NOTICE OF A REGULAR MEETING
OF
THE FRIEDMAN MEMORIAL AIRPORT AUTHORITY

PLEASE TAKE NOTICE *that a regular meeting of the Friedman Memorial Airport Authority shall be held Thursday, February 9, 2012 at 5:30 p.m. at the* ***Hailey City Hall Council Chambers****, 115 S. Main, Hailey, Idaho. The proposed agenda for the meeting is as follows:*

AMENDED AGENDA
February 9, 2012

I. APPROVE AGENDA

II. PUBLIC COMMENT (10 Minutes Allotted)

III. UNFINISHED BUSINESS (5:30 – 7:00)

A. Replacement Airport
1. City of Hailey Report ~~County Report~~ — DISCUSSION
2. Blaine County Report ~~City Report~~ — DISCUSSION
3. Airport Manager Report – Attachment #1 & #2 — DISCUSSION
   a. Washington D.C. Trip Report — DISCUSSION
   b. City of Ketchum Update — DISCUSSION
   c. SMS Update — DISCUSSION
4. Reliability Report (Airport Manager/T-O Engineering) – Attachment #3 — DISCUSSION/ACTION

B. Roadmap Toward Future (High Priority Items)
1. Replacement Airport South of Bellevue Along Highway 75 — DISCUSSION/ACTION
2. Incremental Improvements at Friedman Airport (ALP?) — DISCUSSION/ACTION
3. Retain/Improve/Develop Air Service — DISCUSSION/ACTION
4. Other — DISCUSSION/ACTION

C. Gallatin Public Affairs Government Relations Agreement – Attachment #4 — ACTION

IV. NEW BUSINESS (7:00 – 8:00)

A. FY '11 Idaho State Grant – SUN-2011 – Attachment #5 — ACTION
B. Passenger Demand Analysis – Attachment #6 — DISCUSSION/ACTION

V. APPROVE FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:

A. January 3, 2012 Regular Meeting – Attachment #7 — ACTION
B. October 25, 2012 Special Meeting – Attachment #8 — ACTION

VI. AIRPORT STAFF BRIEF

A. Noise Complaints
B. Parking Lot Update
C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data – Attachments #9 - #12
D. Review Correspondence – Attachment #13
E. Fly Sun Valley Alliance Update – Attachments #14 & #15
F. Airport Weather Interruptions

VII. PUBLIC COMMENT

VIII. ADJOURNMENT

FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETINGS ARE OPEN TO ALL INTERESTED PARTIES. SHOULD YOU DESIRE TO ATTEND A BOARD MEETING AND NEED A REASONABLE ACCOMMODATION TO DO SO, PLEASE CONTACT THE AIRPORT MANAGER'S OFFICE AT LEAST ONE WEEK IN ADVANCE BY CALLING 788-4956 OR WRITING TO P.O. BOX 929, HAILEY, IDAHO 83333.

III. UNFINISHED BUSINESS

A. Replacement Airport

1. City of Hailey Report

BOARD ACTION: 1. Discussion

2. Blaine County Report

BOARD ACTION: 1. Discussion

3. Airport Manager Report – Attachment #1 & #2

a. Washington D. C. Trip Report

Chairman Bowman, Vice Chairman Burke, Board Member McCleary and the Airport Manager traveled to Washington D.C. to update FMA's National Delegation on activities since August 22, 2011, when the FAA suspended the Replacement Airport EIS process. Additional discussions included the FAA's Contract Tower Program, TSA-LEO reimbursement issues and AIP Reauthorization. FMAA, the County and the City of Hailey were represented on this trip. Attachment #1 is the trip meeting schedule and Attachment #2 is the leave behind material developed for the trip.

BOARD ACTION: 1. Discussion

b. City of Ketchum Update

FMAA is scheduled to give an update presentation to the City of Ketchum on February 6, 2012. This item is on the agenda to facilitate a report if necessary.

BOARD ACTION: 1. Discussion

c. SMS Update

The next step in the SMS process related to other aircraft being included in the Letter of Agreement between the Airport and the air traffic control tower is a Change Proposal. A quick update will be available at the meeting.

BOARD ACTION: 1. Discussion

4. Reliability Report (Airport Manager/T-O Engineering) – Attachment #3

During a meeting with the FAA held on October 17-18, 2011, the FAA suggested that the airport analyze potential improvements to the reliability of the existing

airport site, particularly for air carrier traffic. In the November, 2011 FMAA Board meeting, the Board discussed the FAA suggestion and directed Staff and consultants to initiate work/study on identification of possible improvements that could potentially enhance operational reliability at the existing FMA site. Since that time, Staff and the consultant team have been working on this analysis, including a review of available weather data, discussions with both air carriers and review of runway length requirements and preliminary analysis of approach procedure options. T-O Engineers and Mead & Hunt have prepared a technical memorandum summarizing the analysis and identifying some preliminary conclusions. The draft Technical Memorandum is included as Attachment #3. The report indicates that some level of improvement to the reliability of the existing site is possible. Dave Mitchell of T-O Engineers will discuss the memorandum and findings with the Board.

BOARD ACTION: 1. Discussion/Action

B. Roadmap Towards The Future (High Priority Items)

As this board packet was being developed, the City of Hailey City Council agenda and the Blaine County Commission agenda included discussions related to Airport Priorities and Policies. Chairman Bowman and Vice Chairman Burke included the items below as possible discussion/action items for FMAA based on the possible outcomes of City and County discussions.

1. Replacement Airport South of Bellevue Along Highway 75

BOARD ACTION: 1. Discussion/Action

2. Incremental Improvements at Friedman Airport (ALP?)

BOARD ACTION: 1. Discussion/Action

3. Retain/Improve/Develop Air Service

BOARD ACTION: 1. Discussion/Action

4. Other

BOARD ACTION: 1. Discussion/Action

C. Gallatin Public Affairs Government Relations Agreement – Attachment #4

As you know, the Board has been working to change and improve communication. It has been anticipated that the agreement between the Authority and Gallatin would change once a local arrangement could be developed. Attachment #4 is a new agreement/arrangement with Gallatin Public Affairs that is included for Board review and consideration. The new agreement, in short, is for Gallatin to work with Staff and the Board to provide consultant services related to government relations at the state and federal level for the FMAA.

BOARD ACTION: 1. If acceptable, approve Airport Manager to execute proposed consulting agreement for services with Gallatin Public Affairs.

IV. NEW BUSINESS

A. FY '11 Idaho State Grant – SUN-2011 – Attachment #5

Attached #5 is a copy of the 2011 Idaho Airport Aid Program Grant Offer and Resolution for Board review and action. The Grant Offer will be applied to the following airport projects that have already been completed:

Snow removal equipment including a ¾ ton truck with an articulating V plow, backup power generator for the contract ATC facility and relocating the operations and maintenance equipment paved parking area with electrical power.

BOARD ACTION: 1. Ratify Idaho Transportation Department Grant Agreement and the Authority Resolution for IAAP Program Number: LNS8SUN/Project Number SUN-2011.

B. Passenger Demand Analysis – Attachment #6

In the October, 2011 FMAA Board meeting, the Board authorized Staff to proceed with a Passenger Demand Analysis. A Scope of Work was developed with Mead & Hunt and the Draft Passenger Demand Analysis (Attachment #6) has now been completed. Mead & Hunt representatives will in attendance to discuss the analysis in detail.

BOARD ACTION: 1. Discussion/Action

V. APPROVE FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:

A. January 3, 2012 Regular Meeting – Attachment #7

BOARD ACTION: 1. Action

B. October 25, 2011 Special Meeting – Attachment #8

BOARD ACTION: 1. Action

VI. AIRPORT STAFF BRIEF

A. Noise Complaints:

LOCATION	DATE	TIME	AIRCRAFT TYPE	INCIDENT DESCRIPTION	ACTION TAKEN
Chantrelle Sub	1/31	5:38 am	Turbo-Prop	Early Arrival	Ops Chief ID'd aircraft and spoke with the operator. Notified caller.

B. Parking Lot Update

The Car Park Gross/Net Revenues

	FY 2010 Gross	FY 2010 Net	FY 2011 Gross	FY 2011 Net	FY 2012 Gross	FY 2012 Net
December	$11,987.18	$4,651.03	$14,172.19	$5,487.75	$11,029.94	$3,860.48

C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data - Attachments #9 - #10

Attachment #9 is Friedman Memorial Airport Profit & Loss through November 2011. Attachment #10 is air traffic control tower traffic operations data for December 2011. Attachment #11 is 2001 - 2011 air traffic control operations data comparison by month. Attachment #12 is 2008 - 2011 enplanement data including non-revenue passengers. The following revenue and expense analysis is provided for Board information and review:

November 2010/2011

Total Non-Federal Revenue	November, 2011	$89,759.11
Total Non-Federal Revenue	November, 2010	$98,373.96
Total Non-Federal Revenue	FY '12 thru November	$297,734.33
Total Non-Federal Revenue	FY '11 thru November	$304,566.09
Total Non-Federal Expenses	November, 2011	$176,432.32
Total Non-Federal Expenses	November, 2010	$172,869.25
Total Non-Federal Expenses	FY '12 thru November	$398,188.13
Total Non-Federal Expenses	FY '11 thru November	$375,962.47

*Net Income to include Federal	Programs	FY '12 thru November	$-172,371.82
*Net Income to include Federal	Programs	FY '11 thru November	$-127,508.87

*Difference in net income is related to federal transactions.

D. Review Correspondence - Attachment #13

Attachment #13 is information included for Board review.

E. Fly Sun Valley Alliance Update – Attachments #14, #15

Attachment #14 is the Fly Sun Valley Alliance Meeting Minutes. Attachment #15 is the Fly Sun Valley Alliance Meeting agenda.

F. Airport Weather Interruptions for January, 2012

Airline	Flight Cancellations	Flight Diversions
Horizon Air	8	18
SkyWest	12	20

VII. PUBLIC COMMENT

VIII. ADJOURNMENT

Friedman Memorial Airport Authority Washington, DC Visit
February 1-2, 2012

February 1, 2012

10:00 am **Rep. Raul Labrador**
1523 Longworth House Office Building
Telephone: 202-225-6611
Staff contact: Mike Cunnington

11:00 am **Rep. Mike Simpson**
2312 Rayburn House Office Building
Telephone: 202-225-5531
Staff contact: Missy Small

2:15 pm **Sen. Jim Risch**
483 Russell Senate Office Building
Telephone: 202-224-2752
Staff contact: Vanessa Kermick

February 2

2:45 pm **Sen. Mike Crapo**
239 Dirksen Senate Office Building
Telephone: 202-224-6142
Staff contact: Luke Tomanelli and scheduler Karen Brown

ATTACHMENT #2

FRIEDMAN MEMORIAL AIRPORT

Sun Valley Replacement Airport

Idaho Congressional Delegation Briefing

February, 2012

FAA Suspends Replacement Airport EIS

On August 22, 2011, the Federal Aviation Administration (FAA) informed the Friedman Memorial Airport Authority (FMAA) that it had "suspended indefinitely any further work" on the draft environmental impact statement (DEIS) for a replacement airport for Friedman Memorial Airport in Hailey, Idaho.

The FAA published its Notice of Intent to prepare an EIS in November 2007 and until the suspension was announced last August, the community had been anticipating the release of a DEIS in the "late summer/early fall" 2011 timeframe.

In announcing the suspension, the agency cited "increased anticipated costs of the project (at either of the potential replacement sites) and potential impacts to wildlife," particularly sage grouse, as its reasons for suspending the DEIS. At the same time, the FAA pledged to work with the community to explore options for the future.

At the time of the suspension of the DEIS, the FAA was estimating the costs of a replacement airport to be $285,000,000 at Site 10A, the FMAA's preferred site in southern Blaine County, and $314,000,000 at Site 12 located near the Blaine and Camas County line. The FAA further indicated that the community's share of the projected cost for a replacement airport could be in the range of $140,000,000.

The FAA made clear in subsequent public meetings in Blaine County that, while the suspension allows the community to evaluate all potential options, the existing Friedman Airport does not meet certain FAA standards and significant reliability issues will continue to plague the airport. The FAA has not said that the airport will close under these conditions, but commercial service could be impacted or eliminated. Loss of commercial service has serious economic consequences to the community and region and would, of course, have a significant impact on federal funding.

The Community's Response

In response to these developments, the FMAA Board – the Board includes representatives from Blaine County, the City of Hailey and the general aviation community – has engaged in extensive public involvement to help determine an appropriate path forward.

Public meetings to solicit input have been held in Sun Valley, Ketchum, Bellevue and Hailey.

In addition, Sustain Blaine, a countywide economic development body, hosted two special forums to discuss the economic impacts of the Friedman Memorial Airport on Blaine County. The meeting, was divided into two parts: First an initial presentation of Sustain Blaine's analysis on the economics of air service. Second was a live polling exercise where more than 60 of the largest local businesses shared their opinions on the importance of the airport to their business.

Highlights from Sustain Blaine's "Economics of Air Service" presentation are as follows:

- Friedman Memorial Airport is Idaho's #2 commercial airport
- One out of three jobs in Blaine County is heavily dependent on air service
- 45% of Blaine County's GDP is tied to commercial air service

The four main messages that they drew from the individual business responses on air services in Blaine County are as follows:

- Friedman Memorial Airport, as it exists today, is either critical to or very important to over 85% of the businesses represented
- The most important reason cited for continued commercial air service to Friedman Airport is to maintain the area's reputation/brand as a destination resort
- Reliability and Non-Stop Markets Served are the primary reasons that employees of local businesses use airports other than Friedman Memorial Airport.
- If commercial air service at Friedman Memorial Airport were discontinued, over 20% of the businesses polled said they would either relocate or shut down.

Local Government's Response

The Board of County Commissioners agreed upon the following seven Airport Project Guiding Principles in their meeting on January 24, 2012. The Board will use these principles in developing a comprehensive strategic plan for the airport project. Such a plan will be used to guide their consideration of critical airport decisions as the three county members of FMAA. Some work already has been done on the plan, but it has not been finalized. These principles were provided to the Hailey City Council in advance of their airport meeting on January 30, 2012.

- **Guiding Principle 1** - Robust commercial and general aviation transportation service and infrastructure are vital to the economy of Blaine County.
- **Guiding Principle 2** - Meeting federal design and safety standards in air and ground operations is paramount in planning for air service and related infrastructure.
- **Guiding Principle 3** - Air service and infrastructure improvements are affordable and achievable.
- **Guiding Principle 4** - Minimizing environmental impacts is a high priority in planning for and implementing air service and infrastructure improvements.
- **Guiding Principle 5** - Air Service is an important and interconnected mode of transportation for Blaine County and the region.
- **Guiding Principle 6** - A replacement airport south of Bellevue along State Highway 75 is the long term solution and objective.
- **Guiding Principle 7** - Airport governance issues are addressed timely, including Amended Joint Powers Agreement implementation and further amendment as needed.

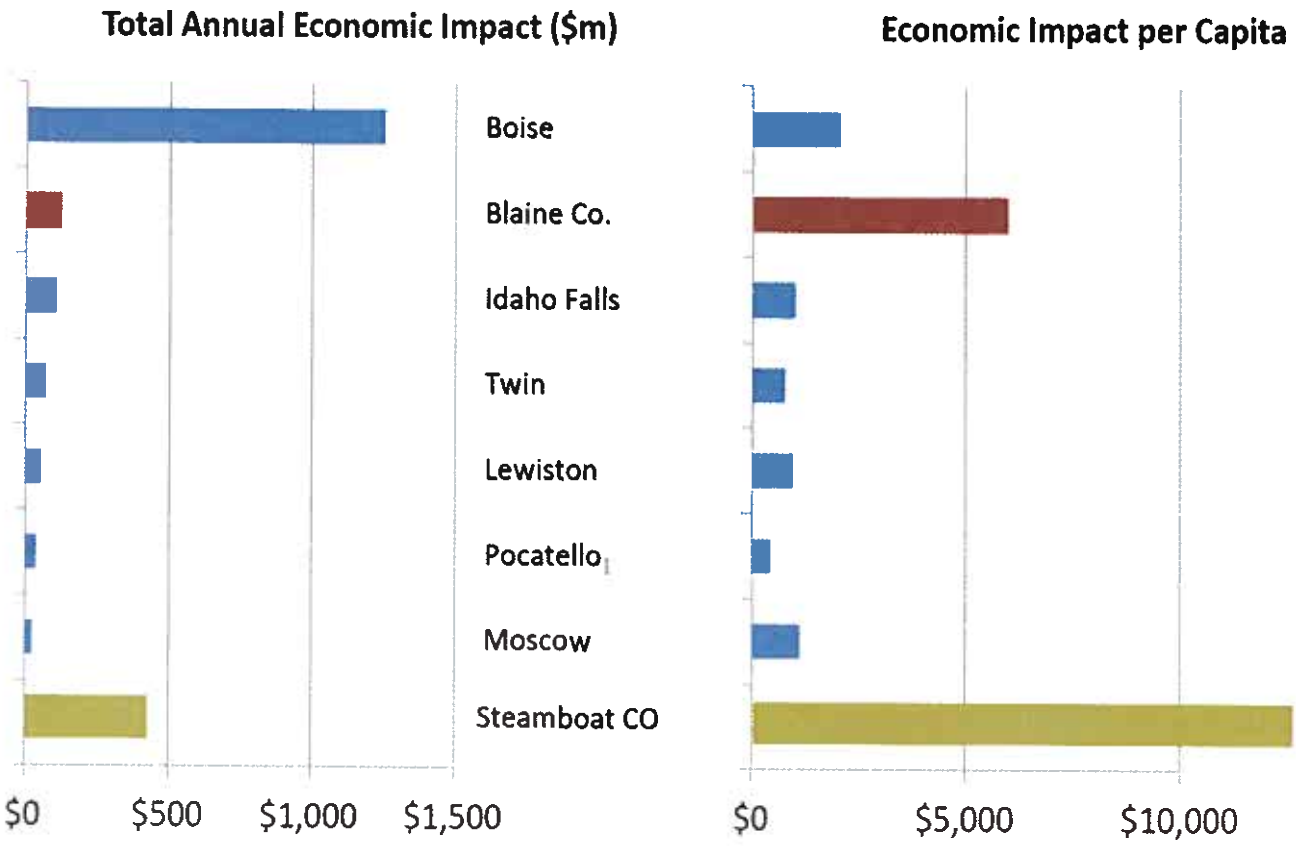
Exploring Improvements to FMA

We are currently in Phase One of a two-step process in exploring improvements to Friedman Memorial Airport to meet the FAA's Design Standards. First, we must determine if reliability can be improved. If it can be, we would next need to assess how Friedman Memorial Airport can

meet the FAA's Design Standards. This would likely be determined by partnering with the FAA to develop an Airport Layout Plan (ALP).

Preliminary feedback from meetings with SkyWest, Horizon and General Electric indicate it is likely that reliability can be improved. A formal presentation on the findings regarding reliability will be presented to the FMAA Board on February 9th and next steps will be explored shortly thereafter.

AIR SERVICES PROJECT
IDAHO'S #2 COMMERCIAL AIRPORT

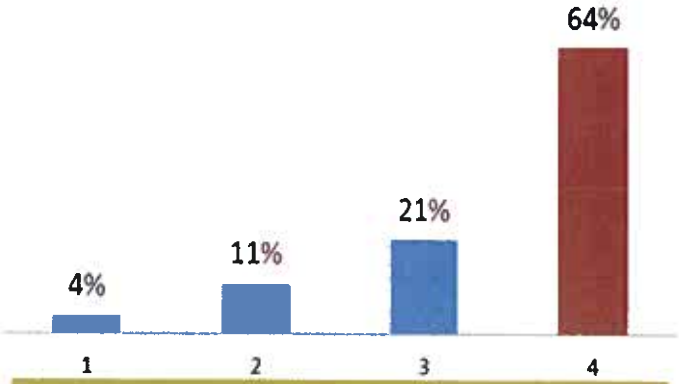


Source: "Sustain Blaine: Capital for a Day" 12/21/2011

AIR SERVICES PROJECT
SIGNIFICANT ECONOMINC IMPACT

Blaine County 2010 GDP ($m)

Blaine Co. Business Poll 2011



- **45% of current $820 m GDP**
- **4,000+ direct & indirect jobs (Blaine Co. total 11,000)**
- **Critical or Very Important to 85% of local businesses**

Source: "Sustain Blaine: Capital for a Day" 12/21/2011

FRIEDMAN MEMORIAL AIRPORT

ATTACHMENT #3

Technical Memorandum

T·O ENGINEERS

To: Friedman Memorial Airport Authority

From: Dave Mitchell, T-O Engineers
Tony Tezla, Mead & Hunt

Date: January 30, 2012

RE: SUN Reliability Analysis Summary

The intent of this memorandum is to identify improvements that potentially could enhance operational reliability (i.e., reduce flight cancellations and diversions) at the existing Friedman Memorial Airport (SUN) site. In theory, such improvements would enable SUN to retain and potentially increase commercial airline service over time. Additionally, reliability improvements may also reduce the risk of airline service disruption and/or discontinuation. This memo does not address the separate issue of compliance with FAA airport design standards, an ongoing exercise at SUN as the trend toward larger airplanes continues.

