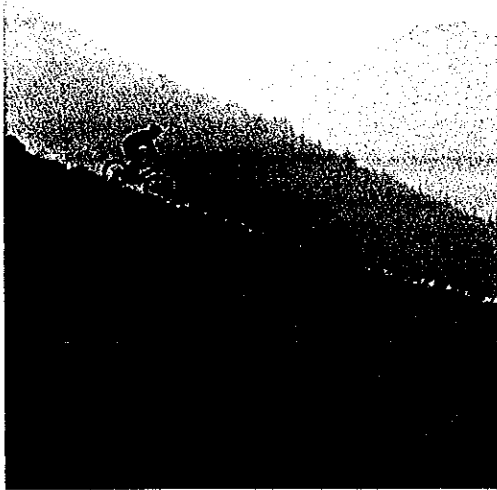
Visit
SunValley
visitsunvalley.com

SEEK *Summer*.

For the seekers of outdoor and people events, festival fans and general fun, those prepared by fresh mountain air, whose perfect days are filled with delicious food and hearty laughter, this is your place. Summer in Sun Valley, where no matter what it is you seek, you'll find it here.

SEATTLE TO SUN VALLEY IN 90 MINUTES.
DAILY NON-STOP FLIGHTS ALL SUMMER.

SunValley
visitsunvalley.com



SEEK *culture*

THE 2014 FESTIVAL SEASON IS HERE
ROOMS STARTING AT \$119/NIGHT

Visit SunValley **GET A BETTER INFO**

SEEK
Summer

SEA TO SUN
IN 90 MINUTES.

BOOK NOW

Visit
SunValley

SEATTLE TO SUN VALLEY
IN LESS THAN 2 HOURS.
DAILY NON-STOP FLIGHTS ALL SUMMER

BOOK NOW **Visit SunValley**

SEEK *Summer*

WHATEVER IT IS YOU SEEK, YOU'LL FIND IT HERE
SEATTLE TO SUN VALLEY NONSTOP FLIGHTS DAILY

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

SEEK *Summer*

EXPERIENCE SUMMER AS IT WAS MEANT TO BE. **SunValley**
ROOMS FROM \$119

[BOOK NOW](#)

SEEK *Summer*

WHATEVER IT IS YOU SEEK, YOU'LL FIND IT HERE
SAN FRANCISCO TO SUN VALLEY NONSTOP FLIGHTS DAILY

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

SEEK *escape*

WHATEVER IT IS YOU SEEK, YOU'LL FIND IT HERE **SunValley**
ROOMS FROM \$119 PER NIGHT

[BOOK NOW](#)

