

AGENDA
SUN VALLEY AIR SERVICE BOARD MEETING
KETCHUM CITY HALL
480 EAST AVENUE NORTH
KETCHUM, ID
March 29, 2017 - 2:00 P.M.

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT

REMARKS FROM THE CHAIR

REMARKS FROM THE BOARD

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

1. Approval of Air Service Board Minutes of February 1, 2017;
2. Receive and File Financials:
 - a. 1% Local Option Tax Report – December 2016;

NEW BUSINESS

3. Authorization of payment of bills on-hand through March 22, 2017;

ADJOURNMENT

Sun Valley Air Service Board
Meeting Minutes
February 1, 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

[2:01:30 PM](#) Call to Order by Fritz Haemmerle

ROLL CALL

Hendricks, Jonas, Haemmerle.

ELECTION OF OFFICERS

[2:02:17 PM](#) Hendricks moves to keep current officers, Haemmerle as Chair, Hendricks as Vice-Chair, and Jonas as Secretary / Treasurer, motion seconded by Jonas, motion passed unanimously.

PUBLIC COMMENTS

No public Comments.

REMARKS FROM CHAIR

None.

REMARKS FROM BOARD

Jonas asked Carol Waller if we would be discussing the ballot initiative. Waller confirmed we could discuss it. Haemmerle suggested now. Waller announced that she will be going to Hailey and Ketchum next week and Sun Valley in March to meet with them on the proposal to extend the 1% LOT for air by having an election in each municipality to extend the time. It would basically be the same ballot, extending the timeframe another 5 years, in a May 2017 special election.

Discussion ensued about LOT and the possible May election.

Question about expanding to a state wide LOT broader taxing.

CONSENT AGENDA

[2:06:00 PM](#) Motion to approve Consent Agenda items, made by Hendricks, Jonas seconds, motion passed with roll call vote. Hendricks, yes. Jonas, yes. Haemmerle, yes.

PRESENTATIONS

[2:07:04 PM](#) Dennis Brown CPA, presented the FY16 audited financial statement. Brown explained the unique situation of the Air Service Board having the task to waiting on the municipalities to collect and then remit the tax the monthly after collection, creating a 60 day lag in revenue receipts. The Air Services Board does not have large expenses, has 2 contracts with outside agencies, and minor other services, leaving a net position in the fund balance of \$446,347 to carry over to the next year. Brown asked if anyone had any questions.

No questions from the Board members.

[2:10:36 PM](#) Susan Robertson announced there is less of a fund balance than anticipated due to a duplication of revenue accounting. Robertson met with both Fly Sun Valley Alliance and the Sun Valley Marketing Alliance to let them know about the shortfall and that there is a good chance that the revenue will be higher than budgeted as we saw with the last fiscal year. At this time though, we cannot pay the entire balance to both of these agencies and keep the fund balance where we need it to stay. The solution was that both of these agencies billed only partial amounts for now. Jonas asked what the fund balance would be after paying the recent invoices. [2:12:03 PM](#) Discussion ensued about the fund balance.

Fly Sun Valley Alliance Semi-Annual Report

[2:17:44 PM](#) Presentation of the Fly Sun Valley Alliance Semi-Annual report given by Carol Waller. Waller reviews the results and successes from 2014-2016 including: new airline, United; 3 new flights, Denver, Portland and San Francisco. This translates to 40,000 new air-travel visitors spending \$55 million here. Waller then explained the 2016 economic impact and breakdown by category, visitors, and part-time residents. Approximately 80% are visitors and part-time residents and 20% are full-time residents.

[2:25:16 PM](#) Jonas asks a question on the surveys. Waller responded that a total of 1625 surveys were conducted throughout the year, except for the months of May and November where those travelers are primarily local residents.

[2:26:16 PM](#) Waller then covered the Importance and Evaluation parts of the surveys. 72% of Visitors and Part-time residents said that availability of the flights was very

important in their decision to visit with top factors being convenience and price. All passengers indicated increased frequency to SUN over the past year and the Net Promoter Score (NPS) improved from 61% to 68% over the past year – “How likely one is to recommend visiting to Sun Valley to friends and family.”