1. Background

Friedman Memorial Airport is located in the City of Hailey, within Blaine County, Idaho. It is physically situated within the narrow Wood River Valley. At the airport site, the valley is approximately 1.25 miles wide with mountain peaks rising steeply to 1,400 feet above the east and west sides of the runway. Mountainous terrain dominates the entire region north, west, and east, but is relatively flat some 10 to 15 miles further south. The presence of close-in high terrain requires a high visibility and ceiling threshold (a.k.a. approach minimums) that essentially require airplane operators to see and avoid terrain and, in the case of an aborted landing attempt, out-climb it using the most conservative operating assumptions. The high minimums coupled with prevailing inclement weather during peak travel seasons (i.e., winter) results in a high volume of flight cancellations and diversions.

For more than a decade, attempts to lower the minimums using new and experimental technologies have either failed to be implemented or have not generated the desired reliability improvement. Today, flights are cancelled several hours before the scheduled departure time so that passengers can be accommodated on charter buses. Because of the long lead time required to requisition a bus, the weather will often improve to produce a clear bus ride, further degrading the visitor travel experience.

Over the same period, SUN has also been struggling to accommodate use by larger airplanes. Airport design standards are based on three primary components: airplane size, approach speed, and approach minimums. At SUN, as is the case for most regional airports, the increasing size and operating demands requires an expanding acreage footprint: laterally to the sides of the runway, longitudinally with longer runway length and safety margins beyond the runway ends, and additional airspace mitigations to clear obstacles through removal, lighting, or procedural change. Also at SUN and many other airports with

regional air service, the issue became paramount with the rapid deployment of 70-seat Bombardier Q400 and/or similarly sized regional jets such as the Bombardier CRJ-series and Embraer ERJ-series aircraft. The 2004 Airport Master Plan concluded that SUN is hard-pressed to satisfy the footprint requirements of ARC C-III given the constraints of the site. Furthermore, the extensive redevelopment would not produce any improvement to reliability. To resolve both issues, the emphasis shifted [back] to site selection.

Notably, an earlier site selection study (1990) was not carried into implementation, but instead helped to form a key policy that first appeared in the 1994 Airport Master Plan. That policy, incorporated as a preamble statement, has since been carried forward: "... as pressure for use reaches the physical limits of the facility, we need to look for alternatives away from the valley cities rather than expansion at the existing site." FAA policy at the end of the master plan was to plan for full compliance with ARC C-III standards, regardless of location. Consistent with both policies, the Wood River Region Airport Site Selection and Feasibility Study was launched at the completion of the master plan and completed in 2006. The study included a large area for investigation, an initial screening of 16 sites, a thorough investigation of three finalist sites, and the selection of a preferred site: Site 10 (South Blaine County). This study recommendation was carried forward into the Federal Environmental Impact Statement (EIS) process.

The FAA initiated the EIS process was in 2007. Under the EIS process, the FAA utilizes an "arm's length" approach to identify and review environmental impacts; community input was limited. The effort included an independent review of the site selection study and evaluated a total of 17 potential sites. In 2010, detailed planning analysis was focused on three finalist sites, all in Blaine County. By the summer of 2011, the total project costs were estimated at over $300 million, with approximately half expected to be paid by the airport and possibly the citizens of Blaine County. Also, the Idaho Department of Fish and Game and the U.S. Fish and Wildlife Service raised significant concerns over possible impacts to Western Sage Grouse habitat. On August 22, 2011 the FAA indefinitely suspended the EIS process due to the increasing costs and sage grouse habitat concerns. The suspension is viewed as an opportunity for the community to re-evaluate all options and revisit long-held assumptions, including the position that SUN should not expand beyond its current configuration.

Following the FAA's suspension of the EIS process, several meetings involving the FAA and the community were held to identify a new course of action. Through these discussions, the following points have been clarified:

- Plan for Compliance— SUN remains obligated to correct non-standard design conditions. It is acceptable to phase these improvements over time, but the progress must be continuous.

- Existing SUN Site— To correct the design deficiencies at the existing site, it will be necessary to expand the airport's acreage footprint. Doing this will require further study, community involvement, and support.

- Solutions for the Long Term— No options have been eliminated at this point. In terms of reliability and long-term capacity, a relocated airport is the ideal solution. If funding is not available and a suitable site cannot be found, remaining at the existing site in a new configuration must be explored.

However, extensive investment in the existing site may not be justified without improvements to reliability and the associated improvements in service, particularly to the air service market. Therefore, improving reliability at the existing site is extremely important.

- Step #1, Re-assess Reliability at SUN— Regardless of airport location, there is no low cost solution. In terms of federal funding, the relationship between SUN's low volume of passengers compared to the high cost of upgrading or relocating the facilities is a concern. For the FAA, project justification would be enhanced with an increase in passenger volume and/or airline service. Therefore, the first step to be accomplished during the "pause" is to re-explore options for improving the instrument approach minimums at the existing SUN site. Improved procedures would enhance reliability which would also reduce some of the operating constraints, providing a clearer picture of true travel demand. The remainder of this report documents analysis and technical opinions for achieving this first objective.

2. Methodology

This section describes the actions undertaken to identify how and to what extent, if at all, operational reliability can be improved. The sub-par performance in winter schedule reliability is aggravating to passengers and visitors and is costly to the airline operators. This dynamic potentially impacts both market demand (i.e., leisure travelers desire ease of travel and business travelers require reliable service) and market supply (airlines must factor in the marginal cost of reliability in when deciding to expand service, enter, or exit the market). Removing or reducing the barrier could reclaim a portion of the "suppressed" demand, in the form of additional passengers and possibly increased airline service (e.g., additional city-pairs and/or flight frequency). Such an increase in activity would demonstrate that a real demand constraint exists, which in turn, helps justify federal investment. To identify potential improvements to SUN's overall reliability, the following actions were taken:

- Workshop discussions with FAA regional management and technical departments.
- In-person meetings with airline management and technical staff.
- Independent analysis of key factors affecting cancellations.
- Documentation of recent approach analysis done by others.

3. Analysis

The results of the four actions described in Section 2 are documented in this section.

FAA Workshop

SUN representatives and consultants met with FAA regional management and technical staff from various departments in Seattle on October 17 and 18, 2011. The meeting was important to align the various FAA departments with common objectives as they relate to continued air service at SUN. Major discussion points included the following:

- It will be necessary to work together to develop a feasible solution that may not be "the ideal" solution but one to "live" with for now.
- Incremental and continuous improvement with an objective to work toward full compliance with FAA design standards is the goal.
- FAA funding involving high levels of discretionary spending would benefit from increased activity and/or improved reliability that demonstrates additional "natural" demand is present. At this point, the FAA is employing a "wait and see" strategy, before committing significant funding.
- Technical discussions for potential benefit assessment value included: weather monitoring/reporting, RNP approach procedures, dual localizer system for different approach and missed-approach alignment, and approach lighting. FAA was optimistic about the recently published RNP approach gaining acceptance and improving reliability with Alaska/Horizon Airlines. No "silver bullet" solution was identified or suggested for additional research.
- Improving reliability is the first step, which requires lower approach minimums. To that end, the initial effort should involve obtaining direct airline input and feedback. FAA asked the airport to obtain this input and that another meeting with FAA should follow those discussions.
- Potential near term introduction of regional jets was discussed. FAA highlighted this as a possible trigger for both 1) re-evaluating the Letter of Agreement (LOA) with the control tower that permits use by the Q400 airplane and 2) airport-wide safety management system (SMS) review.

Airline Input

Following the FAA Workshop, SUN management and consultants met with both of the air carriers currently serving the airport to discuss potential improvements to reliability. The purpose of these meetings was to determine, from the air carriers' perspective, what improvements to infrastructure and/or procedures would have the greatest impact on reliability (i.e., reduce the number of diversions and cancellations).

A meeting with SkyWest Airlines was held at SkyWest headquarters in St George, Utah on November 22, 2011. In 2010, SkyWest's reliability at SUN was 75%, with 178 flights diverted. Skywest indicated that these reliability statistics are indicative of poor reliability. They were also optimistic that improvements can be achieved at SUN. With this in mind, the following topics were discussed:

Skywest Airplane Performance

- SkyWest currently serves SUN with the EMB 120 Brasilia.
- Nearly all of their aircraft are single RNAV equipped at this time, with plans to transition to dual-RNAV in the future.
- They do not have any RNP capabilities, at this time. (PBN procedures will not benefit this air carrier.)
- They have evaluated operating the RJ 700 at SUN
    - They can operate this aircraft with only minimal load reductions during the hottest months of the year.
    - The RJ is much more limited when the runway is contaminated, which could have an impact on winter operations.

- A minimum landing distance of 5,800 feet is required.
- Climb gradient requirements needed to clear terrain in the event of an aborted landing attempt would restrict them to a minimum cloud ceiling height of 700 feet above the airport. In other words, a minimum ceiling any lower than 700 feet will not have any benefit for CRJ-700 operations.
- Climb gradients for the CRJ-700 are 3-3.5% for single engine and 14-15% for dual engines. This climb performance is better than the current EMB-120, which would enable them to fly approach procedures requiring a missed-approach climb up to 500 FT/NM (standard is 200 FT/NM).

- If flying non-precision LDA approaches, a localizer approach with an alignment offset from the runway centerline, Skywest can descend at a 4° descent angle at a step down fix.
- If flying a precision approach such as an ILS, they are limited to a constant 3.5° descent angle.
- Landings on Runway 13 would require a paved turn-around or an additional exit taxiway at the south end of the runway since landing airplanes will often miss the final exit taxiway.

Skywest Navigation and Weather Infrastructure

- Skywest is currently dependent on conventional ground-based navigational systems for either their primary navigation or secondary navigation system.
- RJ crews are not trained to fly non-directional beacon (NDB) approaches. A VOR would be more helpful at SUN.
- They can and do use the DME that is co-located with the Hailey NDB. It is important to keep the DME by co-locating it with a future facility such as a localizer or VOR.
- Dual-approach localizers would be beneficial, and they are comfortable operating at airports configured in this way.
- In Skywest's opinion, an approach procedure from the north would produce the lowest approach minimums as climb performance is more limiting than descent performance; there is less terrain to clear in an aborted landing to the south than there is to the north allowing the plane to safely descend to a lower altitude in that direction.
- Also in Skywest's opinion, for approaches from the south, a missed-approach turn to the east (right) seems to offer better terrain clearance. The current procedure requires a straight climbing segment followed by a climbing left turn to the west.
- An approach lighting system would not provide much benefit, from their perspective.
- ADS-B would be more beneficial than radar, in their opinion.
- Skywest uses the National Weather Service's Terminal Area Forecast (TAF) to make cancellation/busing decisions several hours ahead of scheduled departure time. Skywest indicated that using Ramtaf (a fee-based weather forecasting service) to supplement the TAF could help reduce cancellations.

Skywest Summary

SkyWest is not equipped to fly performance-based navigation procedures (RNP). Therefore, improvements to approaches that are based on this technology will not be valuable to this airline in the foreseeable future. Instead, improvements in ground-based navigational aids, such as the installation of a VOR and/or dual- localizers will have a greater impact on their reliability. Based on performance of the

RJ 700, which they will likely use to serve SUN in the future, reduction of ceiling below 700 feet will not improve their capabilities at SUN. Supplementing weather information with a fee-based Ramtaf (forecast) could also help reduce cancellations.

Horizon Air Airplane Performance

A meeting with Horizon Air was conducted on December 22, 2011. The meeting focused on Horizon's capabilities and policies, relative to potential improvements to reliability at SUN. Similar to the discussion with Skywest, Horizon finds SUN's reliability performance to be poor and believes it can be improved. Each cancelled or diverted flight costs the airline approximately $6,000. Unlike Skywest, Horizon uses RNP extensively. The discussion focused on their capabilities in that area as summarized below.

- Horizon currently serves SUN with the Bombardier Q400, which is limited to the following performance characteristics:
    - Single-engine climb gradient of 350 FT/NM
    - 60,000 lbs landing weight (maximum certificated landing weight for the Q400 is approximately 62,000 lbs).
- Horizon operates with the following navigation systems:
    - Primary: Wide Area Augmentation System (WAAS) – a navigation system that uses GPS augmented with ground-based stations. The system also enables them to perform RNP approaches.
    - Secondary: Inertial – a stand-alone system in the aircraft that uses accelerometers and gyroscopes to navigate. Without the WAAS system active, the accuracy of this navigation method decays over time. Within 5-10 minutes after calibration, it no longer will provide the accuracy necessary to fly within the RNP criteria necessary to fly an approach at SUN.
- Horizon does not use the published RNAV (RNP) Y procedure at SUN (currently, no operator is authorized by FAA). Among other things, Horizon would prefer a missed-approach turn to the east. An east turn would better avoid the most critical close-in terrain and provide more time to climb.

Horizon's Identification of Potential Improvements

- According to Horizon, GE has worked an alternative approach that modifies the missed approach from RNP-Y to alleviate some of Horizon's concerns.
    - GE's analysis shows that this approach can get to minima of approximately 800'/2.25 miles. Note: this is based on some assumptions and significant survey and further analysis will be necessary to validate those assumptions. This survey and analysis will require funding, and Horizon is not willing to fund this effort, at this time. The climb gradient required would also have to remain within 350 FT/NM.
    - Based on Horizon's analysis of five years of weather data, this would reduce cancellations/diversions by 15 flights per year. Currently, Horizon operates approximately 730 flights per year to SUN.
    - Minima of 1,000'/3.0 may be more likely, after GE completes the full analysis and reviews with FAA. At these minima, Horizon would reduce cancellations by 10+ flights per year.
- If the minima could be lowered to 300'/1.0, reliability for Horizon would go to 99%.
    - This is not possible under current criteria to Runway 31.

    - Horizon's analysis from 1999 determined that an RNP (fix accuracy of 0.2 NM) approach to Runway 13 would produce the lowest approach minimums: 305 feet above ground and 1-mile visibility. In simple terms, it is better to descend through mountain terrain than to out climb it. The RNP technology enables tight accuracy during the turning approach procedure designed to remain overtop of the valley.
- For approaches from the south, Horizon thinks a climbing right turn for the missed-approach segment is better than the currently published left turn.
- Whatever RNP-based solution is found, it is important that it not require site-specific training, as this will require a significant investment by Horizon that is not justified for SUN's limited market. In order for the procedure to be used, it is best that it conform to FAA criteria (no waivers, etc.).
- The merits of the following alternatives relative to cancellations were also discussed:
    - Ground-based NAVAIDs: Horizon does not see a significant advantage to their operations by installing ground-based NAVAIDs. The primary concern is the missed approach. Unless the approach is from the north, in which case ground-based NAVAIDs could help.
    - Weather Reporting: The main problem from a weather standpoint in their opinion is the use of prevailing visibility for weather reporting. The installation of transmissometers (Runway Visual Range) could help, though these devices are limited to approximately 6,000 feet and the minimums at SUN are 3 miles for visibility. The issue focused on the current definition of "prevailing visibility" as reported by the tower which is used by an operator to decide if an approach may be attempted. Changing the definition or using a "quadrant-based" reporting system would enable more approaches to be attempted. This would require a change in national flight policy.
    - Approach Lighting: Horizon prefers approach lighting as an orientation aid for an approach, but no benefit to approach minimums would be produced at the practical range of approach minimums under consideration for SUN.
    - Radar: Multi-lateration radar would be helpful at Sun Valley. It would increase positional accuracy and reduce radar shadow from what is available today. The primary advantage would be operating efficiency as an inbound aircraft may not descend into the airspace reserved for a departing aircraft, which results in an arrival delay. The delays would increase as activity increases in the future. This radar type would presumably require the installation of receiver stations in the area and would not directly improve reliability (i.e., approach minimums).

Horizon Summary

Horizon Air is equipped to operate using performance-based navigation procedures. They feel RNP is potentially a good solution at SUN. Horizon believes the best reliability benefit would be achieved with an approach from the north. They are interested in improvements or modifications to the RNAV (RNP) Y procedure, specifically in the missed approach. Ground-based improvements are not as important to Horizon.

Independent Analysis

The independent analysis considered primary factors that impact reliability at SUN:

- Weather
- Runway Length
- Instrument Approach Procedures

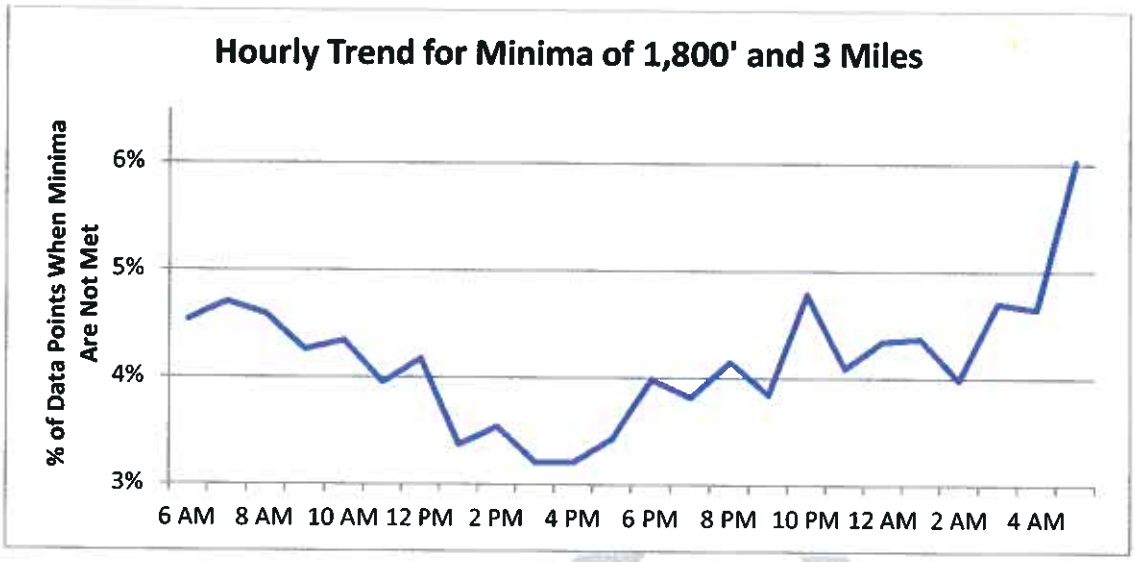
Weather

Data was collected from both the on-site Automated Weather Observing System (AWOS) and tower observations from January 1st, 2004 through September 1st, 2011. This data was then analyzed and summarized, using the following procedure. When the tower is open, data is available once per hour. When the tower is closed, the AWOS records data four times per hour. To account for the additional data recorded when the tower is closed, the data was filtered to reduce the observations to once per hour. The data was then analyzed to count the number of times minima (either ceiling or visibility) were not met. The data is also summarized by percent of time minima are met.

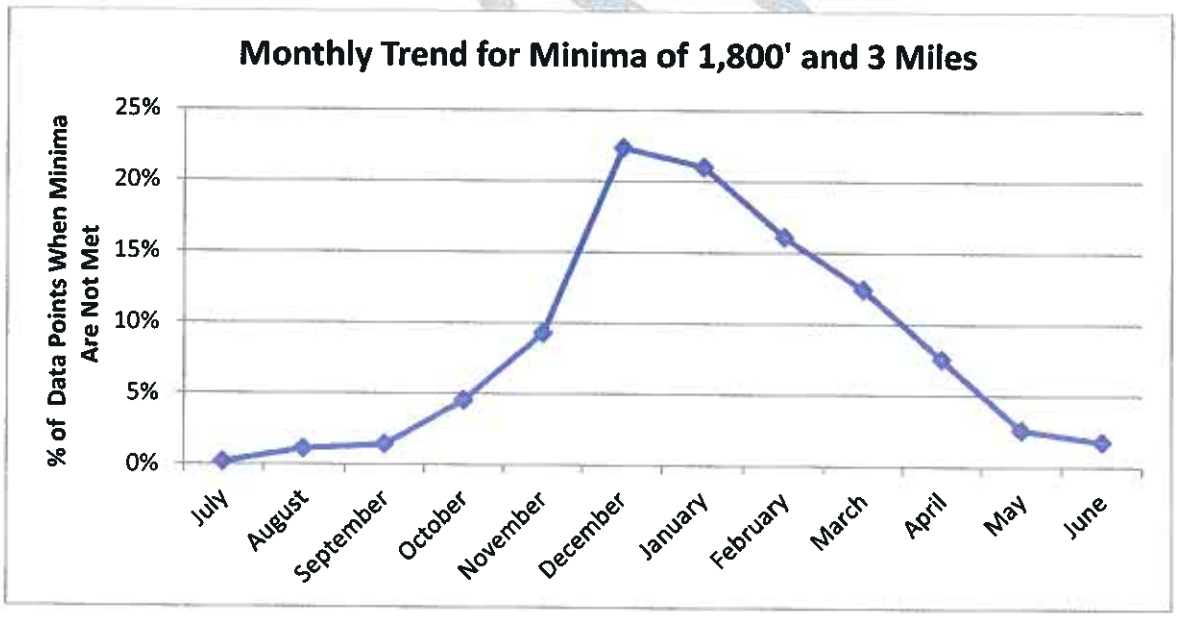
Weather Trends

There were some obvious patterns regarding time of day as well as time of year that ceiling and visibility minima were not met. The time of day minima are most likely to be met is from 1 PM to 5 PM. The time of day minima are least likely to be met is from 3 AM to 8 AM. The 5 AM hour appears to be the worst time of day; however this is due to a problem with the way the data is recorded. The AWOS enters data into the system at 45 minutes past the hour and then tower also enters data into the system just before the 6 AM hour when the tower opens, resulting in two data entries at the 5 AM hour. At this time, the data has not been filtered to remove the second entry at the 5 AM hour due to the work involved to filter the data further. Additionally, the primary concern in this study is to improve reliability for air carriers, therefore, the focus of the analysis is on the hours when air carriers normally operate. At this time and in the foreseeable future, air carrier operations will take place between the hours of 6:00 am and 10:00 pm.

