

**REGULAR SUN VALLEY AIR SERVICE BOARD MEETING  
SUN VALLEY CITY HALL  
81 ELKHORN ROAD  
SUN VALLEY, ID  
MAY 25, 2016 - 2:00 P.M.**

**CALL TO ORDER**

The Sun Valley Air Service Board meeting was called to order at 2:11 p.m. in Sun Valley City Hall.

Mayor Fritz Haemmerle noted the agenda item for executive session needed to be changed to the updated code sections, suggesting Idaho Code Section 74-107(1) and 74-107(6). Mayor Nina Jonas moved to amend the agenda as suggested, seconded by Mayor Peter Hendricks. All in favor. The motion carried unanimously.

**ROLL CALL**

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

Members Absent: Lawrence Schoen – Chair, Blaine County Commission

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

**PLEDGE OF ALLEGIANCE**

Mayor Peter Hendricks led the pledge of allegiance.

**PUBLIC COMMENT**

None.

**REMARKS FROM THE CHAIR**

None.

**REMARKS FROM THE BOARD**

None.

**CONSENT AGENDA**

- 1. Approval of Air Service Board Minutes of March 16, 2016;**
- 2. Receive and File Financials:**
  - a. 1% Local Option Tax Report – January and February 2016;**

Mayor Peter Hendricks moved to approve the entire consent agenda as presented, seconded by Mayor Nina Jonas. A roll call vote was taken. All in favor. The motion carried unanimously.

**ACTION/DISCUSSION**

- 3. Discussion regarding Friedman Memorial Airport (SUN) air service strategic planning;**

Carol Waller, of Fly Sun Valley, presented the variables that go into deciding where to pursue new non-stop destinations for the Sun Valley airport. One variable is the market demographics, such as second-home ownership, markets that provide travelers to competition resort communities and the potential demand. Market feasibility is also crucial, which takes into account whether there is an airline that is interested and

has the type of aircraft that can fly into the Sun Valley airport. If those two factors are feasible, the decision must also take into account space constraints and economics, such as MRG and marketing costs. Waller stated they generally plan out on a three-year time period for both new and enhanced services.

Mayor Peter Hendricks asked which factors were the most important in making a decision. Waller responded they are market potential and market feasibility.

Mayor Nina Jonas asked about the factors examined when looking at market demographics. She specifically asked if millennials were a target market. Waller responded age groups are more of a focus of marketing. She noted that the Alliance submitted a grant for service to Portland due to strong second-home ownership and the business market. She noted it is also a strong millennial market.

Mayor Nina Jonas asked about the focus on tourism and whether the focus would ever shift to developing the economic diversity of the Valley. She suggested additional dates and times for flights would help businesses. Waller responded they are looking at expanding the current service into the off season, noting there may also be more daily flights with some airlines. Mayor Nina Jonas stated she would like to see that integrated into the strategy. Waller responded there will be expansion of service for Fiscal Year 2017.

Mayor Nina Jonas asked whether the Alliance looks at adding airlines. Waller responded that they want to ensure their current airlines are successful but may look at a new market that is not a hub for a current airline. She noted when the 1% Air Service tax went into effect, the goal was to have new service to three cities. They started immediately with San Francisco and Denver and are continuing to expand that service.

Mayor Nina Jonas asked about whether the goals included looking at what is delivered to the customer. Waller responded that a lot of fares are determined by supply and demand, but it can be cheaper to fly into Sun Valley than to Boise. She noted there has been a drop in overall average fares into Sun Valley.

Mayor Nina Jonas encouraged Fly Sun Valley Alliance to continue to look at helping to make the valley a viable business community, especially when travel is essential to that part of the community. Mayor Peter Hendricks asked Mayor Nina Jonas whether she was asking for more emphasis on business than tourism. Mayor Nina Jonas responded that tourism is still the biggest economy in the area, but to have a healthy community there needs to be more than one economy.

Mayor Fritz Haemmerle noted the lack of flight frequency is not unique to SUN. Mayor Nina Jonas responded she was focused not only on the number of daily flights, but the frequency throughout the calendar year. Waller responded that they are looking to make significant expansions.

Mayor Peter Hendricks asked if there are an optimal number of markets. Waller responded they are always looking at various opportunities but that all new markets are carefully planned.

Mayor Fritz Haemmerle asked whether other markets besides Seattle expanded into the slack season. Waller responded that Los Angeles and San Francisco expanded and are continuing to do so.

Mayor Nina Jonas encouraged the Alliance to focus on millennial markets.

#### **4. Authorization of Payment of Bills on-hand through May 19, 2016;**

Susan Robertson presented the various bills to be paid.

Mayor Nina Jonas moved to authorize the payment of bills on hand, seconded by Mayor Peter Hendricks. A roll call vote was taken. All in favor. The motion carried unanimously.

**5. Changing of the time of the Regular Sun Valley Air Service Board September 21, 2016 meeting;**

Susan Robertson stated the Board was scheduled to meet on September 21<sup>st</sup> at 2 p.m., but the Ketchum Council Chambers are not available until 3 p.m. She asked that the meeting time be changed to that time.

Mayor Peter Hendricks moved to change the September 21<sup>st</sup> meeting time from 2 to 3 p.m., seconded by Mayor Nina Jonas. A roll call vote was taken. All in favor. The motion carried unanimously.

**EXECUTIVE SESSION**

Mayor Fritz Haemmerle stated there was no longer a need for an executive session.

**ADJOURNMENT**

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

The meeting adjourned at 2:38 p.m.

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Fritz Haemmerle, Chair

ATTEST:

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Nina Jonas, Secretary/Treasurer

Note: Minutes have been approved; will post the signed one when received.