

**Sun Valley Air Service Board
Meeting Minutes
July 26, 2017
Hailey City Hall Meeting Room 2 pm**

Present: Peter Hendricks – Mayor, City of Sun Valley
Fritz Haemmerle – Mayor, City of Hailey
Nina Jonas – Mayor, City of Ketchum

Absent: Larry Schoen – Blaine County Commissioner

Staff Present: Ketchum – Suzanne Frick
Sun Valley – Susan Robertson

CALL TO ORDER

2:02:05 PM Call to order by Hailey Mayor Fritz Haemmerle.

ROLL CALL

Hendricks, Jonas, Haemmerle.

PUBLIC COMMENTS

No public Comments.

REMARKS FROM CHAIR

None.

REMARKS FROM BOARD

None.

EXECUTIVE SESSION

2:02:45 PM Motion to go into Executive Session pursuant to Idaho Code 74-206(d) and 74-107, made by Hendricks, seconded by Jonas, passed with roll call vote. Hendricks, yes. Haemmerle, yes. Jonas, yes.

3:21:55 PM Board came out of Executive Session to resume meeting.

CONSENT AGENDA

3:22:12 PM Motion to approve Consent Agenda items made by Hendricks, seconded by Jonas, motion passed unanimously with roll call vote. Hendricks, yes. Jonas, yes. Haemmerle, yes.

PRESENTATIONS

3:22:52 PM Fly Sun Valley Alliance, Carol Waller presented to the Board. Success in 2017 includes having 6 nonstop cities and Alaska non-stop flights from PDX. Horizon's new RNP landing system reduced diversions this winter. We are working on reducing communication issues in busing situations when busing is needed. Waller then discussed the airport's air service growth and projection of growth. Air Service Development efforts, local air marketing to communicate what is going on with air service. 16% increase in seats for summer/fall 2017, more flights and longer seasons. FY18 strategic goals include retaining and expanding current air service, and pursue new nonstop flights market for FY18.

3:29:52 PM Jonas asked what is strategy to reduce leakage. Waller responded, attempt to offer best prices compared to nearby airports.

Waller showed this year's budget request is \$1,268,849, less than last year's at \$1,495,000. Expenses include the consulting marketing research. Contract costs are expected to be greater than the income. We continue to make great progress in air service for our community.

3:33:11 PM Jonas asked what is the strategy for getting more of the air service market? Waller responded. There are many factors to consider including the airport, plane type, airline, market demand and economic feasibility. We run numbers and make a realistic offer to the airlines then we have a conversation with the airline that has expressed interest.

3:35:40 PM Jonas asks about the analysis on demand, is there a desire to increase the market, Waller responded, trying to find out better numbers on business versus vacation travel volume. Next fall and spring we will do another survey. All segments of travelers are growing added Waller, which is good news.

3:38:06 PM Dick Fenton comments about details on local travel.

3:38:48 PM Jonas states we are exaggerating the problem by focusing marketing on non-local markets, instead of local travels.

3:40:08 PM Dick Fenton speaks to Jonas's question on getting newer aircraft to land here more cost effectively. Waller comments, E175 plane used with United, may be more common equipment used here. Jonas, reliability and convenience is what we are about.

3:42:43 PM Sun Valley Marketing Alliance presentation, Scott Fortner speaks to board, displays a presentation to the room. Fortner presents year to date performance, on media marketing. New visitors by Market, California numbers are increasing. Fortner speaks to Google trends in Sun Valley, ID, first spike, was a festival and then the other spike was during the Allen and Company conference. Page Grabber is a tool they've recently been using. This summer was a promotional giveaway, "win a trip to Sun Valley." It was a multi-partner marketing effort through social media a story in Vogue magazine and posted in Facebook. Included target markets, LA, Seattle, PDX – for our non-stop flight marketing. Trip Advisor is most popular travel marketing tool we advertised with them. This fall, on Aug 24th, we are having a Portland press event, partnering with Smith & Limelight Hotel to kick off fall season, Inviting 26 journalists for this event. Fortner then covered the Life Cycle of a Traveler research, travelers plan about 5-6 months in advance. Fortner is encouraging Sun Valley to go to wholesale pricing with travel agents and allow bookings sooner to capture this early travel planner. Peak the advertising in November, and then ramp back up at first of the New Year through the season.

3:53:42 PM Jonas asked about the traditional visitor. Fortner responded.

Fortner then spoke about the strategy on spending by market and mix. Traditional digital media includes Facebook, youtube, iexplore, and spotify. Fortner review their goals and objectives to better understand the customer, and to maintain summer business levels and video channel distribution. Fortner discussed metrics, including increasing website traffic by 10%. Fortner stated they are requesting 1.3 million for this year's budget, down from last year's budget of \$1,510,750. Thank you for your support.

PUBLIC HEARINGS

3:59:27 PM Budget for FY 2018, 2.588 million dollars

No public comments.

Susan Robertson explained the budget and the timing of the service contracts.

4:01:05 PM **Hendricks moves to approve FY 2018 budget, Jonas seconds, motion passed roll call vote. Hendricks, yes. Jonas, yes. Haemmerle, yes.**

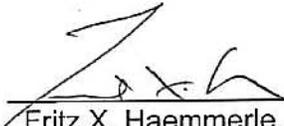
ACTION/DISCUSSION

4:01:42 PM Susan Robertson presented the auditing contract to the board. This auditing services contract cost is up to \$1,100 compared to last year of \$975 with Dennis Brown CPA.

4:02:21 PM **Jonas move to approve audit contract, seconded by Hendricks, motion passed unanimously.**

4:02:45 PM **Jonas moves to approve payment of bills on hand through July 19, 2017, Hendricks seconds, motion passed unanimously.**

4:03:25 PM **Jonas moves to adjourn meeting, seconded by Hendricks, motion passed unanimously.**



Fritz X. Haemmerle, Chairman

ATTEST:



Nina Jonas, Secretary/Treasurer