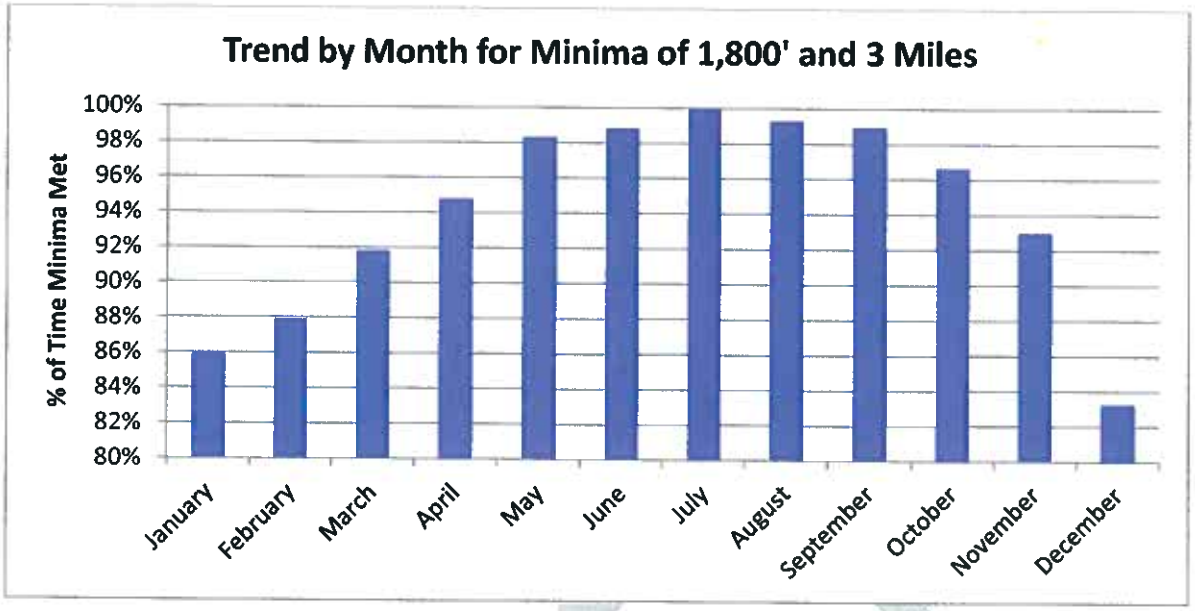
The overall hourly trends can be seen in the chart below. This chart shows the percent of data points when minima are not met for the current RNAV GPS approach.



There is also a trend when minima are not met, based on the time of year. As expected, the winter months have the worst reliability with the highest number of data points when minima are not met coming in December. The three months from December through February include 60% of the data points when minima were not met and 90% of the data points when minima are not met came during the seven months from October through April. This trend can be seen below:



Finally, the following chart illustrates the percentage of time in each month when minima are met.



These trends hold true for each of the different minima evaluated, with the exception of 200' and 0.5 miles. At minima this low, the amount of time when minima are not met is statistically insignificant.

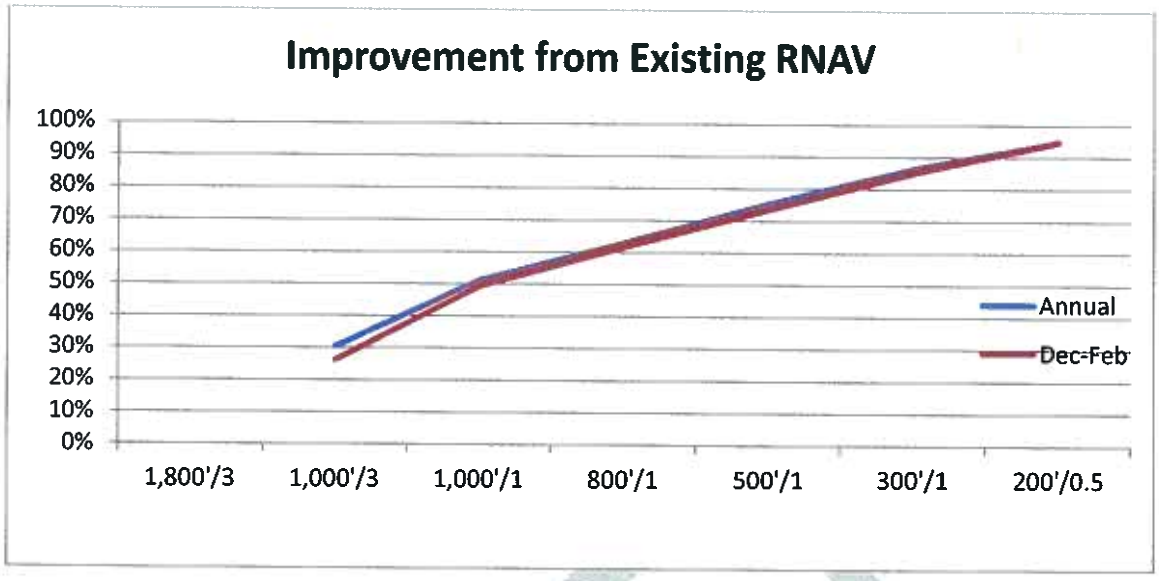
Table 1 shows the percent of time that minima were met and the improvement that each of several alternative minima provide in relation to the existing minima of 1,800' ceiling and 3.0 statute miles visibility. This data is presented both annually and for the worst months of the year from December through February.

Table 1: Weather Limits Summary

Approach	Annual			December - February		
Ceiling and Visibility	Minima Met	Minima Not Met	Improvement from Existing RNAV	Minima Met	Minima Not Met	Improvement from Existing RNAV
1,800'/3(1)	94.3%	5.7%		87.4%	12.6%	
1,000'/3(2)	96.2%	4.8%	33.7%	91.1%	9.0%	29.8%
1,000'/1	97.3%	2.7%	53.0%	93.7%	6.3%	50.7%
800'/1(3)	97.9%	2.1%	64.5%	95.3%	4.7%	63.2%
500'/1	98.7%	1.3%	78.1%	97.0%	3.0%	76.4%
300'/1	99.0%	1.0%	83.1%	97.6%	2.4%	81.7%
200'/0.5(4)	99.7%	0.3%	95.4%	99.4%	0.6%	95.6%

Notes: (1) Existing RNAV; (2) Existing RNP; (3) TLS; (4) CAT I

The chart below shows the percent improvement from existing both annually and for the worst months of the year:



Reducing minima to 1,000' ceiling and 3 miles visibility improves weather reliability approximately 30% during the winter months, compared to the reliability of the existing RNAV approach. Staying at a ceiling of 1,000' with a visibility minimum reduced to 1 mile, the improvement increases more substantially, to approximately 51%. Further improvements to minima result in similar improvements to reliability. At CAT I minima (200'/0.5), the overall weather reliability would be 99.4% during the winter months, between the hours of 6:00 am and 10:00 pm.

It is important to note that there is not a direct correlation between the percentage of time that minima are not met and the number of diversions that take place. Currently, minimums are not met approximately 12.6% of the time on average, while diversion rates are reported to be as high as 30%. The decision to divert is made by each air carrier, and a number of factors contribute to these decisions, including forecast (rather than actual) weather conditions, surface conditions of the runway due to recent snow or ice, etc. It is clear from the data however, that improvements in minima would mean improvements in the amount of time that minima are met. It is safe to assume that this improvement would result in a corresponding decrease in the number of diversions or cancellations.

Runway Length

An analysis of runway length was completed, primarily to consider what runway length would be needed in order to accommodate aircraft in the Regional Jet (RJ) family at SUN. There is ample evidence that air carriers who currently serve the airport or who would like to begin service would use RJs in this market in the future. This analysis builds on previous related work and focuses on takeoff runway length (typically the most demanding length) for the existing and potential airline fleet that would likely serve the region.

Among the conditions which most affect required takeoff runway lengths are airport elevation, outside air temperature, and aircraft operating weight. These are the primary factors considered by this runway length analysis.

FAA Advisory Circular (AC) 150/5325-4B, *Runway Length Requirements for Airport Design*, recommends that runway length requirements be determined for the mean daily maximum temperature of the hottest month at the airport, which is 86.1° Fahrenheit at SUN. This runway length analysis utilizes 5,320' above mean sea level (MSL) as the airport elevation and 86.1° Fahrenheit as the critical outside air temperature at SUN.

Aircraft operating weights, however, vary depending upon aircraft size and performance, and the amount of useful load carried for a particular flight. Useful load is the difference between the maximum allowable structural gross weight and the operating empty weight of an aircraft. In short, useful load consists of passengers, cargo, and usable fuel. This analysis calculates runway length requirements for a full passenger load with one piece of luggage per passenger, and estimates the amount of fuel carried by the aircraft on takeoff based on aircraft size and performance, and consultant experience. The useful load percentages used for each regional jet aircraft type to each destination are presented in **Table 2**.

Table 2: Useful Load Percentages

Aircraft	Seat Capacity	Maximum Useful Load (pounds)	Estimated Useful Load Percentage for Departures to...			
			SLC (200 NM)	SEA (412 NM)	DEN/SFO (500 nm)	LAX/PHX (600 nm)
CRJ 200 ER	50	20,100	68%	73%	76%	78%
CRJ 700 ER	70	31,500	58%	67%	69%	73%
CRJ 900 LR	90	37,250	45%	57%	59%	63%
ERJ 135 ER/LR	37	18,737	73%	78%	81%	83%
ERJ 145 LR	50	21,795	69%	75%	78%	82%

Sources: Aviation Week & Space Technology Aerospace Sourcebook, Mead & Hunt, Inc.

Note: These useful load percentages are approximate; consult airline for specific operating procedures.

The useful load percentages shown in Table 2 were used to calculate estimated takeoff weights for departures to each destination. The airport elevation, mean daily maximum temperature of the hottest month, and each of these takeoff weights were then applied to takeoff runway length requirement performance charts contained in airport planning manuals published by the aircraft manufacturers.

The results of the runway length analysis are presented in **Table 3**.

Table 3: Takeoff Runway Length Requirements Summary

Aircraft	Seat Capacity	Temperature	Runway Length Requirement for Departures to...			
			SLC (200 nm)	SEA (400 nm)	DEN/SFO (500 nm)	LAX/PHX (600 nm)
CRJ 200 ER	50	76° F	7,000 feet	7,400 feet	7,600 feet	7,800 feet
CRJ 700 ER	70	85° F	6,250 feet	7,200 feet	7,300 feet	8,000 feet
CRJ 900 LR	90	85° F	6,250 feet	7,600 feet	7,750 feet	8,200 feet
ERJ 135 ER/LR	37	67° F	6,800 feet	7,200 feet	7,500 feet	7,600 feet
ERJ 145 LR	50	67° F	5,800 feet	6,900 feet	7,400 feet	7,600 feet

Sources: Airport Planning Manuals published by aircraft manufacturers, Mead & Hunt, Inc.

Notes: Required runway lengths are approximate; airline consultation required to determine specific operating procedures. Runway lengths may not be adequate when the runway is wet, or when the aircraft must depart with a tailwind. Available aircraft manufacturer performance charts were utilized for the temperature that most closely approximates the mean daily maximum temperature of the hottest month at SUN (86.1° F, July). At the mean maximum daily temperature of the hottest month, required runway lengths for the CRJ 200 ER, the ERJ 135 ER/LR, and the ERJ 145 LR are longer than those shown in this table.

As shown in Table 3, the existing 7,550-foot runway length is adequate for departures to SLC by all five regional jet aircraft under consideration. The existing runway length is also adequate for departures to SEA by all but one regional jet aircraft under consideration. Destinations beyond 400 nautical miles, which include DEN, SFO, LAX, and PHX, would be weight-limited with the existing length available at SUN.

The regional jet aircraft most limited by the existing 7,550-foot runway length at SUN are the CRJ 200 ER, the CRJ 700 ER, and the CRJ 900 ER. Takeoff runway length requirement performance charts were analyzed for these three aircraft at various outside air temperatures to determine the approximate temperature at which operations by these aircraft become weight-restricted by the 7,550-foot runway length. The results of this analysis are presented in **Table 4**.

Table 4: Runway 13 Takeoff Weight Limitation Analysis

Aircraft	Temperature	MRTOW (pounds)	Weight-Limited Destinations
CRJ 200 ER	40° F	49,700	None
	67° F	47,400	None
	76° F	46,100	DEN, SFO, LAX, PHX
	94° F	43,700	DEN, SFO, LAX, PHX
CRJ 700 ER	40° F	72,500	None
	67° F	71,000	None
	76° F	68,250	None
	85° F	66,750	LAX, PHX
	94° F	64,000	DEN, SFO, LAX, PHX
CRJ 900 LR	40° F	73,500	None
	67° F	72,400	None
	76° F	71,000	None
	85° F	68,500	DEN, SFO, LAX, PHX
	94° F	65,900	SEA, DEN, SFO, LAX, PHX

Source: Airport Planning Manuals published by aircraft manufacturers, Mead & Hunt, Inc.

Notes: MRTOW = Maximum Runway 13 Takeoff Weight. MRTOWs are approximate; airline consultation required to determine specific operating procedures. Takeoff weights may need to be reduced further when the runway is wet, or when the aircraft must depart with a tailwind.

As shown in Table 4, for the six commercial service hubs, the CRJ 200 ER becomes weight-restricted between 67° F and 76° F, while the CRJ 700 ER and the CRJ 900 LR become weight-restricted between 76° F and 85° F.

Based on this analysis, the 7,550-foot runway length is a limitation for regional jet aircraft departures to many potential commercial service hub destinations in hot day conditions. To maximize SUN's air service market potential, this analysis identifies 8,200 feet as the "ideal" length.

Instrument Approach Procedures

The intent of this analysis is to determine the feasibility of obtaining lower instrument approach minimums at the current site. Lower minimums would reduce the number of flight cancellations and diversions caused by inclement weather thereby improving reliability. Such operational impacts are most heavily experienced during the winter when winter storms reduce visibility and cloud ceilings. Winter is also a critical season given the region's prominence as a ski/winter destination. The highlights of the analysis are described below.

Existing Approach Conditions

- Primary Approach Constraint — Mountainous terrain in the missed approach area (north of the Airport) is the most significant constraint for lowering the approach minimums to SUN. The width of the missed approach area has a significant impact. Providing positive course guidance in the missed approach area reduces some of the impacts along the sides of the missed approach course.
- Secondary Approach Constraint — High terrain in the approach area (south of the Airport) impacts some procedures and makes procedures somewhat complicated to design and utilize.
- The best option for increasing the approach minimums is to increase the required minimum climb gradient. Until recently, procedure design was limited to a standard 200 feet per nautical mile (FT/NM) climb performance with an accompanying 40:1 obstruction clearance surface. The Required Navigation Performance (RNP) approach to Runway 31 already requires a minimum climb gradient of 330 FT/NM. A climb gradient of up to 450 FT/NM can be authorized. It should be noted, however, that air carrier policies and procedures may limit this gradient, due to single-engine performance criteria.
- Installing a localizer is complicated by the proximity of State Highway 75 and the city of Hailey to the north of Runway 13/31. Protection of the localizer critical area and signal integrity therefore questionable. An offset localizer would be more difficult to install for the same reasons. The back-course would not be useful due to guidance toward terrain. A back-course approach where the localizer is positioned at the approach end might be possible, but the need for separate approach and missed-approach courses remains a complication.
- RNP and offset localizer or a hybrid approach that offers positive course guidance in the approach and missed approach area may offer an opportunity to improve approach minima, but doing so would involve a long and complicated process that involve changes to national standards.

Option: Shift Runway South to Taxiway Bravo 3 (Minimum Height Above Touchdown (HAT) Potential — 860 FT AGL). Note: Analysis of this option began before the focus of this analysis was changed to reliability. The analysis is included primarily for comparison purposes – no decisions regarding ultimate runway configuration have been made.

- Moving the runway south brings the approach area closer to high terrain south of the Airport. Offsetting the approach course by 3 degrees or more becomes more important than the existing configuration due to the critical mountain in the approach area.
- Offsetting the localizer would retain complications associated with the existing configuration: the localizer would be located in the city of Hailey and across State Highway 75 to the north, protection of the localizer critical area and FAA approval is questionable, and back-course into terrain in the missed approach area is unavoidable.
- A localizer approach could not be developed using standard procedure design techniques.
- A localizer-performance (LP) approach using GPS was explored as an alternative. This option enables the development of a procedure with distinctive approach and missed approach courses (within 5 degrees of each other).
- The LP approach would avoid the most critical terrain in the approach and missed approach areas.
- The LP procedure has a more complicated design that includes a flat missed approach segment and a secondary clearance area along the sides of the missed approach course.
- The flat missed approach segment combined with the larger width established by the secondary areas encounters more terrain even at a 450 FT/NM climb gradient.
- Approach minimums having a HAT of 860 feet above ground level (AGL) may be achievable using a climb gradient of 450 FT/NM.

Synopsis – General Electric Preliminary Analysis

Representatives from General Electric Aviation – Performance Based Navigation (formerly Naverus) attended the Friedman Memorial Airport Authority meeting on January 3, 2012 to discuss preliminary analysis they have completed regarding potential improvements to the approaches at SUN. This analysis was instigated by a private users group and was coordinated with Horizon Air. The goal of their analysis was to build on the existing infrastructure of published approaches at SUN in order to improve the reliability of the airport. GE Aviation analyzed potential improvements to the missed approach for RNAV (RNP) Y in order to lower the minima or to make the procedure more useable, as no operators are currently flying the approach. Additionally, they considered an approach to Runway 13 (from the north).

No specific details were given at the January meeting, as GE's analysis was only preliminary in nature. Extensive further study would be required to determine what level of improvement can be made to the existing procedures, using performance-based navigation (PBN) techniques. GE representatives did state that the following PBN solutions could prove useful in improving reliability at SUN:

- Enhanced public RNP SAAAR/AR (Special Aircraft and Aircrew Authorization Required/Approval Required) Approach Procedure
- WAAS LPV Approach with RNP AR (Approval Required) Missed Approach

Either option would require extensive engineering and analysis to write the approach. The level of coordination with the FAA that would be required for approval and acceptance is unknown, but may be significant.

4. Conclusions

Based on conversations with the air carriers and analysis completed so far, the following basic conclusions can be drawn:

- With the existing minima at SUN, weather prevents instrument landings a significant amount of time. Improvements in minima should have a corresponding effect on reliability.
- Some level of improvement seems plausible, but considerable additional analysis will be necessary.
- Approaches from the south can likely be improved to a lesser degree. The best opportunity is for a missed-approach procedure turn to the east instead of west.
- Approach procedure improvements using ground-based navigational aids will be difficult to implement, due to limited land available for installation of equipment and the associated clear areas.
- Approach procedure improvements using performance-based navigation are possible, but the analysis and approval process may be costly and time consuming. Additionally, these procedures may require special training and approvals, which may limit their use.
- In either case, further analysis is necessary in order to determine the exact level of improvement that is feasible.
- Based on preliminary analysis only, it appears that the best minima possible for an approach from the south are approximately 1,000'/3. This improvement is certainly beneficial and would reduce the number of cancellations and diversions to some extent, but overall reliability would remain comparably low.
- Preliminary analysis indicates the best opportunity for improvements to minima may be with procedures from the north. (Technical analysis only – the environmental impacts of such an approach may be significant.)
- Air carriers should be encouraged to use Ramtaf to help reduce cancellations/diversions by providing a second forecast source.