SEEK Summer

SUMMER IS CLOSER THAN YOU THINK.
SFO TO SUN IN 2 HOURS

Visit **SunValley**

BOOK NOW

SEEK Summer

EXPERIENCE SUMMER AS IT WAS MEANT TO BE.
ROOMS FROM \$119

Visit **SunValley**

BOOK NOW

SEEK Summer

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Visit **SunValley**

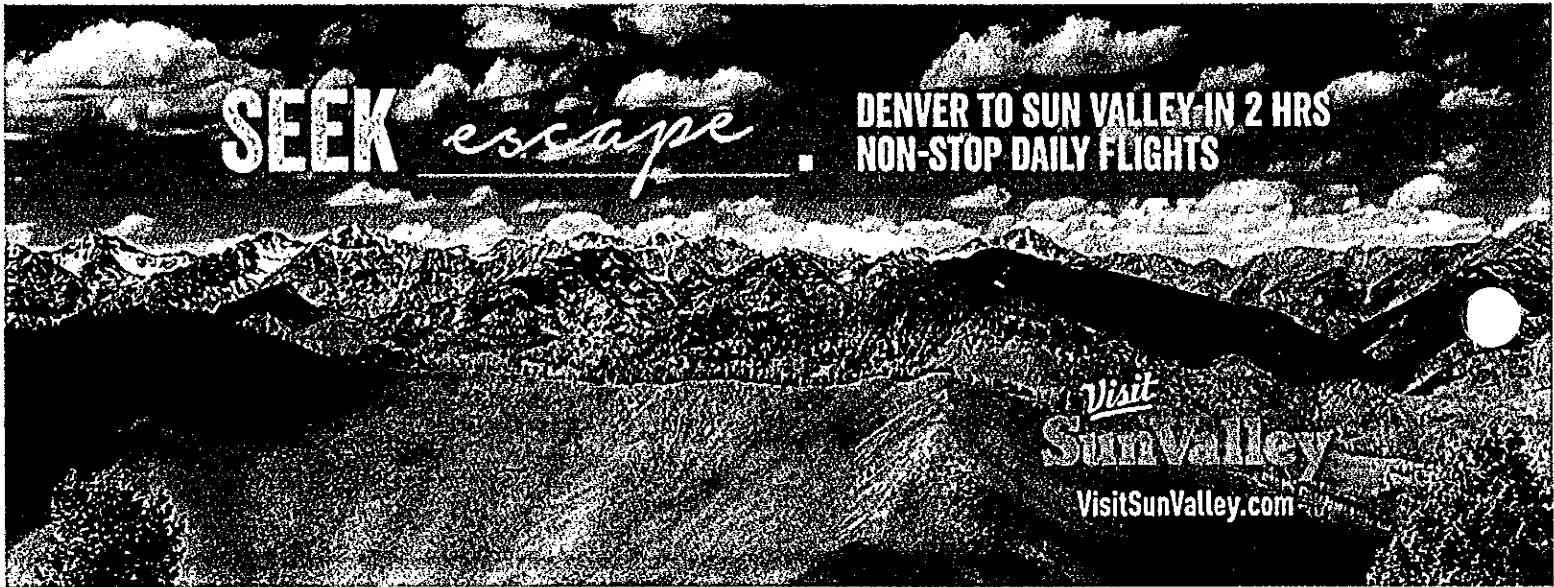
BOOK NOW

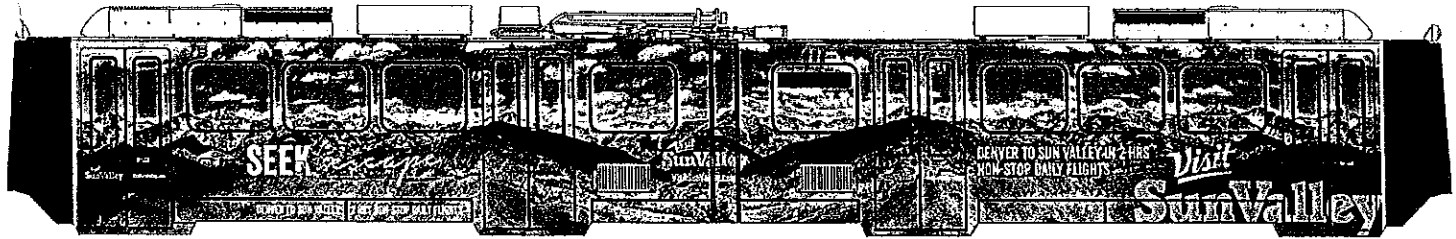
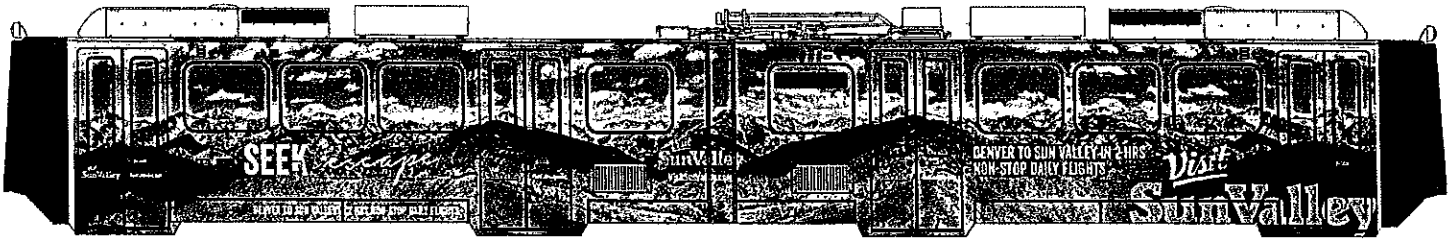
SEEK Summer

