Sun Valley Air Service Board Meeting Minutes August 20, 2025 Hailey City Hall Meeting Room 2:00 pm

Present:

Neil Bradshaw - Mayor, City of Ketchum

Muffy Davis – Blaine County Commissioner Peter Hendricks – Mayor, City of Sun Valley

Martha Burke - Mayor, City of Hailey

2:04:27 PM call to order by Neil Bradshaw

Roll call Peter, Neil, Martha, Muffy Davis

<u>2:05:18 PM</u> Peter moves to approve Consent Agenda items, Burke seconds, all in favor, motion passed.

- 3. bills to pay <u>2:05:42 PM</u> Burke moves to approve bills to pay, Hendricks seconds, motion passed unanimously.
- <u>2:05:57 PM</u> Fly Sun Valley Alliance, Carol Waller presents to board. 54% are local or visitors to part-time residents. FSVA strategic plan, in process of updating this document, extend key connecting service slc den. What have we done so far, strategic plan goals. Delta added a new seattle winter flight and San Francisco. Considering continuing Denver flight. Discussing summer 2026 flights, daily American Airlines service from Phoenix and Chicago? <u>2:11:21 PM</u> Flight performance, dip during Covid, have since rebounded nicely, headed in the right direction. Sun passenger growth pattern by season, winter up 120%, summer 150%, more capacity to fill in seasons. Seat growth by airline, united service has grown, with added service, Delta back to 3 flights/day from SLC. Dec 2025 new American Airline service. One-stop fights to 304 cities in/out of Sun Valley Airport. Budget request, <u>2:16:51 PM</u> would like to keep 2 million reserve.
- <u>2:17:51 PM</u> Neil asks question about the reserve balance at 2 million if Letter of Credit only requires 1 million reserve. Waller responds, must cover the gap. Happy to have discussion with board about the reserve amount and release as necessary.
- <u>2:20:15 PM</u> Dick Fenton, have to have a certain amount of liquidity, Bradshaw, understood that to be 1 million. Would be good to decide going forward and then release as needed, in the meantime funds should be held in the cities hands.
- <u>2:21:28 PM</u> Hendricks, good practice you have used in the past. Are the MRG levels changing, what is the trend? Waller, as we've ramped up service, MRGs are increasing as service is building. Right now, we should be at same level in 2026 as 2025.

<u>2:24:03 PM</u> Davis, the new services, MRGs? Waller, the new services came online without MRGs.

- 5. Sun Valley Tourism Alliance / Visit Sun Valley, Ray Gadd presents to the board. Trends in booking far in advance seem to be declining. Strong average daily rate, lodging reservations Jun 51% occupancy, aug 51%. Summer is busiest time of year, due to most of the travel/visitation in our area. Have focused on digital campaigns through google platform. Partnerships, print ads and email campaigns, Mountain Gazette, trip to Sun Valley giveaway. 2:35:05 PM Expedia advertising as well. American Airlines and Alaska Outreach to add flights from San Diego and Phoenix this winter. Plan a week-long media mission in San Francisco and Los Angeles Oct 13-17. Asking \$1,800,000 this year, 12.5% increase from last year for the addition of American Airlines flights.
- 6. <u>2:48:57 PM</u> Chamber, Mike McKenna hands out magazines and stickers. Chamber budget \$455,265, Air service grant \$35,000 has helped us greatly, Idaho Travel Council \$215,000 membership dues & fundraising \$113,000. City of Hailey contract for 2024 \$92,000, SVASB gave us \$35,000. Discover Wood River Valley Magazines are distributed throughout southern Idaho. Have sent it to 39 different states and countries. 2nd Tuesday of every month, coffee in Hailey. Asking \$35,000, makes a big difference in staffing.

3:00:40 PM Neil, you've done an amazing job. Challenges McKenna to think about, if we had \$10,000 more we could do xyz with it......

McKenna responds, we could focus more on marketing and know what is working.

Burke, feels we can add more this year.

7. budget adoption <u>3:02:51 PM</u> FY26 Budget, summary public hearing revenues summary by Bradshaw. We have more money in reserves for MRGs if necessary. Overall view, the balance should sit with the boards and not our partner entities.

3:05:41 PM Hendricks, significant fund balance, our vendors are doing a terrific job, open to good ideas and supporting you, congratulations to all of you! \$110,000 is what we have budgeted for Mountain Rides. Hendricks does our amount to Mtn. Rides go to the airport service in whole? Question for Mountain Rides, runs 6 times/day, north and south bound. It does cover all costs of the airport service. For van service 7 days a week 5:30 am to 12:30 pm, would cost \$395,000.

3:12:08 PM Neil asks, what if it cost something? We would have to charge a fee for everyone.

Fund balance 4.6 million. Cannot be used outside of these organizations.

Public comments: 3:14:22 PM There are none.

3:14:56 PM Burke wants us to consider Jaime's more expensive version of bussing at the airport. I don't know how drastically this is used. This is the completion of their experience of their travel. Taxi companies cannot afford to pay drivers. Would like to replace the funds saved from bussing to now the mountain rides van to get you to your destination. Hendricks, suggests asking Mtn. Rides to propose a schedule between what we have now and then the \$395,000 version. Hendricks, what about covering early morning and late night to what we have now?

<u>3:21:42 PM</u> Hendricks moves to adopt budget as presented, Burke seconds, motion passed unanimously.

<u>3:22:03 PM</u> Burke moves to adjourn, Hendricks seconds, motion passed unanimously.

Heren M. Hendricks

Neil Brad Shaw