DRAFT

ATTACHMENT #4

GALLATIN PUBLIC AFFAIRS

ANALYSIS•ADVOCACY•ADVANTAGE

January 1, 2012

Rick Baird
The Friedman Memorial Airport Authority
1616 Airport Way
Hailey, ID 83333

Rick:

This letter serves as our agreement to provide consulting services to The Friedman Memorial Airport Authority.

1. Scope of Work

In general, Gallatin Public Affairs (Gallatin) will provide government relations at the state and federal level for The Friedman Memorial Airport Authority (the Authority).

This work will be coordinated by Gallatin Partner Marc C. Johnson, with the participation of other partners, principals or associates of Gallatin, as required.

2. Period Covered

This agreement commences on January 1, 2012 and extends until either party, with 30 days written notice, serves notice that it intends to modify or terminate the consulting relationship.

3. Compensation: Retainer

The Authority agrees to pay Gallatin a retainer of $1,000 per month, for which an amount of Gallatin time equal in value to the retainer will be reserved. A schedule of hourly rates is attached as Exhibit A. Time expended for the Authority in excess of the base retainer will be billed on an hourly basis, only after consultation with the Authority. The Authority will also pay Gallatin 3.5% of its total fees for customary and reasonable administrative expenses associated with provision of these services.

Gallatin will bill the Authority for expenses at the close of each month. The Authority will reimburse Gallatin for necessary travel, lodging and meals at cost. Expenses incurred for materials and services in pursuit of the scope of work will be billed at cost plus an industry standard markup of 15%.

4. Billing Procedure and Terms

Gallatin will provide the Authority with an invoice, typically about the 5th day, following each month in which it provides services. The Authority agrees to pay in 20 days or less from the invoice date, or pay 1% per month interest on unpaid balances of more than 30 days.

5. Conflicts of Interest

Gallatin declares that it has no conflicts of interest between work it performs for existing Gallatin clients and the work contemplated by this Agreement.

6. Accuracy and Indemnification

the Authority agrees to indemnify, defend and hold harmless Gallatin from and against any and all losses, claims, suits, damages, expenses or liabilities that are asserted against Gallatin based upon information, representations, reports, or data furnished by the Authority to the extent such material is furnished or reviewed by the Authority for use by Gallatin.

7. Confidentiality

Gallatin will maintain strict confidentiality concerning information on presentations, reports or data supplied by the Authority for use by Gallatin in the performance of its responsibilities under this agreement. No information will be released by Gallatin to any person, except under compulsory process, without express prior approval of the Authority.

8. General Provisions

Each of Gallatin and the Authority hereby represent and warrant to the other that they have the power and authority to execute and deliver this agreement.

This agreement will apply to, be binding in all respects upon, and inure to the benefit of successors and permitted assigns of each of Gallatin and the Authority.

The prevailing party in any action or proceeding relating to this agreement shall be entitled to recover from the non-prevailing parties, reasonable attorneys' fees and other costs incurred with or without trial, in bankruptcy or on appeal, in addition to any other relief to which such prevailing party may be entitled.

This agreement shall be executed in one or more counterparts, each of which shall be deemed the original, but all of which together may be delivered by facsimile, with the intention that they shall have the same effect as an original executed counterpart hereof.

AGREEMENT to TERMS and CONDITIONS:

Gallatin Public Affairs _____ 1/20/2012
Dan Lavey, President Date

The Friedman Memorial Airport Authority _____
Rick Baird Date

GALLATIN PUBLIC AFFAIRS
ANALYSIS·ADVOCACY·ADVANTAGE

EXHIBIT A

HOURLY RATE SCHEDULE

(Effective January 1, 2012)

Marc Johnson	Partner	$300
Isaac Squyres	Partner	$250
Mckinsey Miller	Principal	$150
Randy Simon	Associate	$110
Julie Mai	Associate	$ 75

ATTACHMENT #5

IDAHO TRANSPORTATION DEPARTMENT
P.O. Box 7129
Boise ID 83707-1129

(208) 334-8000
itd.idaho.gov

December 30, 2011

Tom Bowman, Chairman
Freidman Memorial Airport Authority
P.O. Box 929
Hailey, ID 83333

IDAHO AIRPORT AID PROGRAM
FY11 Grant Offer for the
Friedman Memorial Airport
IAAP Program Number: LNS8SUN
IAAP Project Number: SUN-2011

Project Description: Preparatory developments required to install back-up power for the Hailey ATCT and developments to enhance snow removal equipment storage area and power needs.
This grant is in the amount of $20,000 to match $40,000 from the Blaine County.

Dear Chairman,

Enclosed are two (2) copies each of the Grant Agreement and Airport Authority Resolution for the above referenced project. Please have the Airport Authority ratify both the Grant Agreement and the Airport Authority Resolution, as Chairman please sign both copies of each, and have the Secretary attest to the resolution. Please retain one set for your local records and return one set to me. Please complete these actions by January 30, 2012, as noted on page 2 of the grant. These funds will be available for reimbursement upon receipt of the ratified agreement in this office.

I look forward to working with the Airport Authority on this project. If you have any questions call me at (208) 334-8784.

Sincerely,

William P. Statham

William P. Statham
Airport Planning and Development Manager

IDAHO TRANSPORTATION DEPARTMENT
DIVISION OF AERONAUTICS

GRANT AGREEMENT

TO: Freidman Memorial Airport Authority
(Hereinafter referred to as the "SPONSOR")

FROM: The State of Idaho, acting through the IDAHO TRANSPORTATION DEPARTMENT, DIVISION OF AERONAUTICS
(Hereinafter referred to as the "STATE")

WHEREAS, the SPONSOR has submitted to the STATE an application for assistance from the Idaho Airport Aid Program for development of the Friedman Memorial Airport, together with the planning proposal or plans and specifications for the project. This project application has been approved by the STATE and is hereby incorporated herein and made a part thereof;

WHEREAS, the Idaho Transportation Board has approved a project for development of the airport consisting of the following described airport development:

Project Description: Preparatory developments required to install back-up power for the Hailey ATCT and developments to enhance snow removal equipment storage area and power needs.
Program Number: LNS8SUN
Project Number: SUN-2011

NOW THEREFORE, for the purpose of carrying out the provisions of the Uniform State Aeronautics Department Act of 1947, as amended, and in consideration of the SPONSOR acceptance of this offer, as hereinafter provided, the STATE hereby agrees to pay, as its share of the costs incurred in accomplishing the project, not more than a lump sum amount of $20,000.

This Grant is made with the following terms and conditions:

1. The maximum obligation of the STATE payable under this Grant shall be $20,000.

2. The SPONSOR shall:

   A. Certify the availability of at least $40,000 to match STATE participation in said project.

   B. Diligently and expeditiously complete this project and likewise pursue appropriate measures as may be agreed upon by the SPONSOR and the STATE to remedy project delays, including but not limited to litigation or condemnation.

   C. Carry out and complete the project in accordance with the plans, specifications, and property map, incorporated herein, as they may be revised or modified, with approval of the STATE.

   D. All contracts for construction involved in this project shall be bid competitively in accordance with bidding procedures otherwise authorized for public entities.

E. In connection with the acquisition of real property for the project, the SPONSOR shall secure at least two written appraisals by licensed appraisers. The SPONSOR shall not pay in excess of the highest appraisal without the written consent of the STATE or except as directed by a court of competent jurisdiction after a contested trial and a judgment not resulting from agreement between the parties.

F. No STATE funds will be paid to the SPONSOR in any case until it certifies in writing that it has funds available and will spend at least the amount designed in Paragraph (A) above, solely for the project in question.

G. The SPONSOR agrees to hold said airport open to the flying public for the useful life of the facilities developed under this project. The SPONSOR shall grant no exclusive use or operating agreements, to any person, company, or corporation; that failure to abide by such agreement shall automatically obligate the immediate and full return of all State of Idaho money expended in behalf of the project to the State of Idaho.

3. The allowable costs of the project shall not include any costs determined by the STATE to be ineligible.

4. The STATE reserves the right to amend or withdraw this offer at any time prior to its acceptance by the SPONSOR.

5. This offer shall expire and the STATE shall not be obligated to pay any part of the costs of the project unless this agreement has been accepted by the SPONSOR on or before January 30, 2012 or such subsequent date as may be prescribed in writing by the STATE.

Except for those projects receiving both State and Federal Aid (submit copies of FAA documents), the following inspection schedule and reporting system will be required:

6. Inspection Schedule and Reporting System:

Inspection Schedule and Reporting System will vary for each project. The SPONSOR will be required to make reports and be inspected on the following schedule:

A. SPONSOR shall report project commencement date.

B. SPONSOR shall make periodic progress reports as appropriate.

C. SPONSOR shall receive approval prior to any change in the scope of the project

D. SPONSOR shall report project completion date and request final inspection and payment.

E. STATE may make final inspection and shall sign off project as completed.

F. STATE may arrange for audit of account in accordance with regularly scheduled audit program.

The SPONSOR'S acceptance of this offer and ratification and adoption of the project application incorporated herein shall be evidenced by execution of this instrument by the SPONSOR, as hereinafter provided. Said offer and acceptance shall comprise allocation agreement, constituting the obligation and rights of the State of Idaho and the SPONSOR with respect to the accomplishment of the project and the operation and the maintenance of the airport. Such allocation agreement shall become effective upon the SPONSOR acceptance of this offer and shall remain in full force and effect throughout the useful life of the facilities developed under the project but in any event not to exceed twenty (20) years from the date of acceptance.

STATE OF IDAHO, ITD
Division of Aeronautics

By: _____
John V. DeThomas, Administrator

ACCEPTANCE

THE SPONSOR DOES HEREBY RATIFY AND ADOPT ALL STATEMENTS, representations, warranties, covenants, and agreements contained in the project application and incorporated materials referred to in the foregoing offer and does hereby accept said offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this _____ day of _____, 2012.

By: _____
Tom Bowman, Chairman
Freidman Memorial Airport Authority

ATTEST:

Susan McBryant, Secretary

I, Susan McBryant, Secretary do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. _____ adopted at a regular meeting of the Airport Authority held on the _____ day of _____, 2012, and that the same is now in full force and effect. IN WITNESS WHEREOF, I have hereunto set my hand and impressed the official seal of the County, this _____ day of _____, 2012.

_____
Susan McBryant, Secretary

Airport Authority Resolution

Exact from the minutes of a regular meeting
of the Freidman Memorial Airport Authority
Held on _____, 2012.

The following Resolution was introduced by Commissioner _____, read in full, considered and adopted:

Resolution number _____ of the Freidman Memorial Airport Authority accepting the Grant Offer of the State of Idaho through the Idaho Transportation Department, Division of Aeronautics, in the maximum amount of $20,000 to be used under the Idaho Airport Aid Program, Program number: LNS8SUN, Project number: SUN-2011 in the development of the Friedman Memorial Airport; and

Be it resolved by the Chairman and Members of the Freidman Memorial Airport Authority (herein referred to as the " Airport Authority " as follows:

Sec. 1. That the Airport Authority shall accept the Grant Offer of the State of Idaho in the amount of $20,000, for the purpose of obtaining State Aid under Program Number: LNS8SUN, Project Number: SUN-2011 in the development of the Friedman Memorial Airport; and

Sec. 2. That the Chairman of the Freidman Memorial Airport Authority is hereby authorized and directed to sign the statement of Acceptance of said Grant Offer (entitled Acceptance) on behalf of the Airport Authority. The Secretary is hereby authorized and directed to attest the signature of the Chairman and to impress the official seal of the Airport Authority on the aforesaid statement of Acceptance; and

Sec. 3. A true copy of the Grant Agreement referred to herein be attached hereto and made a part thereof.

Passed by the Airport Authority and approved by the Chairman this _____ day of _____, 2012.

_____
Tom Bowman, Chairman

ATTEST:

Susan McBryant, Secretary

CERTIFICATE

I, Susan McBryant, Secretary do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. _____ adopted at a regular meeting of the Airport Authority held on the _____ day of _____, 2012, and that the same is now in full force and effect. IN WITNESS WHEREOF, I have hereunto set my hand and impressed the official seal of the County, this _____ day of _____, 2012.

_____
Susan McBryant, Secretary

FRIEDMAN MEMORIAL AIRPORT

PASSENGER DEMAND ANALYSIS

JANUARY 30, 2012

Mead & Hunt
AirService@meadhunt.com
618.656.2848

ATTACHMENT #6

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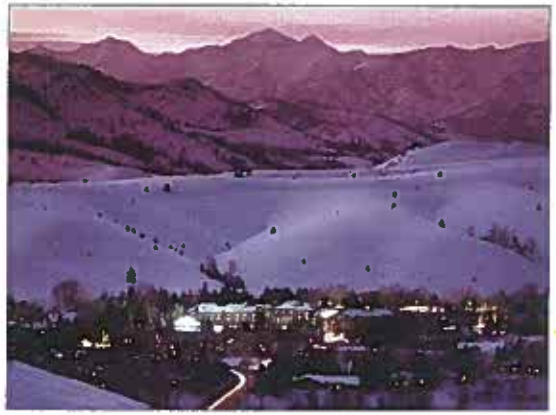
INTRODUCTION



The constantly changing air transportation needs of communities and the dynamics of the airline industry create an on-going challenge for communities in the United States. Today, communities are faced with intense competition for air service. Following September 11, 2001, airlines, struggling to remain in business, reduced capacity nationwide and focused on the performance of the high density markets. Smaller communities experienced dramatic reductions in service; while, at the same time, airlines were phasing lower capacity aircraft out of their fleets. Now, these challenges have been further compounded by the fluctuating cost of fuel and the weak economy making service expansion and/or retention within markets like Sun Valley/Ketchum even more difficult.

The past 10 years illustrate the endemic volatility of the airline industry and why it continues to burden many communities. Using quality information is essential to: evaluate the needs of local air service markets, target realistic improvements, and understand the problems facing communities to effectively address their issues. Air traveler information has unique limitations that create a significant challenge for developing strategies to improve air service. In addition, airlines spend little time analyzing opportunities at small and non-hub markets which places the burden on communities to develop the information necessary to understand and support air service solutions. To that end, this *Passenger Demand Analysis* provides objective air traveler data that is compiled from industry accepted sources using standard methodologies. Accordingly, airlines accept data included in the *Passenger Demand Analysis* as credible base information for air service forecasts. This *Passenger Demand Analysis* represents a continuing effort by Friedman Memorial Airport's (SUN) management to evaluate the travel habits of catchment area residents. This report reviews scheduled commercial air service potential and does not include information on general aviation activity.

OBJECTIVES

The objective of the *Passenger Demand Analysis* is to develop information on the travel patterns of airline passengers in the SUN catchment area. The report provides an understanding of the air service situation at SUN and formulates strategies for improvement. This analysis examines:

- Airports used by air travelers
- Diversion of airline passenger traffic to competing airports
- An estimate of total airline passengers in the catchment area and related destinations
- Airlines used by SUN catchment area air travelers
- Average airfares
- Service levels at SUN and competing airports
- An assessment of the air service situation at SUN

METHODOLOGY

The *Passenger Demand Analysis* combines Airline Reporting Corporation (ARC) ticketed data, Marketing Information Data Tapes (MIDT) data, and US Department of Transportation (DOT) airline data to provide a comprehensive overview of the air travel market. For the purposes of this study, ARC/MIDT data include tickets booked by travel agencies in the SUN catchment area as well as tickets booked via online travel agencies by passengers in the SUN catchment area. It does not capture tickets issued directly by airline Web sites (e.g., www.aa.com, www.united.com) or directly through airline reservation offices. The data used include tickets for the zip codes in the catchment area, NOT all tickets. As a result, MIDT/ARC data represent a sample to measure the air travel habits of catchment area air travelers. Note that traditional travel agent data is reported by the zip code of the travel agency. Online travel agent data (e.g. Expedia, Orbitz, and Travelocity) is reported by the customer zip code used to purchase the ticket.

Although limitations exist, MIDT/ARC data accurately portray the airline booking habits of a large cross-section of catchment area travelers making the data useful to both airports and airlines. A total of 7,786 tickets from the SUN catchment area were included in the *Passenger Demand Analysis* from September 2009 through October 2011 (ARC customer zip code data is only available back to September 2009). The MIDT/ARC data was adjusted to reflect tickets not captured from Southwest Airlines at Boise Airport (BOI).

EXECUTIVE SUMMARY

AIRLINE BOOKINGS/CATCHMENT AREA

The *Passenger Demand Analysis* includes 7,786 MIDT/ARC tickets from the SUN catchment area from September 2009 to October 2011. The catchment area has an estimated population of 24,858 and 11 zip codes. In addition to MIDT/ARC data, Diio Mi onboard, origin and destination, and schedule data is used.

DEPARTURES AND AVAILABLE SEATS

Delta Air Lines and Alaska Airlines provided service to/from SUN during the 12 months ended June 30, 2011. Delta provided service to Salt Lake City International Airport (SLC) for the entire 12-month period. Alaska provided service for most of the 12 months to Los Angeles and Seattle and service to BOI for three of the 12 months. SUN's monthly departures peaked in July and August 2010 at 337 departures and had a 12-month low in November 2010 at 118 departures.

AIRPORT USE

Twenty-eight percent of catchment area travelers used SUN, while 62 percent diverted to BOI, six percent used SLC, and four percent used other airports including Twin Falls, Pocatello and Idaho Falls.

DOMESTIC VERSUS INTERNATIONAL

In a comparison of domestic versus international itineraries, 28 percent of domestic travelers and 15 percent of international travelers used SUN. A larger share of international travelers used BOI, 70 percent, than domestic travelers, 62 percent.

TRUE MARKET

SUN's total air service market, called the true market, is estimated at 371,333 annual origin and destination passengers or 509 passengers daily each way. Domestic travelers accounted for 353,292 (95 percent) of the total true market. International travelers made up the remaining 18,041 passengers. International passengers made up approximately five percent of the total true market.

DOMESTIC DESTINATIONS

Seventy-five percent of travelers were destined for one of the top 25 markets. Seattle was the number one destination with 19 percent of domestic passengers. SUN retained 26 percent of Seattle passengers. The next largest markets were Los Angeles, New York Kennedy, Salt Lake City, and Denver with retention of 37, 28, 82 and 15 percent, respectively. The top two markets had nonstop Alaska Airlines service.

INTERNATIONAL DESTINATIONS

The top three international markets were: San Jose Cabo, Mexico; San Jose, Costa Rica; and Guadalajara, Mexico. SUN retained 11, 10, and zero percent, respectively.

REGIONAL DISTRIBUTION OF TRAVEL

Thirty-two percent, 118,576 travelers, were traveling to the West region. An additional 31 percent of travelers were destined for the Northwest region followed by the East, Southeast, and Southwest regions. Retention was the highest in the West, Northwest, and Northeast regions at 30 percent or higher and lowest to international destinations. Of the five percent of international travelers, the top three international regions were Mexico and Central America, Europe, and Canada with respective retention rates of nine, 19, and 25 percent.

AIRLINES USED

When using SUN (based on year ended June 30, 2011, US DOT data), catchment area travelers flew with Delta 66 percent of the time and Alaska 32 percent of the time. Diverting passenger carrier share was estimated using MIDT/ARC data (with adjustments for Southwest Airlines) as follows: Southwest 25 percent, Delta

22 percent, United Airlines/Continental Airlines 18 percent, Alaska 17 percent, US Airways eight percent, Frontier Airlines four percent and other airlines six percent. While Delta captures the majority of passengers at SUN, they capture a much lower share of diverting passengers due to Southwest's presence at BOI.

PASSENGER ACTIVITY

From 2002 through 2011, origin and destination passengers (as reported by airlines to the US DOT) increased as follows:

- SUN's passengers increased at a compounded annual growth rate (CAGR) of 0.1 percent and ranged from 50,807 (2010) to 75,150 (2006).
- BOI's passengers increased at a CAGR of 0.9 percent.
- SLC's passengers increased at a CAGR of 1.5 percent.
- Since 2008, SUN's passengers decreased by a CAGR of 6.7 percent while BOI's and SLC's passenger declined at CAGRs of 6.0 and 3.3 percent respectively.

DOMESTIC AIRFARES

For the year ended June 30, 2011, the one-way average domestic airfare for SUN was $183. In a comparison of fares, SUN's fare was:

- $31 higher than BOI
- $16 higher than SLC
- Highest fare in 22 of the top 25 true markets
- $100 higher in six markets including Washington-Dulles, Houston, Intercontinental, Sacramento, Detroit, New York LaGuardia, and Newark

AVERAGE FARE TREND

Fare trends from 2002 through 2011 (12 months ended June 30) at SUN, BOI and SLC are summarized below:

- SUN fares increased at a CAGR of 1.1 percent, with the lowest fare in 2004 at $156 and the highest fare in 2009 at $195.
- BOI's fare increased at a CAGR of 3.7 percent. The fare spread between SUN and BOI has ranged from $31 to $64.
- SLC's fare increased at a CAGR of 3.1 percent. The fare spread between SUN and SLC has ranged from $16 to $51.