How to Improve the SUN experience was covered by Waller, survey suggestions include; more food options at terminal, reduced delays/cancellations, lower fares faster check-in and baggage claim. [2:28:01 PM](#) Jonas asked if there were any stats on other airports and their flight cancellation rate compared to ours. Waller responded that most areas don't have busing like we do. Waller said Aspen buses occasionally but not like we do.

Waller then reviewed the Direct Spend economic impact of these visitors from the annual survey.

[2:29:48 PM](#) Haemmerle asked what is a good NPS score? Waller responded that Sun Valley's score is around 80, this should be the goal.

Waller then talked about the economic impact to the spending to the new travelers to the valley from 2014 through 2016.

[2:31:27 PM](#) Waller then presented the FY17 Strategic Goals which include retaining contracted nonstop flights to 5 cities, expand service schedules and frequency, increase non-peak months service, increase load factors, reduce leakage to Boise and pursue new nonstop flight markets for FY18.

Discussion ensued about the diversion rate of Alaska Airlines with the other airlines. Alaska has new technology and has been able to land with the new standards and equipment. Waller responded that we should have more information on that in the future.

[2:34:55 PM](#) Hendricks asks if we are looking at the load factors for the 5 direct flight cities to determine whether or not we should assess and continue them? Waller responded.

Discussion ensued about general market loads of the flights to nonstop cities.

[2:40:39 PM](#) Waller then reviewed the FY17 winter update, there have been 20% more seats added for this winter for Delta, to Denver and Seattle. There are new flights to Portland (Alaska Airlines) and to Seattle (Delta Airlines). From Dec to March 2016 saw a 12% increase in 3rd flight days SUN-SLC – during the non-contract service time.

[2:42:38 PM](#) Waller discussed that they are finalizing the summer and fall schedule service plans and continue to strategize expansion of service.

[2:43:21 PM](#) Haemmerle asks a question, do we ask them what they like to do when visiting? Waller responds, shorter survey now, don't get that detail.

NEW BUSINESS:

[2:45:02 PM](#) Receive and file Allocation of Voting Rights Report for 2017.

[2:46:53 PM](#) **Jonas moves to accept and receive the allocation of voting rights for 2017, seconded by Hendricks. Motion passed with roll call vote. Hendricks, yes. Jonas, yes. Haemmerle, yes.**

[2:47:30 PM](#) Payment of bills on hand

[2:48:08 PM](#) **Motion to approve bills on hand through January 27, 2017, made by Jonas, Hendricks seconds, motion passed unanimously.**

[2:49:05 PM](#) **Hendricks makes a motion to adjourn meeting, seconded by Jonas. Motion passed unanimously.**

SUN VALLEY AIR SERVICE BOARD
1% LOCAL OPTION TAX REPORT - DECEMBER 2016

1% LOT Generated	1% LOT Received	1% LOT Contribution				Expenses		Funds for Contracts
		Sun Valley	Ketchum	Hailey	TOTAL	Communities' Direct Costs	SVASB Administrative Budget	
Fund Balance					607,142.00			396,365.00
Oct-16	Dec-16	25,044.55	116,078.61	3,841.16	144,964.32	(6,318.18)	(2,955.00)	135,691.14
Nov-16	Jan-17	20,805.19	114,070.63	3,644.94	138,520.76	(6,312.67)	(125.00)	132,083.09
Dec-16	Feb-17	75,320.65	256,203.22	6,839.51	338,363.38	(6,407.63)	(95.00)	331,860.75
Jan-17	Mar-17							
Feb-17	Apr-17							
Mar-17	May-17							
Apr-17	Jun-17							
May-17	Jul-17							
Jun-17	Aug-17							
Jul-17	Sep-17							
Aug-17	Oct-17							
Sep-17	Nov-17							
Total		121,170.39	486,352.46	14,325.61	621,848.46	(19,038.48)	(3,175.00)	995,999.98

Note: Adjustments to the Administrative Expenses is Oct 2995 s/b 2758 difference of 197 adjusted in April 608-197 = 411
Nov 125 s/b 108 difference of 17 adjusted in Dec 125 - 108 = 95