SUMMER IS CLOSER THAN YOU THINK.
SFO TO SUN IN 2 HOURS

Visit **SunValley**

BOOK NOW





SUMMER 2019/10/1 WATER 2019-2021 MEDIA PLAN

Client	Product	Start Date	End Date	Spots	Rate	Total Cost	Station	Daypart	Comments
PRIME TIME	30-sec	7/15/19	8/15/19	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		8/15/19	9/15/19	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		9/15/19	10/15/19	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		10/15/19	11/15/19	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		11/15/19	12/15/19	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		12/15/19	1/15/20	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		1/15/20	2/15/20	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		2/15/20	3/15/20	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		3/15/20	4/15/20	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		4/15/20	5/15/20	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
DIGITAL ADVERTISING	30-sec	7/15/19	8/15/19	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		8/15/19	9/15/19	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		9/15/19	10/15/19	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		10/15/19	11/15/19	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		11/15/19	12/15/19	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		12/15/19	1/15/20	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		1/15/20	2/15/20	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		2/15/20	3/15/20	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		3/15/20	4/15/20	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
		4/15/20	5/15/20	10	\$1,000.00	\$10,000.00	ABC	7P-8P	
LATE AFTERNOON	30-sec	7/15/19	8/15/19	10	\$1,000.00	\$10,000.00	ABC	4P-5P	
		8/15/19	9/15/19	10	\$1,000.00	\$10,000.00	ABC	4P-5P	
		9/15/19	10/15/19	10	\$1,000.00	\$10,000.00	ABC	4P-5P	
		10/15/19	11/15/19	10	\$1,000.00	\$10,000.00	ABC	4P-5P	
		11/15/19	12/15/19	10	\$1,000.00	\$10,000.00	ABC	4P-5P	
		12/15/19	1/15/20	10	\$1,000.00	\$10,000.00	ABC	4P-5P	
		1/15/20	2/15/20	10	\$1,000.00	\$10,000.00	ABC	4P-5P	
		2/15/20	3/15/20	10	\$1,000.00	\$10,000.00	ABC	4P-5P	
		3/15/20	4/15/20	10	\$1,000.00	\$10,000.00	ABC	4P-5P	
		4/15/20	5/15/20	10	\$1,000.00	\$10,000.00	ABC	4P-5P	

SUN VALLEY EVENT CO-OP

SUN VALLEY SUMMER 2014/WINTER 2014-2015 MEDIA F		2014													
		March				April				September					
		3	10	17	24	31	7	14	21	28	1	8	15	22	29
EVENT CO-OP (BOISE/TWIN FALLS/IDAHO FALLS/SALT LAKE CITY)															
PRINT															
Boise Weekly															
Idaho Falls Magazine															
Salt Lake City Magazine															
DIGITAL/MOBILE															
AdRoll - Retargeting															
Adconion															
EVENT CO-OP SUBTOTAL															

Sum of Cost	Total
Row Labels	
Adconion	\$77,500.00
Denver	\$10,000.00
LA	\$17,000.00
New York	\$20,000.00
San Francisco	\$17,000.00
Seattle	\$13,500.00
TravelSpike	\$46,000.00
LA	\$13,000.00
New York	\$10,000.00
San Francisco	\$12,000.00
Seattle	\$11,000.00
YuMe	\$43,500.00
LA	\$13,000.00
New York	\$7,500.00
San Francisco	\$13,000.00
Seattle	\$10,000.00
iExplore/Travel Mindset	\$40,000.00
LA	\$12,000.00
New York	\$9,000.00
San Francisco	\$12,000.00
Seattle	\$7,000.00
Backbone Fees	\$37,779.38
(blank)	\$37,779.38
OntheSnow	\$34,000.00
LA	\$12,000.00
New York	\$12,000.00
San Francisco	\$10,000.00
Dream Plan Go	\$30,000.00
LA	\$8,000.00
New York	\$9,000.00
San Francisco	\$8,000.00
Seattle	\$5,000.00
Onsight Media Group	\$25,000.00
LA	\$7,500.00
Mountain Bike	\$2,000.00
New York	\$7,500.00
San Francisco	\$5,000.00
Seattle	\$3,000.00
Denver International Airport	\$20,000.00
Denver	\$20,000.00
Expedia	\$20,000.00
LA	\$10,000.00
San Francisco	\$4,000.00
Seattle	\$6,000.00
Light Rail Train Wrap	\$20,000.00
Denver	\$20,000.00
AdSwerve	\$15,202.00
(blank)	\$15,202.00
Mountain Bike Project	\$10,000.00
Mountain Bike	\$10,000.00
Facebook	\$9,800.00
LA	\$2,500.00
Mountain Bike	\$2,000.00
New York	\$1,500.00