NONSTOP SERVICE

In August 2010 and January 2011, SUN offered nonstop service to three destinations, Seattle, Los Angeles, and Salt Lake City. BOI had nonstop service to 12 and SLC had service to 23 of the top 25 destinations.

AIR SERVICE OPPORTUNITIES

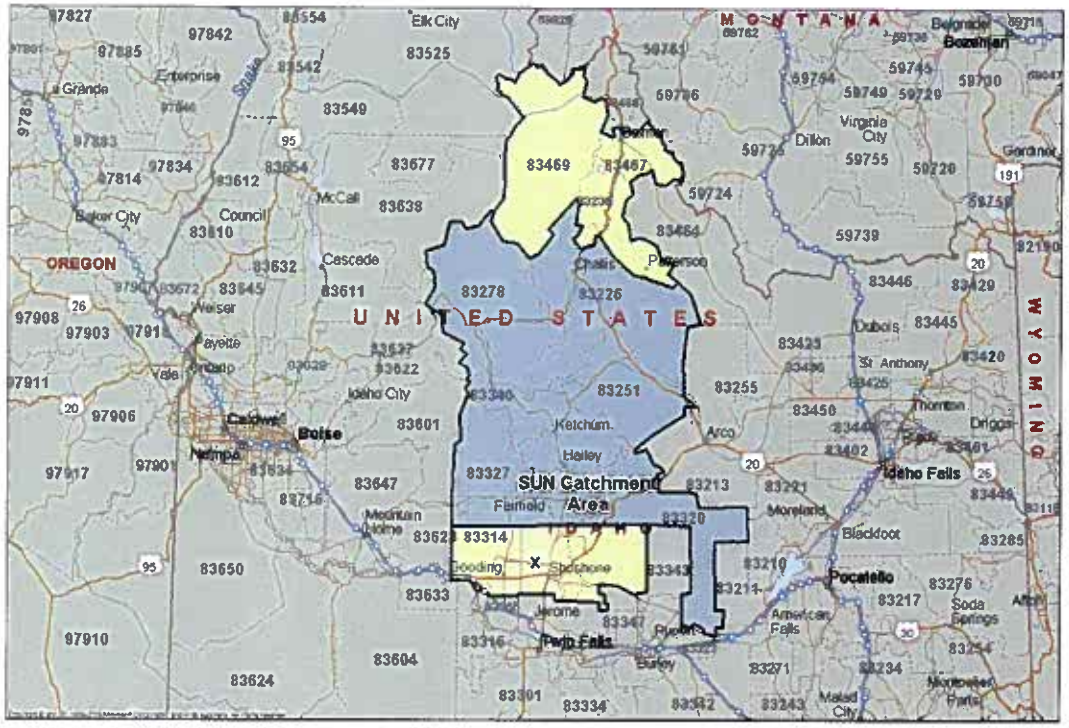
Aircraft options at SUN are limited to 19-, 30-, and 76-seat turboprop aircraft and the expected approval of Canadair Regional Jet 700 operations. Beyond the current SUN service, regional jet service to United Airlines' San Francisco and Denver hubs are promising opportunities.

1. The combined eastern connection potential via Denver in the top 25 markets is estimated to be 118 passengers daily each way.
2. San Francisco service, in addition to the Bay Area traffic, would potentially provide connecting opportunities in the Los Angeles, Orange County, San Diego, Sacramento and several eastern markets.

AIRPORT USE

To understand airport use, it is important to understand the relative size of the catchment area, current air service, and enplanement activity. SUN's use was determined using MIDT/ARC data from September 2009 to October 2011 for the zip codes from the catchment area.

EXHIBIT 3.1 SUN CATCHMENT AREA



AIRPORT CATCHMENT AREA

An airport catchment area, or service area, is a geographic area surrounding an airport where it can reasonably expect to draw passenger traffic and is representative of the local market. The catchment area contains the population of travelers who should use SUN considering the drive time from the catchment area to competing airports. This population of travelers is SUN's focus market for air service improvements and represents the majority of travelers using the local airport.

Exhibit 3.1 identifies the SUN catchment area in blue. It is comprised of 11 zip codes within the US with an estimated population of 24,858 (Source: US Census Bureau 2010). For zip codes in yellow, MIDT/ARC data was analyzed and based on the results were determined to not be in the SUN catchment area.

Sun Valley/Ketchum is approximately 90 miles from Twin Falls, 159 miles from Idaho Falls, 172 miles from BOI, 176 miles from Pocatello, and 298 miles to SLC. **Table 3.1**, next page, provides the estimated mileage from each of the zip codes in the SUN catchment area to SUN and surrounding airports.

Two Airlines Served SUN
Alaska Airlines (seasonal) and Delta Air Lines (annual) provided service to SUN during the 12 month period.

In all of the catchment area zip codes, SUN is closer by drive miles than any other commercial service airport. The two closest zip codes to SUN are the 83313 and 83333 zip codes. The 83227 and 83278 zip codes are the furthest from SUN by approximately 100 miles or greater. A breakdown of airport use by community is provided in **Table 3.4**, page 10.

TABLE 3.1 MILEAGE COMPARISON

CATCHMENT AREA ZIP CODE	MILES TO:					
	SUN	BOI	SLC	TWF	IDA	PIH
83226	84	198	321	189	142	160
83227	111	166	341	209	162	179
83251	52	251	302	125	122	140
83278	99	138	390	173	210	228
83313	13	154	281	72	141	159
83320	34	165	298	82	118	136
83322	56	89	310	80	170	188
83327	36	102	301	80	161	179
83333	17	172	299	90	159	177
83340	33	189	315	106	175	193
83348	32	154	280	72	126	143

Source: Microsoft MapPoint 2010

CURRENT AIR SERVICE

Catchment area airport use is affected by a variety of factors including: destinations offered, flight frequency, available seats, type of aircraft, airfares, and distance to a competing airport. **Table 3.2** provides SUN's monthly departures and seats for the 12 months ended June 30, 2011. Alaska Airlines and Delta Air Lines provided service to SUN during the 12-month period. Alaska provided service to BOI until September 2010 and provided service to Los Angeles and Seattle for the majority of the 12 months. Delta provided annual SLC service. Over the 12-month period, departures and seats peaked in July and August 2010 when Alaska served BOI nonstop. Departures and seats were lowest in November 2010 when SUN had only nonstop SLC service.

TABLE 3.2 MONTHLY DEPARTURES AND SEATS

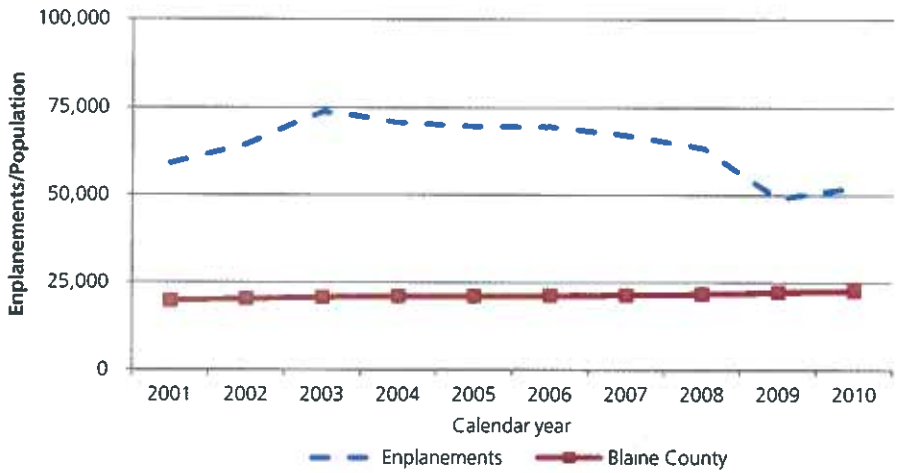
DESTINATION	MARKETING CARRIER	SERVICE TYPE	CY 2010						CY 2011					
			JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Boise, ID	Alaska	Departures	33	31	6									
		Seats	2,470	2,356	456									
Los Angeles, CA	Alaska	Departures	29	30	6			8	25	21	12		5	30
		Seats	2,204	2,242	456			570	1,900	1,557	911		342	2,280
Salt Lake City, UT	Delta	Departures	246	246	168	145	118	129	170	162	158	129	141	184
		Seats	7,365	7,365	5,025	4,335	3,540	3,855	5,085	4,860	4,725	3,855	4,215	5,505
Seattle, WA	Alaska	Departures	30	31	6			8	25	22	12		5	30
		Seats	2,242	2,318	456			570	1,900	1,671	911		342	2,280
Total		**Departures**	**337**	**337**	**186**	**145**	**118**	**144**	**220**	**205**	**182**	**129**	**150**	**244**
		Seats	**14,281**	**14,281**	**6,393**	**4,335**	**3,540**	**4,995**	**8,885**	**8,088**	**6,547**	**3,855**	**4,899**	**10,065**

Source. Diio Mi

ENPLANEMENTS AND POPULATION TRENDS

Exhibit 3.2 plots enplanement and population trends at SUN from calendar year 2001 to 2010. Blaine County was used as a surrogate for the growth trend of the SUN catchment area population. Over the 10-year period, the population grew from 19,798 to 22,740 increasing at a compounded annual growth rate (CAGR) of 1.6 percent. This compares to a CAGR of 2.9 percent for the Boise-Nampa Valley Metropolitan Statistical Area (MSA), and 2.9 percent for the state of Idaho. Enplanements (excluding charters and non-revenue passengers) decreased at a CAGR of 1.4 percent from 59,253 in 2001 to 52,335 in 2010. Enplanements peaked in 2003 at 73,883 and hit a 10-year low in 2009 at 49,080. Typically population growth drives enplanement growth. In leisure markets, however, there is less correlation between population and enplanement trends due to the significant percentage of inbound travelers.

EXHIBIT 3.2 ENPLANEMENTS AND POPULATION TRENDS



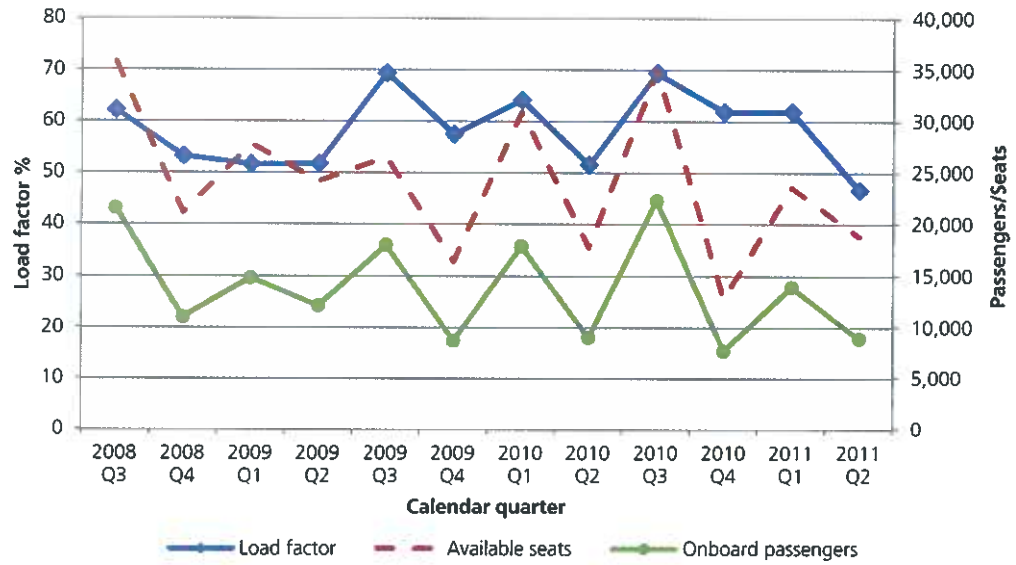
Source: SUN records (excludes non-revenue and charter enplanements); Woods & Poole Economics, Inc.

Seasonal Trends
Onboard passengers follow a similar trend as available seats, peaking in the first and third quarters of each year.

LOAD FACTOR, AVAILABLE SEATS, AND PASSENGERS

Exhibit 3.3 shows SUN's available seats, onboard passengers, and load factors for arrivals and departures by quarter from the third quarter of 2008 through the second quarter of 2011. Load factors hit a 12-quarter low in the second quarter of 2011 at 47 percent. Over the three-year period load factors have varied between a low of 47 percent in the second quarter of 2011, a seasonally low period for the airport, and a high of 69 percent in the third quarter of 2010. While load factors have recently dipped, they have generally fallen between 60 to 70 percent since the second quarter of 2009. Onboard passengers reached a low of 7,772 in the fourth quarter of 2010 and a high of 22,286 in the third quarter of 2010. Capacity reached a low of 12,870 in the fourth quarter of 2010, similar to onboard passengers, with seats reaching a high of 35,775 in the third quarter of 2008. Onboard passengers have followed a similar trend as available seats over the time period analyzed.

EXHIBIT 3.3 LOAD FACTOR, AVAILABLE SEATS, AND ONBOARD PASSENGERS



AIRPORT USE

Exhibit 3.4 provides a graph depiction of the airports used by SUN catchment area travelers. An estimated 28 percent of the catchment area's air travelers use SUN for their air travel to and from the catchment area; 62 percent of catchment area travelers diverted to BOI, six percent to SLC, and four percent to other airports including Twin Falls, Pocatello, and Idaho Falls.

DOMESTIC AND INTERNATIONAL ITINERARIES

Table 3.3 shows passengers by domestic and international itineraries. Twenty-eight percent, or 99,835 domestic travelers, and 15 percent, or 2,639 international travelers, used SUN. Overall, SUN retained 28 percent or 102,474 of the estimated total 371,333 annual domestic and international catchment area passengers. BOI served the majority of diverting passengers and to a lesser extent SLC. Overall, BOI served 62 percent of the market's traffic and SLC served six percent. BOI was the primary choice of travelers flying internationally with 70 percent of all international travelers. A higher share of international travelers used SLC compared to domestic travelers.

EXHIBIT 3.4 AIRPORT USE

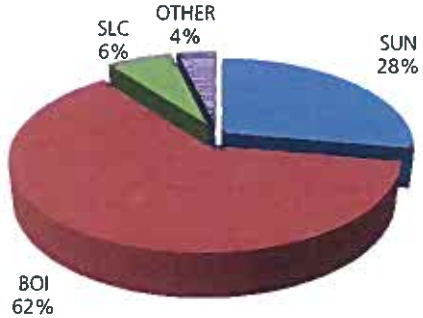


TABLE 3.3 AIRPORT USE - DOMESTIC VERSUS INTERNATIONAL

RANK	ORIGINATING AIRPORT	PAX	PDEW	%
	Domestic			
1	BOI	217,552	298.0	62
2	SUN	99,835	136.8	28
3	SLC	21,542	29.5	6
4	Other	14,363	19.7	4
	Subtotal	**353,292**	**484.0**	**100**
	International			
1	BOI	12,681	17.4	70
2	SUN	2,639	3.6	15
3	SLC	2,540	3.5	14
4	Other	181	0.2	1
	Subtotal	**18,041**	**24.7**	**100**
	Domestic and international			
1	BOI	230,233	315.4	62
2	SUN	102,474	140.4	28
3	SLC	24,082	33.0	6
4	Other	14,544	19.9	4
	Total	**371,333**	**508.7**	**100**

Note: Other includes TWF, IDA, and PIH; PDEW = passengers daily each way

AIRPORT USE BY COMMUNITY

Airport retention rates by community are an important aspect to understanding the overall SUN catchment area. **Table 3.4** shows how retention varies among the local communities within it. While ARC tickets reflect the zip code of the customer purchasing the ticket, MIDT reflect the travel agency's zip code. For those traditional travel agency tickets, this analysis assumes that the traveler's residence is in the same community as the travel agency where the ticket was purchased.

The highest retention by community for SUN was in the Ketchum community with 44 percent retention. The Challis, Clayton, and Picabo communities had the lowest retention with SUN retaining none of the air travelers in those communities. BOI had the highest share of passengers, greater than 90 percent, in the Fairfield and Picabo communities and the lowest share, less than 50 percent, in the Ketchum and Mackay communities. SLC garnered its highest retention rate amongst the Mackay community with 38 percent.

TABLE 3.4 AIRPORT USE BY COMMUNITY

	% AIRPORT USE			
COMMUNITY	SUN	BOI	SLC	OTHER
Bellevue	23	68	6	2
Carey	10	78	4	8
Challis	0	72	13	15
Clayton	0	88	8	4
Corral	18	82	0	0
Fairfield	5	94	0	1
Hailey	28	63	5	4
Ketchum	44	44	8	4
Mackay	1	39	38	22
Picabo	0	97	3	0
Stanley	8	79	12	0
Total	**28**	**62**	**6**	**4**

TRUE MARKET

The true market portion of the *Passenger Demand Analysis* estimates the total number of passengers in the catchment area. This section investigates destinations associated with travel to and from the catchment area. In addition, destinations are grouped into geographic regions to further understand the flow of air travel.

TRUE MARKET ESTIMATE

The airport catchment area (**Exhibit 3.1,** page 5) represents the geographic area from which the airport primarily attracts air travelers. Domestic airlines report origin and destination traffic statistics to the US DOT on a quarterly basis. Used by itself, these traffic statistics do not quantify the total size of an air service market. By combining MIDT/ARC information with passenger data contained in the US DOT airline reports, an estimate of the total air travel market by destination was calculated. Passenger numbers are estimated for domestic and international markets on a destination and regional basis.

The MIDT/ARC data used in this report includes information on initiated passengers. This enables the identification of passenger retention and diversion. According to US DOT airline reports for year ended June 30, 2011, **28 percent of SUN origin and destination passengers initiated air travel from SUN**, and the other 72 percent began their trip from another city (e.g. Seattle, Los Angeles, and Denver). **For the purposes of this analysis, it is assumed that travel patterns for SUN visitors mirror catchment area passengers.**

Seattle Is SUN's Largest Market

Seattle was the largest market with 65,845 annual passengers followed by Los Angeles, New York-Kennedy, Salt Lake City, and Denver.

TOP 25 TRUE MARKET DESTINATIONS

The top 25 destinations for SUN account for 75 percent of the travel to/from the SUN catchment area. Seattle was the largest market with 65,845 annual passengers resulting in 90.2 passengers daily each way and accounted for 19 percent of domestic travel. Los Angeles, New York-Kennedy, Salt Lake City, and Denver made up the remaining top five markets with total annual estimated traffic of 44,837, 18,077, 14,158, and 13,723 passengers, respectively. SUN had at least seasonal service to the top two markets.

TABLE 4.1 TRUE MARKET ESTIMATE - TOP 25 DESTINATIONS

RANK	DESTINATION	SUN O&D PAX	DIVERTED PAX	TRUE MARKET	PDEW
1	Seattle, WA	17,006	48,840	65,845	90.2
2	Los Angeles, CA	16,446	28,391	44,837	61.4
3	New York, NY (JFK)	4,995	13,082	18,077	24.8
4	Salt Lake City, UT	11,674	2,483	14,158	19.4
5	Denver, CO	2,081	11,642	13,723	18.8
6	Portland, OR	2,084	11,421	13,505	18.5
7	Oakland, CA	2,050	9,050	11,101	15.2
8	Phoenix, AZ (PHX)	1,587	8,858	10,445	14.3
9	San Francisco, CA	3,363	4,720	8,083	11.1
10	Philadelphia, PA	735	6,548	7,283	10.0
11	Washington, DC (IAD)	625	6,527	7,152	9.8
12	Orange County, CA	2,389	4,225	6,614	9.1
13	Houston, TX (IAH)	708	5,803	6,511	8.9
14	San Diego, CA	1,893	4,565	6,458	8.8
15	Dallas, TX (DFW)	1,638	3,472	5,109	7.0
16	Sacramento, CA	650	4,423	5,073	6.9
17	Boston, MA	2,084	2,461	4,545	6.2
18	Detroit, MI	524	3,948	4,472	6.1
19	Minneapolis, MN	980	2,906	3,886	5.3
20	New York, NY (LGA)	371	3,340	3,711	5.1
21	Orlando, FL (MCO)	621	3,030	3,651	5.0
22	Newark, NJ	1,400	2,240	3,639	5.0
23	Las Vegas, NV	733	2,664	3,397	4.7
24	Chicago, IL (ORD)	1,548	1,838	3,386	4.6
25	Anchorage, AK	603	2,714	3,317	4.5
Top 25 destinations		**78,788**	**199,191**	**277,979**	**380.8**
Total domestic		**99,835**	**253,457**	**353,292**	**484.0**
Total international		**2,639**	**15,402**	**18,041**	**24.7**
All markets		**102,474**	**268,859**	**371,333**	**508.7**

ORIGINATING AIRPORT FOR THE TOP 25 DOMESTIC DESTINATIONS

Table 4.2 shows the percentage of passengers by market and originating airport. Twenty-eight percent of passengers used SUN for travel to the top 25 markets, similar to the percentage that used SUN for all domestic markets. Several markets had retention of 35 percent or greater including: Los Angeles, Salt Lake City, San Francisco, Orange County, Boston, Newark and Chicago O'Hare. Nine markets had retention of 15 percent or less: Denver, Portland, Phoenix, Philadelphia, Washington-Dulles, Houston-Intercontinental, Sacramento, Detroit, and New York-LaGuardia. Retention is typically lower in markets where Southwest Airlines has a strong presence in BOI.