1% LOT Generated	1% LOT Received	Funds for Contracts	Fly SV Alliance				SVMA			
			% of Available Funds Owed	Funds for Contract	Invoiced Amount	Available Funds	% of Available Funds Owed	Funds for Contract	Invoiced Amount	Available Funds
Fund Balance		396,365.00	20%	79,273.00	-	79,273.00	80%	317,092.00	-	317,092.00
Oct-16	Dec-16	135,691.14	20%	27,138.23	-	106,411.23	80%	108,552.91	-	425,644.91
Nov-16	Jan-17	132,083.09	20%	26,416.62	132,827.85	(0.00)	80%	105,666.47	531,311.38	0.00
Dec-16	Feb-17	331,860.75	20%	66,372.15			80%	265,488.60		
Jan-17	Mar-17		20%				80%			
Feb-17	Apr-17	-	20%				80%			
Mar-17	May-17	-	20%				80%			
Apr-17	Jun-17	-	80%				20%			
May-17	Jul-17	-	90%				10%			
Jun-17	Aug-17	-	90%				10%			
Jul-17	Sep-17	-	90%				10%			
Aug-17	Oct-17	-	90%				10%			
Sep-17	Nov-17	-	Bal of Cont				Bal of Cont			
Total				199,200.00	132,827.85			796,799.98	531,311.38	

SUN VALLEY AIR SERVICES BOARD

INVOICES TO BE PAID

Through March 22, 2017

Fly Sun Valley Alliance	December 2016 LOT Invoice	\$ 66,372.15
Sun Valley Marketing Alliance	December 2016 LOT Invoice	265,488.60
City of Ketchum	Invoice for Post Office Box Rental	54.00
TOTAL		\$331,914.75

Fly Sun Valley Alliance Inc.

PO Box 6316
Ketchum, ID 83340

Invoice

Date	Invoice #
12/31/2016	183

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

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
	1% LOT- Dec 2016 LOT collections – Feb 2017 FSVA Contract Services	66,372.15	66,372.15
		Total	\$66,372.15



TO: SUN VALLEY AIR SERVICE BOARD

CONTRACT SERVICES RENDERED – February 2017

AIR SERVICE

AIR SERVICE RETENTION, IMPROVEMENT, DEVELOPMENT

- Reviewed/monitored/analyzed weekly booking reports for 2016/17 winter flights
- Ongoing research/analysis of seat, enplanements, load factors; for SUN and competitive markets
- Continued strategic planning/analysis regarding future air service needs/opportunities FY18 and beyond
- Continued discussions with airlines re FY17 summer service; future service, etc.
- Prepared for meetings with airlines at March Mead & Hunt air service development conference
- Ongoing communication/meetings with airlines, M&H consultant, FMAA, customers, stakeholders
- Prepared materials for Air Service Board reports, invoices, etc. Attended meetings as needed
- Continued working with bus company, airlines, airport on winter enhanced diversion bussing program
- Worked with VSV and other marketing partners to discuss air service marketing efforts in key markets

LOCAL AIR MARKETING/COMMUNITY OUTREACH

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

RESEARCH/OTHER

- Continued implementation of winter 2016/17 Air Passenger surveys
- Continued work on compiling/tracking relevant news and comparative data and information of air service



Sun Valley Marketing Alliance, Inc.

Visit Sun Valley
 P.O. Box 4934
 Ketchum, ID 83340

Invoice

Date	Invoice #
3/20/2017	739

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, December 2016	265,488.60	265,488.60
		Balance Due	\$265,488.60

Air Service Board
Visit Sun Valley
Update for March. 2017

Status Update

Advertising

- Wrapping up overall results of Winter camping media plan running full steam ahead optimizing the campaigns
- Reviewing Summer media plan & commitments

Creative Campaigns

- Recently approved Summer 17' video creative, 5 different versions 1 overall Brand video (long form) & 4 supporting short stories with Origin
 - Introductions to featured personalities and date planning

PR

- Fahlgren

Currently Recapping all Winter coverage and evaluating Summer PR plan.