MEDIA SAENA
BY VENDOR

San Francisco	\$2,600.00
Seattle	\$1,200.00
Boise Weekly	\$7,543.20
Event Co-op	\$7,543.20
Bike	\$7,000.00
Mountain Bike	\$7,000.00
SF Weekly	\$6,600.00
San Francisco	\$6,600.00
Seattle Met	\$5,877.00
Seattle	\$5,877.00
San Francisco Magazine	\$5,800.00
San Francisco	\$5,800.00
Seattle Weekly	\$4,600.00
Seattle	\$4,600.00
Mountain Flyer	\$4,000.00
Mountain Bike	\$4,000.00
Idaho Falls Magazine	\$3,820.00
Event Co-op	\$3,820.00
AdRoll	\$9,500.00
Event Co-op	\$9,500.00
Salt Lake City Magazine	\$3,500.00
Event Co-op	\$3,500.00
bikemag.com	\$3,000.00
Mountain Bike	\$3,000.00
Mtbr.com	\$3,000.00
Mountain Bike	\$3,000.00
sicklines.com	\$2,500.00
Mountain Bike	\$2,500.00
Boiseweekly.com	\$0.00
Event Co-op	\$0.00
Saltlakecitymagazine.com	\$0.00
Event Co-op	\$0.00
Seattlemet.com	\$0.00
Seattle	\$0.00
SeattleWeekly.com	\$0.00
Seattle	\$0.00
SFWeekly.com	\$0.00
San Francisco	\$0.00
xAd	\$14,500.00
LA	\$4,000.00
New York	\$3,500.00
San Francisco	\$4,000.00
Seattle	\$3,000.00
Grand Total	\$510,021.58