TABLE 4.2 TOP 25 DOMESTIC DESTINATIONS BY ORIGINATING AIRPORT

RANK	DESTINATION	ORIGIN AIRPORT %				TOTAL PAX
		SUN	BOI	SLC	OTHER	
1	Seattle, WA	26	73	1	0	65,845
2	Los Angeles, CA	37	55	7	2	44,837
3	New York, NY (JFK)	28	41	22	9	18,077
4	Salt Lake City, UT	82	11	0	7	14,158
5	Denver, CO	15	75	5	5	13,723
6	Portland, OR	15	82	2	1	13,505
7	Oakland, CA	18	76	0	5	11,101
8	Phoenix, AZ (PHX)	15	78	3	4	10,445
9	San Francisco, CA	42	48	7	4	8,083
10	Philadelphia, PA	10	75	9	6	7,283
11	Washington, DC (IAD)	9	79	3	10	7,152
12	Orange County, CA	36	49	4	11	6,614
13	Houston, TX (IAH)	11	65	22	2	6,511
14	San Diego, CA	29	57	7	7	6,458
15	Dallas, TX (DFW)	32	45	15	8	5,109
16	Sacramento, CA	13	77	6	4	5,073
17	Boston, MA	46	44	5	5	4,545
18	Detroit, MI	12	55	14	19	4,472
19	Minneapolis, MN	25	71	1	3	3,886
20	New York, NY (LGA)	10	87	3	0	3,711
21	Orlando, FL (MCO)	17	54	17	12	3,651
22	Newark, NJ	38	51	3	8	3,639
23	Las Vegas, NV	22	71	2	5	3,397
24	Chicago, IL (ORD)	46	32	18	4	3,386
25	Anchorage, AK	18	67	12	3	3,317
Top 25 domestic		**28**	**62**	**6**	**4**	**277,979**
Total domestic		**28**	**62**	**6**	**4**	**353,292**

Top Markets at SUN

The top three markets for passengers flying out of SUN were Seattle, Los Angeles, and Salt Lake City. The top three markets at BOI were Seattle, Los Angeles, and Portland.

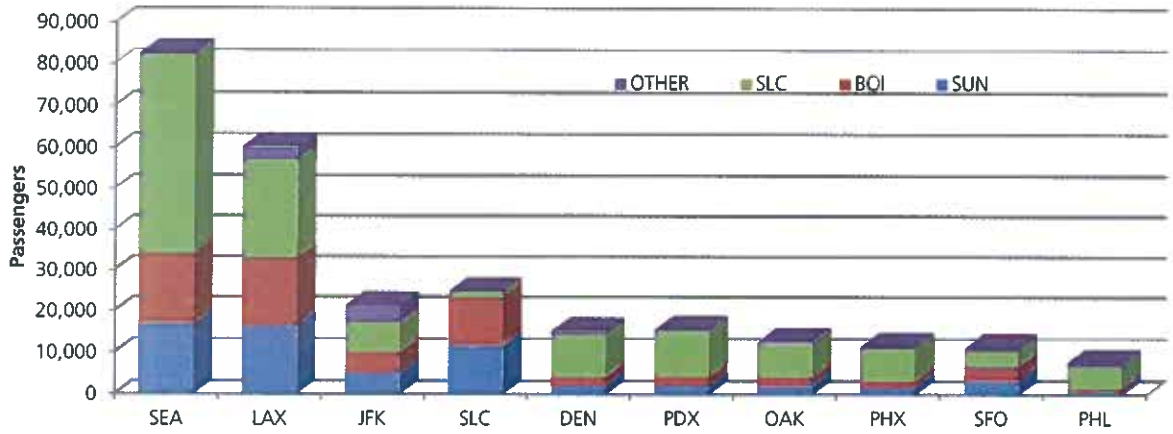
TOP 10 DOMESTIC DESTINATIONS BY ORIGINATING AIRPORT

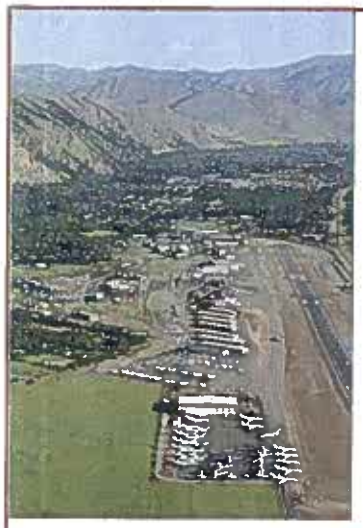
Table 4.3 shows the top 10 markets for SUN when passengers exclusively fly out of SUN as well as the top 10 markets for when passengers fly exclusively from BOI or SLC. The top three markets for passengers flying out of SUN were Seattle, Los Angeles, and Salt Lake City, all three markets that have seasonal or annual nonstop service. The top three markets for passengers diverting to BOI were Seattle, Los Angeles, and Portland, all markets with strong influence by Southwest Airlines. While SLC served a much lower percentage of travelers, the top 10 markets were included in **Table 4.3** for comparison purposes. **Exhibit 4.1** shows the top 10 markets overall and the percentage SUN, BOI and SLC received by market with a bar graph.

TABLE 4.3 TOP 10 DESTINATIONS BY ORIGINATING AIRPORT

	SUN		BOI		SLC	
RANK	DESTINATION	PAX	DESTINATION	PAX	DESTINATION	PAX
1	Seattle, WA	17,006	Seattle, WA	48,118	New York, NY (JFK)	4,044
2	Los Angeles, CA	16,446	Los Angeles, CA	24,503	Los Angeles, CA	2,990
3	Salt Lake City, UT	11,674	Portland, OR	11,116	Houston, TX (IAH)	1,415
4	New York, NY (JFK)	4,995	Denver, CO	10,289	Miami, FL	988
5	San Francisco, CA	3,363	Oakland, CA	8,484	Dallas, TX (DFW)	786
6	Orange County, CA	2,389	Phoenix, AZ (PHX)	8,099	Denver, CO	728
7	Boston, MA	2,084	New York, NY (JFK)	7,374	Philadelphia, PA	643
8	Portland, OR	2,084	Washington, DC (IAD)	5,621	San Jose, Costa Rica	640
9	Denver, CO	2,081	Philadelphia, PA	5,445	Detroit, MI	629
10	Oakland, CA	2,050	Houston, TX (IAH)	4,246	Orlando, FL (MCO)	621

EXHIBIT 4.1 RETENTION AND DIVERSION FOR THE TOP 10 DESTINATIONS





ORIGINATING AIRPORT FOR THE TOP 15 INTERNATIONAL DESTINATIONS

Table 4.4 shows the number of passengers daily each way for the top 15 international destinations by originating airport. Only the top 15 international destinations are shown since the smaller market sizes involved limited available data. Only 3.6 passengers daily each way are estimated to travel internationally from SUN. A higher number of passengers in the catchment area, 17.4 passengers daily each way, used BOI to travel internationally followed by 3.5 passengers daily each way that used SLC. The top five international markets included: San Jose Cabo, Mexico; San Jose, Costa Rica; Guadalajara, Mexico; Toronto, Canada; and Vancouver, Canada. Due to the limited data, average retention rates were applied in most international markets.

TABLE 4.4 TOP 15 INTERNATIONAL DESTINATIONS BY ORIGINATING AIRPORT

RANK	DESTINATION	PAX DAILY EACH WAY				TOTAL PAX
		SUN	BOI	SLC	OTHER	
1	San Jose Cabo, Mexico	0.3	2.1	0.2	0.0	1,856
2	San Jose, Costa Rica	0.2	1.0	0.9	0.0	1,483
3	Guadalajara, Mexico	0.0	1.7	0.1	0.0	1,273
4	Toronto, Canada	0.3	0.9	0.2	0.0	991
5	Vancouver, Canada	0.5	0.6	0.0	0.1	870
6	Zurich, Switzerland	0.1	0.5	0.1	0.0	533
7	Frankfurt, Germany	0.0	0.7	0.0	0.0	530
8	Buenos Aires, Argentina	0.1	0.4	0.1	0.0	492
9	Paris-De Gaulle, France	0.4	0.1	0.0	0.0	397
10	Mexico City, Mexico	0.0	0.4	0.0	0.0	365
11	Victoria, Canada	0.1	0.3	0.1	0.0	358
12	Calgary, Canada	0.1	0.3	0.1	0.0	353
13	Liberia, Costa Rica	0.1	0.3	0.1	0.0	338
14	Seoul, South Korea	0.0	0.4	0.0	0.0	307
15	Amsterdam, Netherlands	0.0	0.4	0.0	0.0	298
Top 15 international		**2.3**	**10.1**	**1.8**	**0.1**	**10,442**
Total international		**3.6**	**17.4**	**3.5**	**0.2**	**18,041**

Airline Hubs for Regional Flow of Traffic

It is important to consider the catchment area's regional flow of traffic as most airline hubs are directional and flow passenger traffic to and from geographic regions.

FEDERAL AVIATION ADMINISTRATION (FAA) GEOGRAPHIC REGIONS

It is important to identify and quantify air travel markets, but it is also important to measure air travel by specific geographic regions. Generally, airlines operate route systems that serve geographic areas. Additionally, most airline hubs are directional and flow passenger traffic to and from geographic regions, not just destinations within the region. Therefore, air service analysis exercises consider the regional flow of passenger traffic as well as passenger traffic to a specific city. Accordingly, this section analyzes the regional distribution of air travelers from the airport catchment area. For this exercise, the FAA geographic breakdown of the US is used (**Exhibit 4.2**).

EXHIBIT 4.2 FAA GEOGRAPHIC REGIONS

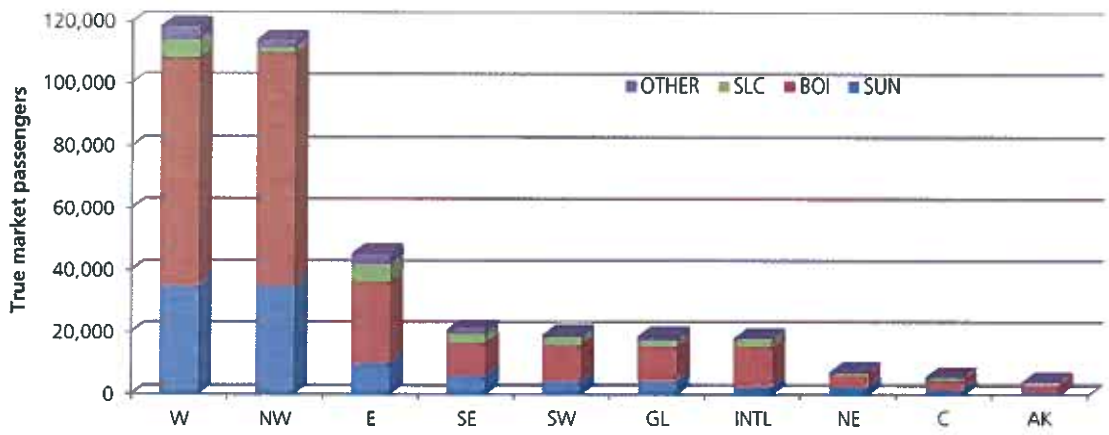
REGIONAL DISTRIBUTION OF TRAVELERS

Table 4.5 and **Exhibit 4.3** divide catchment area travel into the FAA's nine geographic regions and one catch-all international region. The West region is the largest traveled region for SUN catchment area passengers with 32 percent of the total followed closely by the Northwest region with 31 percent of total catchment area passengers. The East region and Southeast region followed with the third and fourth highest shares of 12 and six percent, respectively. SUN's retention was 30 percent or higher in the West, Northwest, and Northeast regions. SUN's retention was lowest to international destinations.

TABLE 4.5 REGIONAL DISTRIBUTION OF TRAVEL BY AIRPORT

AIRPORT		REGION										
		W	NW	E	SE	SW	GL	INTL	NE	C	AK	TOTAL
SUN Retention		30	31	22	29	22	24	15	36	27	21	28
SUN	Pax	35,127	34,956	10,118	6,035	4,203	4,577	2,639	2,548	1,454	817	102,474
	%	34	34	10	6	4	4	3	2	1	1	100
BOI	Pax	73,051	75,185	26,261	10,555	11,605	10,845	12,681	3,919	3,662	2,470	230,233
	%	32	33	11	5	5	5	6	2	2	1	100
SLC	Pax	5,967	1,561	5,589	3,042	2,540	2,009	2,540	286	111	437	24,082
	%	25	6	23	13	11	8	11	1	0	2	100
OTHER	Pax	4,432	2,482	3,340	1,296	808	1,302	181	332	240	131	14,544
	%	30	17	23	9	6	9	1	2	2	1	100
Total	**Pax**	**118,576**	**114,183**	**45,307**	**20,928**	**19,156**	**18,734**	**18,041**	**7,084**	**5,468**	**3,855**	**371,333**
	%	**32**	**31**	**12**	**6**	**5**	**5**	**5**	**2**	**1**	**1**	**100**

EXHIBIT 4.3 REGIONAL DISTRIBUTION OF TRAVEL



Mexico and Central America was the Top International Region

Mexico and Central America was the most frequented international destination with 36 percent, or 6,575 travelers. Europe was the second largest international region.

DISTRIBUTION OF INTERNATIONAL TRAVEL

Five percent of catchment area travelers had international itineraries. **Table 4.6** shows international travelers by airport and region. Mexico and Central America was the most frequented international destination with 36 percent, or 6,575 of the total 18,041 catchment area international travelers. Europe was the second largest international region with 23 percent, and Canada was the third largest international region with 18 percent. The remaining top international regions were, in order of greatest to least: Asia, South America, Caribbean, Africa, Australia and Oceania, and the Middle East. SUN had the highest retention to Canada and lowest retention to Asia, Australia and Oceania, and the Middle East. As stated previously, for international markets due to the limited data available, average retention rates were applied in many markets.

TABLE 4.6 REGIONAL DISTRIBUTION OF INTERNATIONAL PASSENGERS

REGION	ORIGINATING AIRPORT				TRUE MARKET	% OF COLUMN
	SUN	BOI	SLC	OTHER		
Mexico & Central America	9	74	17	0	6,575	36
Europe	19	69	11	1	4,180	23
Canada	25	62	10	3	3,246	18
Asia	3	77	19	1	1,410	8
South America	19	62	18	1	1,310	7
Caribbean	15	73	11	1	494	3
Africa	18	68	13	1	379	2
Australia & Oceania	0	100	0	0	276	2
Middle East	0	100	0	0	172	1
Total passengers	**15**	**70**	**14**	**1**	**18,041**	**100**

AIRLINES

Information in this section identifies airline use by catchment area air travelers. The information is airport and airline specific. The intent is to determine which airlines are used to travel to specific destinations when air travel is accessed at an airport other than the local airport. The airline market share at SUN is based on US DOT airline reported data. Airline market share at diverting airports is based on MIDT/ARC data and is an estimation of carrier share.

AIRLINES USED AT SUN

Table 5.1 provides the airline share for the top 25 true markets and total share by airline at SUN (based on US DOT airline data). Delta Air Lines had the largest share of catchment area passengers at 66 percent followed by Alaska Airlines with 32 percent. Alaska had higher shares in markets that they dominate including Seattle, Los Angeles, and Portland. The small number of tickets in the "other" category are due to codeshare relationships.

TABLE 5.1 AIRLINES USED AT SUN

RANK	TOP 25 TRUE MARKET DESTINATIONS	AIRLINE %			SUN PAX
		DL	AS	OTHER	
1	Seattle, WA	11	89	0	17,006
2	Los Angeles, CA	20	77	3	16,446
3	New York, NY (JFK)	99	0	1	2,081
4	Salt Lake City, UT	100	0	0	4,995
5	Denver, CO	99	0	1	2,084
6	Portland, OR	42	58	0	11,674
7	Oakland, CA	91	9	0	2,050
8	Phoenix, AZ (PHX)	91	4	5	1,893
9	San Francisco, CA	88	10	2	1,587
10	Philadelphia, PA	96	0	4	3,363
11	Washington, DC (IAD)	100	0	0	1,400
12	Orange County, CA	97	3	0	735
13	Houston, TX (IAH)	83	0	17	2,389
14	San Diego, CA	88	12	1	708
15	Dallas, TX (DFW)	83	3	14	621
16	Sacramento, CA	87	13	0	1,638
17	Boston, MA	98	1	1	2,084
18	Detroit, MI	94	4	2	733
19	Minneapolis, MN	97	3	0	703
20	New York, NY (LGA)	97	0	3	980
21	Orlando, FL (MCO)	95	2	3	1,548
22	Newark, NJ	96	2	2	650
23	Las Vegas, NV	100	0	0	405
24	Chicago, IL (ORD)	88	1	11	394
25	Anchorage, AK	15	80	5	524
	Total top 25	**53**	**46**	**2**	**78,691**
	Total	**66**	**32**	**3**	**102,474**

AIRLINES USED AT BOI

Table 5.2 shows the airlines used when travelers from the catchment area used BOI for travel to the top 25 true markets (based on MIDT/ARC data). The MIDT/ARC data was adjusted to reflect tickets not captured from Southwest Airlines at BOI. Southwest had the largest share of catchment area passengers at BOI carrying 29 percent of diverting passengers. Alaska, United Airlines/Continental Airlines, Delta, US Airways, and Frontier Airlines were the other major airlines obtaining a notable share of diverting passengers with shares of 20 to four percent. Other airlines collectively flew four percent of BOI passengers.

TABLE 5.2 AIRLINES USED AT BOI

RANK	TOP 25 TRUE MARKET DESTINATIONS	AIRLINE %							BOI PAX
		WN	AS	UA/CO	DL	US	F9	OTHER	
1	Seattle, WA	35	57	3	3	0	0	0	48,118
2	Los Angeles, CA	27	13	34	2	6	0	17	24,503
3	New York, NY (JFK)	0	10	0	67	23	0	0	7,374
4	Salt Lake City, UT	39	3	6	49	2	0	1	1,497
5	Denver, CO	41	0	31	3	5	18	2	10,289
6	Portland, OR	42	45	1	11	2	0	0	11,116
7	Oakland, CA	85	3	0	9	3	0	0	8,484
8	Phoenix, AZ (PHX)	34	1	2	5	57	0	0	8,099
9	San Francisco, CA	0	4	68	9	13	0	6	3,852
10	Philadelphia, PA	18	0	12	42	26	2	0	5,445
11	Washington, DC (IAD)	18	0	61	21	0	0	0	5,621
12	Orange County, CA	40	2	5	52	2	0	0	3,238
13	Houston, TX (IAH)	0	0	53	33	3	10	0	4,246
14	San Diego, CA	56	2	9	24	4	1	3	3,675
15	Dallas, TX (DFW)	0	0	6	34	3	34	23	2,293
16	Sacramento, CA	19	62	13	6	0	0	0	3,917
17	Boston, MA	15	2	52	18	10	0	2	2,001
18	Detroit, MI	16	0	13	25	13	34	0	2,481
19	Minneapolis, MN	11	0	12	47	5	23	1	2,755
20	New York, NY (LGA)	0	0	54	33	10	4	0	3,217
21	Orlando, FL (MCO)	28	0	32	23	16	2	0	1,965
22	Newark, NJ	0	0	56	44	0	0	0	1,866
23	Las Vegas, NV	83	0	3	12	0	0	0	2,396
24	Chicago, IL (ORD)	0	3	48	16	26	0	6	1,096
25	Anchorage, AK	0	55	0	45	0	0	0	2,212
	Total top 25	**31**	**24**	**17**	**15**	**8**	**3**	**3**	**171,758**
	Total	**29**	**20**	**18**	**16**	**9**	**4**	**4**	**230,233**

Southwest Captured Highest Share of Diverting Passengers

Southwest captured 25 percent of catchment area travelers using an airport other than SUN followed by Delta (22 percent) and United/Continental (18 percent).

