

**SUN VALLEY AIR SERVICE BOARD
MEETING MINUTES
July 29, 2020 at 2:00 PM**

Present: Neil Bradshaw – Mayor, City of Ketchum
Peter M. Hendricks – Mayor, City of Sun Valley
Martha Burke – Mayor, City of Hailey (via Gotomeeting)
Jacob Greenberg – Chairman, Blaine County (via Gotomeeting)

Absent: None

Staff: Suzanne Frick – City Administrator, City of Ketchum
Heather Dawson – City Administrator, City of Hailey (via Gotomeeting)
Walt Femling – City Administrator, City of Sun Valley

CALL TO ORDER

Mayor Hendricks called the meeting to order at 2:02 PM.

PUBLIC COMMENT

None.

REMARKS FROM THE CHAIR

None.

REMARKS FROM THE BOARD

None.

CONSENT AGENDA

1. Approval of Air Service Board Minutes of May 27, 2020.
2. Approval of Air Service Board Minutes of June 11, 2020.
3. Receive and File Financials:
 - a. 1% Local Option Tax Report – April and May 2020

Motion to approve the consent agenda, *in toto*.

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| RESULT: | ADOPTED [UNANIMOUS] |
| MOVER: | Neil Bradshaw, Mayor of Ketchum |
| SECONDER: | Martha Burke, Mayor of Hailey |
| AYES: | Bradshaw, Burke, Hendricks |

ACTION/DISCUSSION/PRESENTATIONS

4. Discussion and action regarding a proposal for auditing services for FY 2020.

City Administrator Dawson mentioned that this service is the same as in the past for auditing services, at a slightly higher rate.

Motion to approve audit auditing services for Fiscal Year 2020.

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| RESULT: | ADOPTED [UNANIMOUS] |
| MOVER: | Neil Bradshaw, Mayor of Ketchum |
| SECONDER: | Martha Burke, Mayor of Hailey |
| AYES: | Bradshaw, Burke, Hendricks |

5. Authorization for Payment of Bills on-hand through July 24, 2020.

Motion to approve the bills on-hand as of July 24, 2020.

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| RESULT: | ADOPTED [UNANIMOUS] |
| MOVER: | Neil Bradshaw, Mayor of Ketchum |
| SECONDER: | Martha Burke, Mayor of Hailey |
| AYES: | Bradshaw, Burke, Hendricks |

6. Fly Sun Valley Alliance air service update.

Carol Waller, Director for Fly Sun Valley Alliance, gave an update. She stated that we were having a great winter and then COVID hit. It affected our March numbers and the capacity was reduced. She then went over a summary of the seat capacity and shared that they did not know what was going to happen with passenger demand. They strove to keep their key routes. They are now in the process of forecasting and planning for 2021, which is difficult. The fact that we have the LOT and the continued investment in air service and marketing is critical in recovering this pandemic. The Board asked a few questions including what airlines are doing to which Waller stated that they are all doing short-term planning, and nobody is operating under typical scenarios.

7. Sun Valley Marketing Alliance update.

Scott Fortner, Executive Director of Visit Sun Valley, stated that there are over 10 billion dollars of air credits available so there will be an opportunity to maintain the markets and limit risk. It's exciting that we are getting a new ski lift and Sun Valley Resort's partnership with Vail is a great opportunity as well. He mentioned that they are monitoring and setting themselves up to be reactionary for when things improve. Right now, they are finding that there is more interest in wellness and recreating outdoors. Chairman Greenberg asked about the need for marketing to which Fortner responded that they need to be ready and well positioned in order to take advantage of the opportunities when people are comfortable again with travel. Mayor Bradshaw asked a few clarifying questions.

8. Consideration and adoption of the proposed Sun Valley Air Service Board Budget for FY 2021 for the expenditure of Local Option Tax (LOT) revenues received by the Sun Valley Air Service Board for taxes payable from the period of 10/1/20 through 9/30/21.

Mayor Bradshaw noted that each City has a different view on the LOT estimates, which is evidence of how little we actually know about our future revenue. And, regarding the auto-renew contracts with the Fly Sun Valley Alliance and with Visit Sun Valley, he thinks we should modify the contracts in case we do not meet our revenues. Also, he believes we should take the more conservative approach with the budget. Mayor Burke stated that she would take a more conservative approach as well. Mayor Hendricks stated that he also agrees with the conservative approach and prefers, of the two budget options presented, option two, which does not appropriate any fund balance.

Mayor Hendricks opened the public hearing at 2:37 PM.

Carol Waller stated that what has been said makes sense. If her memory serves her correctly, the contract does limit the payouts based on the revenues received.

Hearing no further comment, Mayor Hendricks closed the public hearing at 2:38 PM.

Motion to adopt the second proposed Sun Valley Air Service Board budget for FY 2021, in the amount of \$2,134,000 for the expenditure of Local Option Tax (LOT) revenues received by the Sun Valley Air Service Board for taxes payable from the period 10/1/20 through 9/30/21.

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| RESULT: | ADOPTED [UNANIMOUS] |
| MOVER: | Martha Burke, Mayor of Hailey |
| SECONDER: | Neil Bradshaw, Mayor of Ketchum |
| AYES: | Bradshaw, Burke, Hendricks |

EXECUTIVE SESSION – Pursuant to Idaho Code § 74-206 (d) to consider records that are exempt from disclosure as provided in Chapter 1, Title 74, and Idaho Code § 74-206 (e) to consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations.

Motion to move into Executive Session at 2:40 PM.

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| RESULT: | ADOPTED [UNANIMOUS] |
| MOVER: | Neil Bradshaw, Mayor of Ketchum |
| SECONDER: | Martha Burke, Mayor of Hailey |
| AYES: | Bradshaw, Burke, Hendricks |

Motion to recess to special session at 3:15 PM.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Martha Burke, Mayor of Halley
SECONDER: Neil Bradshaw, Mayor of Ketchum
AYES: Bradshaw, Burke, Hendricks

ADJOURNMENT

Motion to adjourn at 3:16 PM.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Martha Burke, Mayor of Halley
SECONDER: Neil Bradshaw, Mayor of Ketchum
AYES: Bradshaw, Burke, Hendricks

Meeting adjourned at 3:16 PM.


Peter M. Hendricks, Chair



Neil Bradshaw, Secretary/Treasurer