CASH FLOW

Campaign Summer

Sum of Cost Row Labels	Column Labels March	May	June	July	August	September (blank)	October	Grand Total
Digital		\$21,262.17	\$116,143.67	\$98,121.95	\$62,947.30	\$34,095.99	\$0.00	\$332,571.08
Adconion			\$22,208.33	\$22,208.33	\$22,208.34	\$19,375.00		\$86,000.00
AdRoll		\$6,500.00	\$0.00	\$0.00	\$0.00	\$3,000.00		\$9,500.00
Dream Plan Go			\$5,000.00	\$15,000.00				\$20,000.00
Expedia		\$2,000.00	\$10,000.00	\$8,000.00				\$20,000.00
iExplore/Travel Mindset			\$15,000.02	\$5,000.02	\$5,000.02	\$5,000.02		\$30,000.08
Mountain Bike Project					\$5,000.00	\$0.00	\$0.00	\$5,000.00
mountainflyer.com			\$0.00					\$0.00
Mtbr.com		\$2,000.00	\$2,000.00					\$4,000.00
National Geographic.com		\$780.88	\$2,717.63	\$5,541.60	\$5,738.94	\$5,220.97		\$20,000.02
OntheSnow			\$24,679.98	\$9,322.00	\$0.00	\$0.00		\$34,001.98
Pixel Mags		\$8,481.29	\$6,018.71					\$14,500.00
Seattlemet.com			\$1,000.00					\$1,000.00
SeattleWeekly.com				\$0.00				\$0.00
SFWEEKLY.com		\$0.00		\$0.00				\$0.00
Sicklines.com				\$2,300.00	\$0.00			\$2,300.00
TravelSpike		\$1,500.00	\$16,250.00	\$16,250.00	\$10,500.00	\$1,500.00	\$0.00	\$46,000.00
YuMe			\$14,500.00	\$14,500.00	\$14,500.00			\$43,500.00
SnoCountry			-\$3,231.00					-\$3,231.00
Fees		\$22,818.08	\$6,050.00	\$16,768.08				\$45,636.16
AdSwerve		\$6,050.00	\$6,050.00					\$12,100.00
Backbone Fees		\$16,768.08			\$16,768.08			\$33,536.16
Out of Home			\$10,325.00	\$21,565.00	\$5,390.00			\$37,280.00
Billups			\$10,325.00	\$21,565.00	\$5,390.00			\$37,280.00
Print		\$4,540.00	\$11,557.00	\$8,815.00	\$5,830.00	\$965.00		\$40,422.00
Bike			\$3,500.00	\$3,500.00				\$7,000.00
Boise Weekly		\$1,930.00	\$965.00	\$965.00	\$1,930.00	\$965.00		\$6,755.00
Idaho Falls Magazine		\$1,600.00		\$1,600.00				\$3,200.00
Mountain Flyer			\$1,700.00		\$1,700.00			\$3,400.00
Salt Lake City Magazine	\$4,540.00							\$4,540.00
Seattle Met		\$4,277.00						\$4,277.00
Seattle Weekly		\$1,550.00	\$1,550.00	\$1,550.00				\$4,650.00
SF Weekly		\$2,200.00	\$1,100.00	\$1,100.00	\$2,200.00			\$6,600.00
Social		\$5,600.00	\$1,000.00					\$6,600.00
Facebook		\$5,600.00	\$1,000.00					\$6,600.00
Grand Total		\$4,540.00	\$55,637.25	\$140,883.67	\$135,451.95	\$90,935.38	\$35,060.99	\$0.00

\$462,509.24

March 12, 2014

TO: Sun Valley Air Service Board

RE: Terrorism Coverage for Policy Year Effective October 1, 2013

Dear Valued ICRMP Member:

Following the events of September 11, 2001, the nation's largest insurers took their case to Congress concerning their ability to withstand the financial consequences of additional terrorist acts that might take place on American soil. As a consequence, Congress enacted the Terrorism Risk Insurance Act (TRIA) that is intended to protect insured property owners by assuring that their property insurers are not overwhelmed by terrorism-driven claims. Local government risk sharing pools generally were excluded from TRIA.

Because ICRMP is regulated under Idaho law as a reciprocal insurer, federal law requires ICRMP to offer complete terrorism property coverage to its Members. This offering, which is additional to the regular coverage provided by the ICRMP Program, would require payment of an additional Member contribution, based upon the value of the property assets to be covered. An explanation is provided on the accompanying offer sheet.

You should understand that your ICRMP Member agency is under no obligation to accept the terrorism coverage that we are required to offer. In fact, the ICRMP Board of Trustees has purchased excess insurance for Members of ICRMP (as a whole) in the amount of fifty million dollars (\$50,000,000) per year. The coverage provided for all Members is available to be shared among any Members affected by acts of terrorism during a policy year. The Board believes this is a more cost-effective way of addressing this potential exposure. It is included in your regular ICRMP coverage **at no additional cost to you.**

The decision regarding terrorism coverage belongs to your governing board. Please complete the offer sheet evidencing your agency's desire to procure additional terrorism coverage and pay an additional Member contribution, or to reject it and share in the coverage procured for all ICRMP Members. In order to comply with the law, we need your answer promptly. Thank you.

Sincerely,



Rick Ferguson
Executive Director

For Policy Year Effective October 1, 2013

**NOTICE - OFFER OF TERRORISM COVERAGE
(Required by Federal law)**

NOTICE – DISCLOSURE OF ADDITIONAL PREMIUM

TO: ICRMP Member:

The Terrorism Risk Insurance Act, as extended on December 26, 2007 by the enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA), is a U.S. Treasury Department program under which the federal government would share, with regulated insurance carriers, the risk of loss from terrorist attacks. The Act applies when the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, certifies that an event meets the definition of a "certified act of terrorism". Certified acts of terrorism can also include foreign or domestic acts of terrorism, but they still must be certified as such by the Federal officers listed above.