AIRLINES USED AT ALL DIVERTING AIRPORTS

Table 5.3 shows the airlines used when travelers from the catchment area used BOI, SLC, Twin Falls, Pocatello or Idaho Falls for travel to the top 25 true markets. Due to BOI serving the highest share of diverting passengers, the airline market shares are similar to that at just BOI. Southwest carried the highest share of diverting passengers with 25 percent, followed by Delta at 22 percent, United/Continental at 18 percent, and Alaska at 17 percent. No other airline carried more than 10 percent of diverting catchment area passengers.

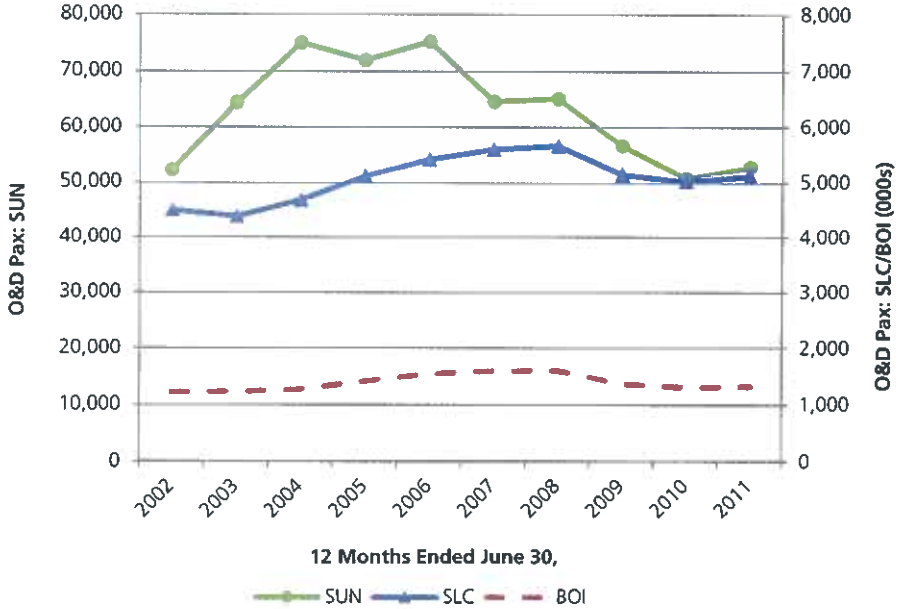
TABLE 5.3 AIRLINES USED AT ALL DIVERSION AIRPORTS

RANK	DESTINATIONS	AIRLINE %							OTHER AIRPORT PAX
		WN	DL	UA/CO	AS	US	F9	OTHER	
1	Seattle, WA	35	4	3	57	1	0	0	48,840
2	Los Angeles, CA	24	7	33	12	6	0	18	28,391
3	New York, NY (JFK)	0	67	0	6	17	0	11	13,082
4	Salt Lake City, UT	23	67	6	2	2	0	1	2,483
5	Denver, CO	37	9	30	0	5	17	2	11,642
6	Portland, OR	41	13	1	44	2	0	0	11,421
7	Oakland, CA	80	15	0	3	2	0	0	9,050
8	Phoenix, AZ (PHX)	31	12	2	1	54	0	0	8,858
9	San Francisco, CA	0	18	64	4	11	0	5	4,720
10	Philadelphia, PA	15	45	14	0	25	1	0	6,548
11	Washington, DC (IAD)	15	18	61	0	6	0	0	6,527
12	Orange County, CA	30	62	4	1	1	1	0	4,225
13	Houston, TX (IAH)	0	27	63	0	2	7	0	5,803
14	San Diego, CA	46	39	7	2	3	1	2	4,565
15	Dallas, TX (DFW)	0	32	4	0	2	25	38	3,472
16	Sacramento, CA	17	17	12	55	0	0	0	4,423
17	Boston, MA	12	34	41	2	8	0	3	2,461
18	Detroit, MI	10	53	8	0	8	21	0	3,948
19	Minneapolis, MN	10	48	12	0	5	23	1	2,906
20	New York, NY (LGA)	0	31	52	0	9	4	4	3,340
21	Orlando, FL (MCO)	18	47	23	0	10	1	0	3,030
22	Newark, NJ	0	50	45	0	5	0	0	2,240
23	Las Vegas, NV	75	21	3	0	0	0	0	2,664
24	Chicago, IL (ORD)	0	35	31	2	15	0	17	1,838
25	Anchorage, AK	0	52	4	44	0	0	0	2,714
	Total top 25	**27**	**21**	**17**	**21**	**7**	**3**	**5**	**199,191**
	Total	**25**	**22**	**18**	**17**	**8**	**4**	**6**	**268,859**

FACTORS AFFECTING AIR SERVICE DEMAND AND RETENTION

This section examines several factors that have affected and will continue to affect air service demand in the SUN area and SUN's ability to retain passengers. The factors affecting an airport's ability to retain passengers included in this section are: airfares, travel time from competing airports, nonstop service availability at competing airports, and the quality and capacity of air service offered by competing airports.

EXHIBIT 6.1 PASSENGER TRENDS



PASSENGER ACTIVITY COMPARISON

To better understand the changes in passenger volumes at SUN, BOI, and SLC, **Exhibit 6.1** provides a depiction of origin and destination passengers over the last 10 years for 12 months ended June 30 as reported to the US DOT. Passenger trends are summarized below:

- SUN's passengers increased at a compounded annual growth rate (CAGR) of only 0.1 percent. SUN's passengers ranged from 50,807 in 2010 to 75,150 passengers in 2006. Passengers peaked in 2006 but declined steadily thereafter.
- BOI's passengers increased at a CAGR of 0.9 percent.
- SLC's passengers increased at a CAGR of 1.5 percent.
- Since 2008, SUN's passengers decreased by a CAGR of 6.7 percent while BOI's and SLC's passenger declined at CAGRs of 6.0 and 3.3 percent, respectively.

Fare Disparity with BOI

SUN's fare for the year ended June 30, 2011, was $31 higher than BOI and $16 higher than SLC. In individual markets, SUN had the highest fare in 22 of the top 25 markets.

AIRFARES

When a traveler decides which airport to access for travel, airfares play a large role. Airfares affect air service demand and an airport's ability to retain passengers. One-way airfares (excluding taxes and Passenger Facility Charges (PFC)) paid by travelers are used to measure the relative fare competitiveness between SUN, BOI, and SLC. Fares listed for competing airports are for all air travelers using competing airports and are not reflective of the average fare paid by catchment area travelers diverting to competing airports.

Table 6.1 shows one-way average airfares for the top 25 catchment area domestic destinations. Average airfares are a result of many factors including length of haul, availability of seats, business versus leisure fares, and airline competition. The overall average fare for the year ended June 30, 2011, at SUN was $183, $31 higher than BOI and $16 higher than SLC. In individual markets, SUN had the highest fare in 22 of the top 25 markets.

TABLE 6.1 US DOT AVERAGE DOMESTIC ONE-WAY FARES

RANK	DESTINATION	DOMESTIC ONE-WAY FARE			DIFFERENCE
		SUN	BOI	SLC	
1	Seattle, WA	$113	$90	$130	$23
2	Los Angeles, CA	$159	$142	$123	$36
3	New York, NY (JFK)	$308	$210	$209	$99
4	Salt Lake City, UT	$93	$94	N/A	($1)
5	Denver, CO	$140	$112	$89	$50
6	Portland, OR	$138	$93	$125	$45
7	Oakland, CA	$196	$142	$128	$69
8	Phoenix, AZ (PHX)	$160	$139	$124	$36
9	San Francisco, CA	$201	$174	$173	$27
10	Philadelphia, PA	$299	$232	$210	$89
11	Washington, DC (IAD)	$334	$218	$221	$116
12	Orange County, CA	$216	$145	$141	$75
13	Houston, TX (IAH)	$291	$183	$212	$108
14	San Diego, CA	$173	$132	$142	$41
15	Dallas, TX (DFW)	$276	$183	$190	$93
16	Sacramento, CA	$245	$140	$151	$105
17	Boston, MA	$268	$243	$236	$32
18	Detroit, MI	$308	$197	$211	$111
19	Minneapolis, MN	$223	$191	$202	$32
20	New York, NY (LGA)	$295	$210	$190	$105
21	Orlando, FL (MCO)	$171	$191	$178	($8)
22	Newark, NJ	$351	$243	$246	$108
23	Las Vegas, NV	$193	$123	$97	$95
24	Chicago, IL (ORD)	$243	$256	$190	$53
25	Anchorage, AK	$199	$240	$275	($41)
Average domestic fare		**$183**	**$152**	**$167**	**$31**

Source: Diio Mi, Year Ended June 30, 2011

Note: Fares do not include taxes or Passenger Facility Charges

Exhibit 6.2 tracks the average fares at SUN, BOI and SLC from 2002 through 2012. **Exhibit 6.3** charts the average fare for the airports adjusted for inflation (2002 dollars). Based on US DOT airline data from 2002 through 2011, average fares at SUN have ranged from $156 (2004) to $195 (2009). The average fare at BOI ranged from $110 (2002) to $152 (2011). SLC's fares have ranged from $122 (2005) to $167 (2011). Overall, average domestic fares over the 10-year period increased at a CAGR of 1.1 percent at SUN compared to 3.7 percent at BOI and 3.1 percent at SLC.

The fare spread for year ended June 30, 2011, between SUN and BOI was $31. This is down from $43 in 2010. The lowest fare spread over the 10-year period was in 2011 and the highest was in 2007 when the fare spread hit $64. In 2011 the fare differential between SUN and SLC was $16, compared to $31 in 2010. The narrowest gap between SUN and SLC was in 2011, while the largest was a difference of $51 in 2009.

Adjusted for inflation, airfares at SUN decreased at a CAGR of 1.5 percent while inflation adjusted fares at BOI increased at a CAGR of 1.0 percent and 0.5 percent at SLC.

EXHIBIT 6.2 10-YEAR AVERAGE DOMESTIC ONE-WAY FARE TREND (12 MONTHS ENDED JUNE 30)

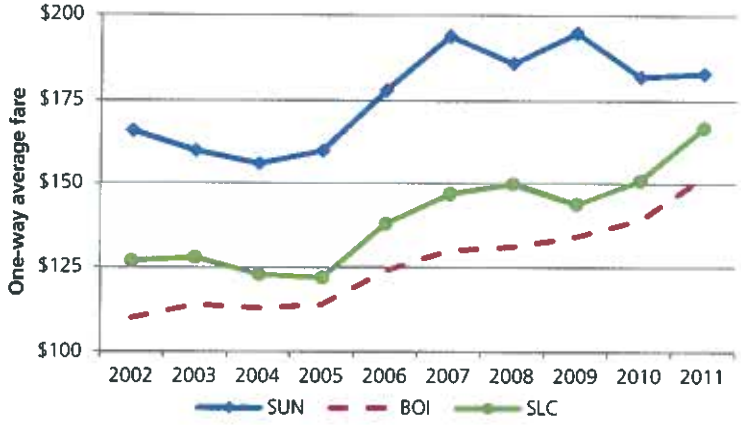
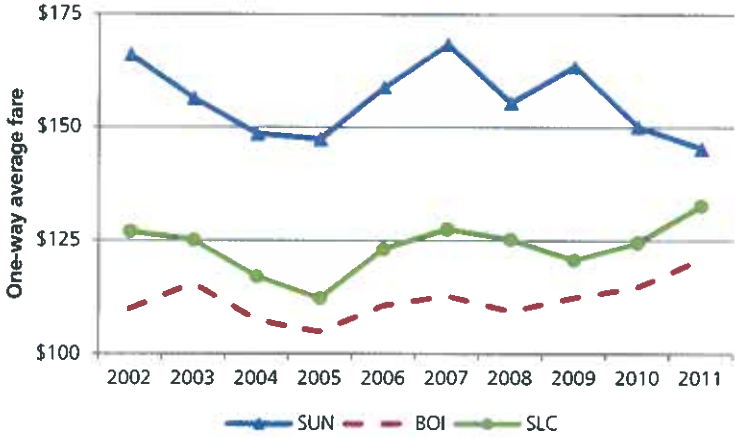


EXHIBIT 6.3 10-YEAR AVERAGE DOMESTIC ONE-WAY FARE TREND (12 MONTHS ENDED JUNE 30; 2002 DOLLARS)



TRAVEL TIME COMPARISON

Table 6.2 displays the overall flight time from SUN to the top 10 catchment area destinations that do not have nonstop service and require a connection. A comparison of the travel time from SUN with the amount of time it takes to drive to BOI and SLC and then use nonstop service is provided.

Accessible connecting flights from SUN require a minimum connecting time allowance of 30 minutes to be included in the comparison. The drive time from the Sun Valley/Ketchum community to BOI is estimated at two hours and 53 minutes which excludes heavy traffic and inclement weather (source: MapPoint). The drive time from the Sun Valley/Ketchum community to SLC is estimated at four hours and 40 minutes. Passengers will save time by flying from SUN and making a connection in all of the 10 markets without nonstop service from SUN. With the convenience of SUN, close-in parking, and minimal security lines, the time savings may be more favorable than represented in the table.

TABLE 6.2 TRAVEL TIME COMPARISON (MINUTES)

RANK	CONNECTING DESTINATIONS	SUN CONNECT	BOI NONSTOP	SLC NONSTOP	TIME SAVINGS
1	New York, NY (JFK)	390	N/A	535	145
2	Denver, CO	183	278	360	95
3	Portland, OR	170	243	390	73
4	Oakland, CA	226	273	395	47
5	Phoenix, AZ (PHX)	204	292	375	88
6	San Francisco, CA	221	275	397	54
7	Philadelphia, PA	376	N/A	541	165
8	Washington, DC (IAD)	368	N/A	526	158
9	Orange County, CA	216	N/A	392	176
10	Houston, TX (IAH)	295	N/A	455	160

Note: Diio Mi; August 12, 2010

SUN had Nonstop Service to Three Top 25 Destinations

In August 2010 and January 2011, SUN offered nonstop service to three of the top 25 catchment area destinations including: Seattle, Los Angeles, and Salt Lake City with 70 weekly frequencies in August and 60 weekly frequencies in January.

NONSTOP SERVICE AVAILABILITY

Travelers drive to competing airports to access air service for many reasons, one of which is nonstop service availability. **Table 6.3** compares the level of air service offered at SUN with that offered at BOI and SLC in August 2010 and January 2011.

In August 2010, SUN offered nonstop service to three of the top 25 catchment area destinations including: Seattle, Los Angeles, and Salt Lake City with 70 weekly frequencies. In January, SUN had service to the same three destinations but frequency was reduced to 60 weekly departures.

Comparatively, BOI had service to 12 of the top 25 markets with 363 flights per week in August and 327 weekly flights in January. SLC had service to 23 of the SUN top 25 markets and 95 markets overall in August and 88 overall in January with a reduction in weekly frequencies.

TABLE 6.3 NONSTOP SERVICE COMPARISON

		WEEKLY DEPARTURES					
		AUG 2010			JAN 2011		
RANK	DESTINATION	SUN	BOI	SLC	SUN	BOI	SLC
1	Seattle, WA	7	57	75	7	54	67
2	Los Angeles, CA	7	18	89	7	12	93
3	New York, NY (JFK)	0	0	35	0	0	34
4	Salt Lake City, UT	56	71	0	46	61	0
5	Denver, CO	0	69	198	0	53	176
6	Portland, OR	0	40	64	0	40	53
7	Oakland, CA	0	12	66	0	13	58
8	Phoenix, AZ (PHX)	0	14	127	0	14	121
9	San Francisco, CA	0	28	63	0	28	61
10	Philadelphia, PA	0	0	14	0	0	12
11	Washington, DC (IAD)	0	0	7	0	0	7
12	Orange County, CA	0	0	42	0	0	39
13	Houston, TX (IAH)	0	0	47	0	0	41
14	San Diego, CA	0	0	35	0	0	33
15	Dallas, TX (DFW)	0	0	68	0	0	61
16	Sacramento, CA	0	6	41	0	6	33
17	Boston, MA	0	0	14	0	0	12
18	Detroit, MI	0	0	28	0	0	28
19	Minneapolis, MN	0	21	42	0	20	36
20	New York, NY (LGA)	0	0	1	0	0	0
21	Orlando, FL (MCO)	0	0	14	0	0	12
22	Newark, NJ	0	0	14	0	0	12
23	Las Vegas, NV	0	14	102	0	14	96
24	Chicago, IL (ORD)	0	14	83	0	13	74
25	Anchorage, AK	0	0	14	0	0	7
Total top 25 frequencies		**70**	**363**	**1,281**	**60**	**327**	**1,166**
Number of top 25 served		**3**	**12**	**24**	**3**	**12**	**23**
Total destinations served		**4**	**19**	**95**	**3**	**16**	**88**

Source: Diio Mi

QUALITY OF AIR SERVICE AT COMPETING AIRPORTS

The quality of air service offered by an airport is a factor in a traveler's decision when selecting where to originate or terminate air service. In general, passengers prefer larger aircraft over smaller aircraft and jet aircraft over turboprop aircraft. For the purposes of this section, quality of air service is measured by size of aircraft and jets versus turboprops.

TABLE 6.4 SUN MONTHLY DEPARTURES AND SEATS

AIRCRAFT TYPE	SEAT RANGE	MONTHLY DEPARTURES		
		DL	AS	TOTAL
Turbo	19-30	246	0	246
	71-100	0	91	91
Total departures		**246**	**91**	**337**
% of total		**73%**	**27%**	**100%**
Total seats		**7,365**	**6,916**	**14,281**
% of total		**52%**	**48%**	**100%**

Source: Diio Mi; August 2010

Table 6.4 provides SUN's monthly departures by aircraft type for August 2010. Delta Air Lines provided 246 departures and 7,365 seats with 30-seat Embraer 120 turboprop aircraft. Alaska Airlines provided 91 departures and 6,916 seats with 76-seat Bombardier Q400 turboprop aircraft. SUN had a total of 337 departures and 14,281 available seats in August.

TABLE 6.5 BOI MONTHLY DEPARTURES AND SEATS

AIRCRAFT TYPE	SEAT RANGE	MONTHLY DEPARTURES							
		WN	AS	UA	DL	US	F9	OTHER	TOTAL
Turbo	<19							62	62
	71-100		397						397
Regional jet	30-50			292	11				303
	51-70		83	16	25				124
	71-100				211				211
Narrow body	85-125	530		60	33	62	61		746
	126-160			56	56				112
Total departures		**530**	**480**	**424**	**336**	**62**	**61**	**62**	**1,955**
% of total		**27%**	**25%**	**22%**	**17%**	**3%**	**3%**	**3%**	**100%**
Total seats		**72,610**	**35,982**	**30,584**	**30,818**	**7,688**	**6,685**	**496**	**184,863**
% of total		**39%**	**19%**	**17%**	**17%**	**4%**	**4%**	**0%**	**100%**

Source: Diio Mi; August 2010

Table 6.5 provides BOI's departures by aircraft type. Southwest Airlines provided the largest percentage of departures and available seats with 530 departures (27 percent) and 72,610 seats (39 percent). Alaska followed with 25 percent of departures and 19 percent of seats. The remaining top five airlines providing service at BOI were United Airlines, Delta, US Airways, and Frontier Airlines.

TABLE 6.6 SLC MONTHLY DEPARTURES AND SEATS

AIRCRAFT TYPE	SEAT RANGE	MONTHLY DEPARTURES							
		DL	WN	UA/CO	AA	F9	US	B6	TOTAL
Turbo	19-30	1,129							1,129
Regional jet	30-50	3,384		235					3,619
	51-70	960		291	93	54			1,398
	71-100	1,714					4		1,718
Narrow body	85-125	500	1,191	48		115	151		2,005
	126-160	1,259		38	151			93	1,541
	>160	1,124							1,124
Wide body	200-225	31							31
	226-270	83							83
Total departures		**10,184**	**1,191**	**612**	**244**	**169**	**155**	**93**	**12,648**
% of total		**81%**	**9%**	**5%**	**2%**	**1%**	**1%**	**1%**	**100%**
Total seats		**880,587**	**162,267**	**42,646**	**27,650**	**18,745**	**19,078**	**13,950**	**1,164,923**
% of total		**76%**	**14%**	**4%**	**2%**	**2%**	**2%**	**1%**	**100%**

Source: Diio Mi; August 2010

SLC's departures and seats are provided in **Table 6.6**. Delta provided the largest share of departures and the highest share of seats with 10,184 monthly departures and 880,587 monthly seats. Southwest and United/Continental Airlines provided a respective nine and five percent of SLC's total departures and a respective 14 and four percent of the 1,164,923 seats.

Retention Improvement

A 10 percentage point increase in retention would create an estimated additional 37,133 annual passengers, 51 passengers daily each way, for SUN.