- Top PR Mentions

[52 Places to Go in 2017](#) | New York Times

[The 10 Hottest Travel Destinations of 2017](#) | Vogue

[The Most Romantic Destinations in Every State](#) | Travel + Leisure

[You Can \(and should\) Bring Your Dog on Your Next Ski Vacation](#) | Outside Magazine

[The Best Family Ski Resorts in the US and Canada](#) | Conde Nast Traveler

[10 Best U.S. Ski Resorts for Non-skiers](#) | Fodor's

[10 Great Places to Try Snowshoeing for the First Time](#) | USA Today

[Find Upscale Comfort Food at this Distillery and Brewery in Idaho](#) | USA Today

[9 Cold Weather Spring Break Vacation Ideas](#) | US News

[Vacation Spots for Outdoorsy Families](#) | Parents.com | Fahlgren

- Top PR Features

[Ski Sun Valley – Head to Sun Valley for Bucket List Snow & Ski Adventures](#) | Diablo Magazine

[Lexi duPont's Guide to Visiting Sun Valley Like a Champ](#) | Freeskier

[Storm Dispatch: Sun Valley, Idaho](#) | Powder

[Hotels With Great Food: A Remote Ranch in Idaho Serves Upscale Comfort](#) |

Forbes

[A Ballerina's Gift to Her Hometown: A Summer Ballet Festival](#) | New York Times

[The Tour de Sun Valley](#) | Powder Magazine

- PR Hosting

Fudo Jahic – Social Media Influences | Hosted Fudo for an Instagram takeover during the Nordic Festival | Immediate coverage on Visit Sun Valley Instagram, Instagram stories, Facebook & Facebook live as well as his personal account which has an audience of 105,000 followers (@fudojahic)

Larry Olmstead – Travel & Food Writer | Hosted Larry for a dinner at Warfield Distillery & Brewery | Immediate coverage resulted in an article on USA Today – see above

Jonathan Wiesel - Nordic Writer | Hosted Jonathan for dinner to discuss the Nordic offerings as well as the well-rounded amenities of Ketchum | Coverage pending.

- Gear Patrol – Travel Feature | Hosted the Gear Patrol video and photo crew for a week in Sun Valley to showcase the winter offerings | Social media coverage was seen immediately. Polished video and articles to be delivered next winter

Winter Highlight,

- We had some of the highest engagement and interaction with those posts of the season in Portland. Promoted our most popular press coverage as Social posts on Facebook to build credibility & to drive interest in SV. Then leveraged a fair sale on all social channels in Portland to boosted these posts.

Initiatives for Summer

- Determining better metrics for reporting
- Lodging survey to quantify available inventory within the community.
- Employing RRC Associates for Summer Research project in city of Ketchum to round out the current FlySun and Sun Valley Company Research.



CITY OF KETCHUM
 P.O. Box 2315
 Ketchum ID 83340
 Phone: (208) 726-7801
 Fax: (208) 726-7812

INVOICE

Date	Number	Page
02/08/2017	1127	1

Bill To: Sun Valley Air Service Board

Ketchum ID 83340

Customer No. 438

Project: Box 3801

Terms: Open Terms

Invoice Due Date: 02/09/2017

Quantity	Description	Unit Price	Net Amount
1	SVASB MISC / POST OFFICE BOX RENTAL	54.00	54.00

Notes:

Amount 54.00

Balance Due 54.00

Please remit payment to:
City of Ketchum
Post Office Box 2315
Ketchum, Idaho 83340

POSTAGE WILL BE PAID BY ADDRESSEE

FIRST-CLASS MAIL PERMIT NO. 99998

BUSINESS REPLY MAIL

If Undeliverable as Addressed,
Return to Local Postmaster



PAID

Box fee is due by the LAST DAY OF THIS MONTH.

Box will be closed if the fee is not paid by the due date. If the fee is not paid
after the due date, a late payment charge will apply. You may make
any of the convenient options noted on the inside top portion of this envelope.

Annual
 Semiannual
 \$ 54.00 Amount

Orders or money orders payable to "U.S. Postal Service." If the bank returns
or if payment is not received by the due date, your PO Box service will be
until all associated charges are paid.

Ignore this notice if payment has been made.

Box #3801 83340
SUN VALLEY AIR SERVICE BOARD
6 Months: \$27.00 · 12 Months: \$54.00
Due Date: 02/28/2017

01-450-3100
Charge/bill to SVASB

Post Office Box Service Fee Due