In accordance with the Terrorism Risk Insurance Act, as extended on December 26, 2007, we are required to offer you coverage of all of the property we insure that your agency owns against any "certified act of terrorism". Your public agency must decide whether you desire the coverage (for an additional premium) or whether you choose to reject the offer of coverage and not pay the premium. The choice belongs to the governing board.

If you choose to accept this offer of terrorism coverage, your premium will include the additional premium for terrorism as stated in this disclosure. If you choose to reject this offer, you must do so by signing the enclosed statement and returning it to your agent, Betty Urbany at (208) 726-8866 or mail directly to ICRMP at P.O. Box 15249, Boise, Idaho, 83715.

If you reject coverage under the Act, the ICRMP policy provided to your public entity will provide an alternative form of coverage of terrorism-related insurance. Rather than cover the entire value of every item of property every public entity member of ICRMP might insure, the alternative form of coverage will provide a fixed amount of coverage (50 million dollars) for the entire membership of ICRMP during any single policy year. If terrorism-caused covered losses do not exceed 50 million dollars during any single policy year, such losses will be paid in full, subject to policy terms and conditions. If total terrorism-caused losses exceed 50 million dollars in the current policy year, such losses will be paid on a *pro-rata* basis among members suffering covered terrorism-caused losses, in proportion to their covered losses expressed as a percentage of all covered losses. Coverage under this alternative process shall not require certification by the Federal officials pursuant to TRIPRA.

Named Insured: Sun Valley Air Service Board

DISCLOSURE OF PREMIUM

If you accept this offer, the premium for terrorism coverage is estimated to be an additional amount of \$5,000 over and above your proposed renewal Member contribution based on reported total insured values of \$0.

CONTINUED ON NEXT PAGE

For Policy Year Effective October 1, 2013

IF YOU WISH TO REJECT COVERAGE UNDER THE TERRORISM RISK INSURANCE ACT, AS EXTENDED ON DECEMBER 26, 2007, THE NAMED INSURED MUST APPROVE AND SIGN THE FOLLOWING STATEMENTS:

TERRORISM RISK INSURANCE ACT REJECTION OF FULL COVERAGE

We, as a Member of ICRMP, acknowledge that we have been notified as required under the Terrorism Risk Insurance Act, as extended on December 26, 2007, that as respects to the above referenced policy of insurance policy referenced above:

1. We have been offered coverage for acts of terrorism as defined in the Act;
2. We have been advised that if we accept coverage for acts of terrorism as defined in the Act, the United States Government will participate in the payment of terrorism losses insured under the Act, subject to the provisions of the Act;
3. We have been told that if we reject coverage under the Act by signing this notice, to the extent allowed by law, we will have only our respective share of the alternative coverage for any act of terrorism under the policy issued by ICRMP.
4. We have been notified of the annual premium for coverage for acts of terrorism as defined in the Act.
5. We hereby **reject** coverage for acts of terrorism as defined in the Act and understand my policy will contain an exclusion for acts of terrorism as defined by TRIPRA, but will otherwise provide limited coverage concerning acts of terrorism as addressed by the ICRMP policy issued annually to Members.

Chief Executive/Administrative Officer

Date

Print name

Print

public office held

Sun Valley Air Service Board

Public Entity Name

RETURN THIS FORM TO YOUR AGENT OR ICRMP. A COPY OF THIS DOCUMENT IS AS BINDING AS THE ORIGINAL.

ATTENTION AGENT: THIS FORM MUST BE SIGNED PERSONALLY BY AN AUTHORIZED OFFICER OF THE INSURED AND RETURNED TO ICRMP.

For Policy Year Effective October 1, 2013

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SUN VALLEY AIR SERVICES BOARD

INVOICES TO BE PAID

Through June 27, 2014

Fly Sun Valley Alliance	March 2014 LOT Remittance	\$ 73,336.32
Fly Sun Valley Alliance	April 2014 LOT Remittance	55,018.17
Sun Valley Marketing Alliance	March 2014 LOT Remittance	89,633.28
Sun Valley Marketing Alliance	April 2014 LOT Remittance	67,244.42
TOTAL		\$285,232.19

Fly Sun Valley Alliance Inc.

PO Box 6316
Ketchum, ID 83340

Invoice

Date	Invoice #
3/31/2014	140

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 2014	73,336.32	73,336.32
		Total	\$73,336



SUN VALLEY AIR SERVICE BOARD INVOICE & CONTRACT SERVICES PERFORMED

Invoice Date: **3/31/2014** (March 2014 1% LOT collections distributed in May)

Invoice #: 140

Amount: **\$73,336.32**

Services rendered per contract: **May 2014**

AIR SERVICE RETENTION, IMPROVEMENT, DEVELOPMENT

- Monitored weekly booking, monthly revenue reports for AS and UA summer flights; fares, etc.
- Reviewed/monitored booking curve tracking, load factor/MRG analysis for winter 2013.14 flights
- Continued negotiations with airlines re: contracts for winter FY15 flights
- Began planning July 2 DEN-SUN Inaugural Celebration at Friedman Memorial Airport
- Worked with SV Express regarding potential enhancements to diversion bussing operation
- Ongoing communication/meetings with airlines, M&H consultant, FMAA, customers, stakeholders
- Continued preparations for airline meetings at Jumpstart Airline Conference in June with FMAA

LOCAL AIR MARKETING/COMMUNITY OUTREACH

- Provided information via monthly FSVA Enews, social media postings; updated FSVA website
- Provided flight information to media/summer pubs –*SV Magazine, SVPN, SV Source, SV Guide*, etc.
- Implemented ongoing marketing/advertising for air service, flight sales, in WRV and southern ID
- Reviewed summer 2014 air service marketing plan (SVMA & SV Resort)
- Worked with Alaska Airlines and fall event organizers on new Sweepstakes promotion

RESEARCH/OTHER

- Reviewed/finalized 2013/14 Winter SUN Air Passenger survey; prepared press release, presentation
- Began work on 2014 Summer SUN Air Passenger survey
- 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 #
6/12/2014	142

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 - April 2014 Collections	55,018.17	55,018.17
		Total	\$55,018.17



SUN VALLEY AIR SERVICE BOARD INVOICE & CONTRACT SERVICES PERFORMED

Invoice Date: **4/30/2014** (April 2014 1% LOT collections distributed in June)

Invoice #: 142

Amount: **\$55,018.17**

Services rendered per contract: June 2014

AIR SERVICE RETENTION, IMPROVEMENT, DEVELOPMENT

- Monitored weekly booking, monthly revenue reports for AS and UA summer flights; fares, etc
- Reviewed/monitored booking curve tracking, load factor/MRG analysis for winter 2013.14 flights
- Continued negotiations with airlines re: contracts for winter FY15 flights
- Continued planning July 2 DEN-SUN Inaugural Celebration at Friedman Memorial Airport
- Worked with SV Express regarding potential enhancements to diversion bussing operation
- Ongoing communication/meetings with all airlines, M&H consultant, FMA, customers, stakeholders.
- Continued preparations for airline meetings at Jumpstart Airline Conference in June with FMAA

LOCAL AIR MARKETING/COMMUNITY OUTREACH

- Provided information via monthly FSVA Enews, social media postings; updated FSVA website
- Created air service ad campaign for summer pubs –*SV Magazine, SVPN, SV Source, SV Guide*, etc
- Implemented ongoing marketing/advertising for air service, flight sales, in WRV and southern ID

RESEARCH/OTHER

- Reviewed/finalized 2013/14 Winter SUN Air Passenger survey; prepared press release, presentation
- Continued work on 2014 Summer SUN Air Passenger survey
- Continued work on compiling/tracking relevant comparative data and information of air service



T 208.725.2109
 F 208.726.4533
 E sedwards@visitsunvalley.com
 www.VisitSunValley.com

Sun Valley Marketing Alliance, Inc.
 PO Box 4934 • 460 E. Sun Valley Rd. • Suite 201 • Ketchum ID • 83340

Invoice

Date	Invoice #
3/31/2014	4673

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

P.O. No.	Terms

Quantity	Description	Rate	Amount
	Air Service Board Contract - Add'l 1% LOT for Direct Air Service Marketing March 2014	89,633.28	89,633.28
		Balance Due	\$89,633.28

Visit SunValley

Detail for invoices submitted to Air Service Board in March, April, May and June 2014.

Please see attached creative workbook for detailed listings of ads negotiated and sent to date.
Please see attached examples of ads currently in market.

March:

- Finalized creative concept and design for summer 2014 campaign
- Began negotiating advertising contracts with vendors
- Began planning and negotiations for Winter 2014.15 advertising program
- Transitioned all vendors to a pay-direct relationship with Visit Sun Valley

April:

- Finalized contracts with vendors for Summer 2014
- On-going in-house design work to accommodate various sizes and types of ads

May:

- Completed 75, 30 and 15 second video ads and submitted for placement
- Began summer pay-per-click (PPC) advertising campaign in Air Service Markets
- On-going in-house design work to accommodate various size and types of ads
- Placed digital, print and video ads as per attached creative workbook

June:

- On-going in-house design work to accommodate various sizes and types of ads
- Created billboard ad for Denver airport and bus wrap as per attached examples
- Continued PPC campaign in air service markets
- Placed digital, print, video, and out-of-home ads as per attached creative workbook.





T 208.725.2109
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Sun Valley Marketing Alliance, Inc.
 PO Box 4934 • 460 E. Sun Valley Rd. • Suite 201 • Ketchum ID • 83340

Invoice

Date	Invoice #
4/30/2014	4683

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

P.O. No.	Terms

Quantity	Description	Rate	Amount
	Air Service Board Contract - Add'l 1% LOT for Direct Air Service Marketing April 2014	67,244.42	67,244.42

Thank you for your participation and support of Visit Sun Valley!		Balance Due	\$67,244.42
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Detail for invoices submitted to Air Service Board in March, April, May and June 2014.

Please see attached creative workbook for detailed listings of ads negotiated and sent to date.
Please see attached examples of ads currently in market.

March:

- Finalized creative concept and design for summer 2014 campaign
- Began negotiating advertising contracts with vendors
- Began planning and negotiations for Winter 2014.15 advertising program
- Transitioned all vendors to a pay-direct relationship with Visit Sun Valley

April:

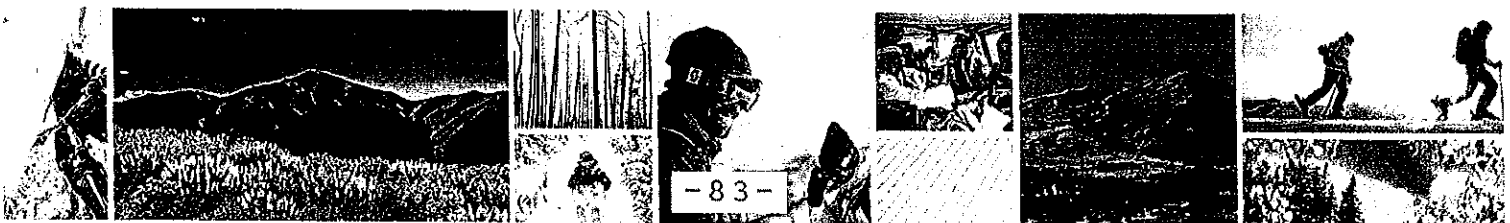
- Finalized contracts with vendors for Summer 2014
- On-going in-house design work to accommodate various sizes and types of ads

May:

- Completed 75, 30 and 15 second video ads and submitted for placement
- Began summer pay-per-click (PPC) advertising campaign in Air Service Markets
- On-going in-house design work to accommodate various size and types of ads
- Placed digital, print and video ads as per attached creative workbook

June:

- On-going in-house design work to accommodate various sizes and types of ads
- Created billboard ad for Denver airport and bus wrap as per attached examples
- Continued PPC campaign in air service markets
- Placed digital, print, video, and out-of-home ads as per attached creative workbook.



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