RETENTION RATE SENSITIVITY

Considering the previous factors of airfares, travel time, nonstop service, and quality of service, a retention rate sensitivity analysis follows in **Table 6.7**. The purpose is to show how small changes in passenger retention can affect passenger volume. Passengers in total and for each of the top 25 markets are calculated using varying degrees of retention. A 10 percentage point increase in retention would create an estimated additional 37,133 annual passengers or 51 passengers daily each way for SUN.

TABLE 6.7 RETENTION RATE SENSITIVITY

RANK	DESTINATION	SUN REPORTED PAX	RETENTION %	RETENTION IMPROVEMENT 5%	10%	15%
1	Seattle, WA	17,006	26	20,298	23,590	26,883
2	Los Angeles, CA	16,446	37	18,688	20,930	23,172
3	New York, NY (JFK)	4,995	28	5,899	6,803	7,707
4	Salt Lake City, UT	11,674	82	12,382	13,090	13,798
5	Denver, CO	2,081	15	2,767	3,453	4,139
6	Portland, OR	2,084	15	2,759	3,434	4,110
7	Oakland, CA	2,050	18	2,605	3,160	3,715
8	Phoenix, AZ (PHX)	1,587	15	2,109	2,631	3,153
9	San Francisco, CA	3,363	42	3,768	4,172	4,576
10	Philadelphia, PA	735	10	1,099	1,463	1,827
11	Washington, DC (IAD)	625	9	982	1,340	1,697
12	Orange County, CA	2,389	36	2,720	3,050	3,381
13	Houston, TX (IAH)	708	11	1,033	1,359	1,684
14	San Diego, CA	1,893	29	2,216	2,539	2,862
15	Dallas, TX (DFW)	1,638	32	1,893	2,148	2,404
16	Sacramento, CA	650	13	903	1,157	1,411
17	Boston, MA	2,084	46	2,312	2,539	2,766
18	Detroit, MI	524	12	748	971	1,195
19	Minneapolis, MN	980	25	1,175	1,369	1,563
20	New York, NY (LGA)	371	10	557	742	928
21	Orlando, FL (MCO)	621	17	804	986	1,169
22	Newark, NJ	1,400	38	1,582	1,764	1,946
23	Las Vegas, NV	733	22	903	1,073	1,243
24	Chicago, IL (ORD)	1,548	46	1,717	1,887	2,056
25	Anchorage, AK	603	18	769	935	1,101
Total top 25		**78,788**	**28**	**92,687**	**106,586**	**120,485**
Total domestic		**99,835**	**28**	**117,500**	**135,164**	**152,829**
Total international		**2,639**	**15**	**3,541**	**4,443**	**5,345**
Total of all markets		**102,474**	**28**	**121,041**	**139,607**	**158,174**

SITUATION ANALYSIS

The SUN air travel market is primarily composed of second home owners from out of state and leisure travel visitors, particularly skiers. SUN's operating requirements limit the types of aircraft which can serve the airport and have impacted scheduled service. Scheduled flights are forced to divert to other airports with some degree of frequency particularly during the winter ski season. The combination of limited schedule frequency and seats and the flight diversion risk has resulted in a large portion of the SUN air travel market electing to book their travel through an alternate airport, primarily BOI approximately 145 miles away. While SUN average domestic fares at $185 are $31 higher than comparable BOI, fares are not thought to provide enough incentive to cause potential air travelers to endure the required 145-mile drive.

SUN has an estimated true market of 371,333 or 509 passengers daily each way. The following are notable individual market sizes:

- The combined Portland/Seattle market potential is the largest at 109 passengers daily each way reflecting the availability of Seattle nonstop service.
- The Los Angeles basin market including Los Angeles, Orange County, Long Beach, Burbank, and Ontario is the second largest with an estimated 78 passengers daily each way benefitting from the nonstop service to Los Angeles.
- The San Francisco Bay area market potential including San Francisco, Oakland, and San Jose is estimated at 30 passengers daily each way.
- The New York area including New York Kennedy, Newark, and New York La Guardia true market potential is estimated at 35 passengers daily each way.
- Denver is estimated at 19 passengers daily each way.

New SUN service opportunities must be compatible with aircraft capable of operating at the current airport. These aircraft consist of 19-, 30-, and 76-seat turboprop aircraft and the expected approval of Canadair Regional Jet 700 operations. Beyond the current SUN service, regional jet service to United Airlines' San Francisco and Denver hubs are promising opportunities.

1. In addition to the local Denver market potential (19 passengers daily each way), the combined connection potential via Denver is significant. However, since SUN eastbound service has been limited to 30-seat turboprop connections via Salt Lake City and little or no second homeowner traffic component is expected, additional marketing efforts may be needed to develop the estimated eastern market potential.
2. San Francisco service, in addition to the Bay Area traffic, would potentially provide connecting opportunities in the Los Angeles, Orange County, San Diego, Sacramento and several eastern markets.

APPENDIX A. TOP 50 TRUE MARKETS

TABLE A.1 TOP 50 TRUE MARKETS

RANK	DESTINATION	SUN REPORTED PAX	RETEN-TION %	TRUE MARKET	PDEW	ORIGIN AIRPORT OF DIVERTING PAX		
						BOI	SLC	OTHER
1	Seattle, WA	17,006	26	65,845	90.2	48,118	412	309
2	Los Angeles, CA	16,446	37	44,837	61.4	24,503	2,990	897
3	New York, NY (JFK)	4,995	28	18,077	24.8	7,374	4,044	1,665
4	Salt Lake City, UT	11,674	82	14,158	19.4	1,497	0	987
5	Denver, CO	2,081	15	13,723	18.8	10,289	728	624
6	Portland, OR	2,084	15	13,505	18.5	11,116	203	102
7	Oakland, CA	2,050	18	11,101	15.2	8,484	0	566
8	Phoenix, AZ (PHX)	1,587	15	10,445	14.3	8,099	310	448
9	San Francisco, CA	3,363	42	8,083	11.1	3,852	542	325
10	Philadelphia, PA	735	10	7,283	10.0	5,445	643	459
11	Washington, DC (IAD)	625	9	7,152	9.8	5,621	181	725
12	Orange County, CA	2,389	36	6,614	9.1	3,238	260	727
13	Houston, TX (IAH)	708	11	6,511	8.9	4,246	1,415	142
14	San Diego, CA	1,893	29	6,458	8.8	3,675	445	445
15	Dallas, TX (DFW)	1,638	32	5,109	7.0	2,293	786	393
16	Sacramento, CA	650	13	5,073	6.9	3,917	289	217
17	Boston, MA	2,084	46	4,545	6.2	2,001	247	212
18	Detroit, MI	524	12	4,472	6.1	2,481	629	838
19	Minneapolis, MN	980	25	3,886	5.3	2,755	38	113
20	New York, NY (LGA)	371	10	3,711	5.1	3,217	124	0
21	Orlando, FL (MCO)	621	17	3,651	5.0	1,965	621	444
22	Newark, NJ	1,400	38	3,639	5.0	1,866	93	280
23	Las Vegas, NV	733	22	3,397	4.7	2,396	81	186
24	Chicago, IL (ORD)	1,548	46	3,386	4.6	1,096	613	129
25	Anchorage, AK	603	18	3,317	4.5	2,212	402	101
26	Spokane, WA	336	11	2,948	4.0	2,381	0	231
27	Honolulu, HI	293	11	2,709	3.7	2,123	293	0
28	Atlanta, GA	1,145	45	2,534	3.5	1,007	174	208
29	San Jose, CA	1,452	58	2,498	3.4	985	20	41
30	Burbank, CA	446	18	2,466	3.4	1,884	73	64
31	Reno, NV	405	17	2,449	3.4	1,928	29	87

TABLE A.1 TOP 50 TRUE MARKETS

RANK	DESTINATION	SUN REPORTED PAX	RETEN-TION %	TRUE MARKET	PDEW	ORIGIN AIRPORT OF DIVERTING PAX		
						BOI	SLC	OTHER
32	Austin, TX	432	18	2,422	3.3	1,866	0	123
33	Long Beach, CA	703	32	2,178	3.0	1,054	281	141
34	Kahului, HI	197	10	1,974	2.7	1,741	36	0
35	St. Louis, MO	537	28	1,937	2.7	1,284	38	77
36	San Jose Cabo, Mexico	206	11	1,856	2.5	1,521	129	0
37	Baltimore, MD	700	38	1,823	2.5	874	181	68
38	Chicago, IL (MDW)	0	0	1,780	2.4	1,335	445	0
39	Raleigh/Durham, NC	394	23	1,738	2.4	907	437	0
40	Omaha, NE	476	28	1,686	2.3	1,141	0	68
41	Fort Lauderdale, FL	415	25	1,674	2.3	1,132	64	64
42	Miami, FL	430	26	1,671	2.3	253	988	0
43	Nashville, TN	194	12	1,557	2.1	1,285	0	78
44	Palm Springs, CA	760	49	1,552	2.1	729	0	63
45	Kansas City, MO	300	20	1,493	2.0	1,067	50	75
46	San Jose, Costa Rica	148	10	1,483	2.0	694	640	0
47	Santa Barbara, CA	360	26	1,402	1.9	1,043	0	0
48	Albuquerque, NM	380	28	1,380	1.9	884	62	54
49	Washington, DC (DCA)	525	38	1,369	1.9	570	228	46
50	Tucson, AZ	378	29	1,320	1.8	826	62	54
Top 50 destinations		**90,402**	**28**	**325,878**	**446.4**	**202,273**	**20,328**	**12,875**
Total domestic		**99,835**	**28**	**353,292**	**484.0**	**217,552**	**21,542**	**14,363**
Total international		**2,639**	**15**	**18,042**	**24.7**	**12,681**	**2,540**	**181**
Total all markets		**102,474**	**28**	**371,333**	**508.7**	**230,233**	**24,082**	**14,544**

APPENDIX B. GLOSSARY

Airline codes

AA ..... American Airlines
AS ..... Alaska Airlines
B6 ..... JetBlue Airways
CO ..... Continental Airlines
DL ..... Delta Air Lines
F9 ..... Frontier Airlines
UA ..... United Airlines
US ..... US Airways
WN ..... Southwest Airlines

Airport catchment area (ACA)

The geographic area surrounding an airport from which that airport can reasonably expect to draw passenger traffic. The airport catchment area is sometimes called the service area.

Airport codes

BOI ..... Boise, ID
DCA ..... Washington-National, DC
DEN ..... Denver, CO
DFW ..... Dallas-Fort Worth, TX
IAD ..... Washington-Dulles, DC
IAH ..... Houston-Intercontinental, TX
IDA ..... Idaho Falls, ID
JFK ..... New York-Kennedy, NY
LAX ..... Los Angeles, CA
LGA ..... New York-La Guardia, NY
MCO ..... Orlando-International, FL
MDW ..... Chicago-Midway, IL

Airport Codes (continued)

OAK ..... Oakland, CA
ORD ..... Chicago-O'Hare, IL
PDX ..... Portland, OR
PHL ..... Philadelphia, PA
PHX ..... Phoenix-Sky Harbor, AZ
PIH ..... Pocatello, ID
SAN ..... San Diego, CA
SEA ..... Seattle, WA
SFO ..... San Francisco, CA
SLC ..... Salt Lake City, UT
SUN ..... Sun Valley/Ketchum, ID
TWF ..... Twin Falls, ID

ARC

Acronym for Airline Reporting Corporation.

Average airfare

The average of the airfares reported by the airlines to the US DOT. The average airfare does not include taxes or passenger facility charges and represents one-half of a roundtrip ticket.

CAGR

Abbreviation for compounded annual growth rate, or the average rate of growth per year over a given time period.

Destination airport

Any airport where the air traveler spends four hours or more. This is the Federal Aviation Administration definition.

Diversion

Passengers who do not use the local airport for air travel, but instead use a competing airport to originate the air portion of their trip.

Enplanement

A passenger boarding a commercial aircraft.

FAA

Acronym for the Federal Aviation Administration.

Hub

An airport used by an airline as a transfer point to get passengers to their intended destination. It is part of a hub and spoke model, where travelers moving between airports not served by direct flights change planes en route to their destination. Also an airport classification system used by the FAA (e.g., non-hub, small hub, medium hub, and large hub.

Initiated (origin) passengers

Origin and destination passengers who began their trip from within the catchment area.

Load factor
The percentage of airplane capacity that is used by passengers.

Local market
The number of air travelers who travel between two points via nonstop air service.

MIDT
Acronym for Marketing Information Data Tapes provided by the Global Distribution Systems.

MSA
Acronym for Metropolitan Statistical Area. MSAs have at least one urban cluster with a population of at least 50,000 plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.

Narrow-body jet
A jet aircraft with a single aisle designed for seating over 100 passengers.

Nonstop flight
Air travel between two points without stopping at an intermediate airport.

Onboard passengers
The number of passengers transported on one flight segment.

Origin and destination (O&D) passengers
Includes all originating and destination passengers. In the context of this report, it describes the passengers arriving and departing an airport.

Originating airport
The airport used by an air traveler for the first enplanement of a commercial air flight.

Passenger Facility Charge
Fee imposed by airports of $1 to $4.50 on enplaning passengers. The fees are used by airports to fund FAA approved airport improvement projects.

Pax
Abbreviation for passengers.

PDEW
Abbreviation for passengers daily each way.

Point-to-point
Nonstop service that does not stop at an airline's hub and whose primary purpose is to carry local traffic rather than connecting traffic.

Referred passengers
Origin and destination passengers who began their trip from outside the catchment area.

Regional jet
A jet aircraft with a single aisle designed for seating fewer than 100 passengers.

Retained passengers (retention)
Passengers who use the local airport for air travel instead of using a competing airport to originate the air portion of their trip.

Stimulated passengers
Additional/"new" passengers that are generated by the introduction of service or by decreases in airfares not included in the true market.

True market
Total number of air travelers, including those who are using a competing airport, in the geographic area served by SUN. The true market estimate includes the size of the total market and for specific destinations.

Turboprop aircraft
A type of engine that uses a jet engine to turn a propeller. Turboprops are often used on regional and business aircraft because of their relative efficiency at speeds slower than, and altitudes lower than, those of a typical jet.

US DOT
Acronym for US Department of Transportation.

Wide-body jet
A jet aircraft with two aisles designed for seating greater than 175 passengers.

FOR MORE INFORMATION, PLEASE CONTACT
MEAD & HUNT, INC. ▪ 152 GINGER HILL COURT ▪ GLEN CARBON, IL 62034
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*MINUTES OF A REGULAR MEETING OF THE FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

ATTACHMENT #7

January 3, 2012
5:30 P.M.

IN ATTENDANCE:

BOARD MEMBERS: Chairman –Tom Bowman, Vice-Chairman – Martha Burke, Board – Lawrence Schoen, Don Keirn, Ron Fairfax; Conference Call – Susan McBryant
FRIEDMAN MEMORIAL AIRPORT STAFF: Airport Manager – Rick Baird, Emergency/Operations Chief – Peter Kramer; Contracts/Finance Administrator – Lisa Emerick, ASC/Special Projects Coordinator/Executive Assistant – Steve Guthrie, Assistant Airport Security Coordinator/Office Administrator – Roberta Christensen, Administrative Assistant/IT Systems Maintenance Coordinator - April Dieter, Office Assistant – Cecilia Vega
AIRPORT LEGAL COUNSEL: Luboviski, Wygle, Fallowfield & Ritzau – Barry Luboviski;
CONSULTANTS: T-O Engineers – Dave Mitchell; Rexroat, Harberd & Associates – Laurie Harberd; Simmons & Clubb – Mary Kay Petersen, Brian Hodges
AIRPORT TENANTS/PUBLIC: Airport Hosts – Juan Martinez, Katie Pruett, Kevin Jensen; Enterprise – Scott Reese; Atlantic Aviation – Mike Rasch; Dick Fenton; FSVA – Carol Waller; Charles Matthiesen; BCPA – Jim Perkins; City of Bellevue – Craig Eckles; John Strauss; Bob Crosby; Nathan Rimmer; Eric Seder, Donna Serano, Steve Ritchie, Marc Reinemann; GE Aviation – Ken Shapero, Matt Vacanti
PRESS: Idaho Mountain Express – Kate Wutz

CALL TO ORDER:

The meeting was called to order at 5:32 p.m. by Chairman Bowman.

I. APPROVE AGENDA

The agenda was approved with the following changes:

III. NEW BUSINESS

A. ~~B.~~ Sustain Blaine Presentation Request

MOTION: ***Made by Vice-Chairman Burke to move the Sustain Blaine Presentation Request agenda item after public comment. Seconded by Board Member Schoen.***

PASSED UNANIMOUSLY

II. PUBLIC COMMENT

Airport Operations Chief Pete Kramer introduced Airport hosts Katie Pruett, Kevin Jensen and Juan Martinez to the Board and thanked them for doing an exceptional job helping in the terminal this holiday season.

III. NEW BUSINESS

A. ~~B.~~ Sustain Blaine Presentation Request

Sustain Blaine Executive Director Harry Griffith gave a presentation to the Board and proposed that the FMAA participate in a community-wide endeavor to acquire electronic, handheld polling devices for use in public meetings.

Board Member Schoen asked Mr. Griffith if there would be potential consequences if these polling devices were used as a regular feature in public meetings.

Mr. Griffith answered that the polling devices would not need to be used at every public meeting in Blaine County. He commented that Sustain Blaine views the polling devices as an enhancement rather than a necessity.

Board Member McBryant commented that she is neutral towards this project and would not oppose the Board's participation in it.

Chairman Bowman commented that the polling devices would give individuals the opportunity to include their opinion on an issue without the fear of public speaking. He suggested that Staff brief the Board on which line item this project could be financed from at the February Board meeting.

Attorney Luboviski commented that the Board would need to draft an agreement with Sustain Blaine as the Board cannot make contributions.

Board Member Fairfax agreed that the polling devices would give people the opportunity to include their opinions without having to voice them. He commented that he supports the idea of the Board helping the community to acquire polling devices for use in public meetings.

Vice-Chairman Burke commented that it is difficult to be the opposing voice against the majority and the polling devices would eliminate that difficulty. She also commented that the polling devices would mitigate the emotions that occasionally rise when public comments are made.

Board Member Keirn agreed with Vice-Chairman Burke and commented that the Board should allocate how much is contributed to the project by estimating how much the Board would utilize the polling devices.

Board Member Schoen commented that he would not want the Board to confuse the polling devices with the statistically significant scientific act of polling. He commented that he is not supportive of the Board's involvement in acquiring the polling devices.

Mr. Griffith commented that the question of whether or not the polling devices would produce statistically significant results depends on how the Board develops the audience and structures the questions in the poll.

Chairman Bowman directed Staff to draft an agreement, identify the line item that would be used to finance the project and provide the agreement for Board review and discussion at the February meeting.

IV. ~~III.~~ FMAA FINANCIAL STATEMENTS & OTHER FINANCIAL INFORMATION

Rexroat, Harberd & Associates CPA Laurie Harberd presented the Board with the FMAA Financial Statements for Fiscal Year 2011.

Simmons & Clubb Auditor, Mary Kay Peterson, presented the Board with the results of the Independent Audit Review for Fiscal Year 2011.

Board Member Fairfax commented that he found the financial statements and audit straightforward and uncomplicated compared to years and past and complimented Ms. Harberd and Ms. Peterson on their efforts.

Chairman Bowman commented that the positive results of the audit are a reflection on Staff. He thanked Ms. Harberd and Ms. Peterson for their efforts on the financial statements and audit.

MOTION: ***Made by Board Member Fairfax to approve the draft financial statements and direct Staff and Auditor to finalize for distribution to appropriate government agencies. Seconded by Vice-Chairman Burke.***

PASSED UNANIMOUSLY

V. ~~IV.~~ UNFINISHED BUSINESS

A. Replacement Airport (See Brief)

1. City of Hailey Report

Board Member Burke reported that newly elected Mayor Haemmerle is proposing to hold a Hailey City Council regular meeting to discuss Airport-related topics on January 23, 2012.

2. Blaine County Report

No report was given.

3. Airport Manager Report (See Brief)

Airport Manager Baird briefed the Board on the Capital for a Day event with Idaho Governor Otter and Airport Staff that took place on December 21, 2011 in Sun Valley.

4. Alaska Airlines/Horizon Air Meeting (See Brief)

Airport Engineer Consultant Dave Mitchell briefed the Board regarding the meeting held with Horizon Airlines in December to discuss reliability at the Airport.

The Board asked Engineer Mitchell and Airport Manager Baird questions regarding the different types of approaches and back-up navigation that were discussed with Horizon Airlines.

5. GE Presentation – Required Navigation Procedure (RNP) Wide Area Augmentation System (WAAS) (See Brief)

GE Aviation Director of U.S. Programs, Ken Shapero and Matt Vacanti, gave the Board a presentation describing what a Required Navigation Procedure (RNP) Wide Area Augmentation System (WAAS) is and how that type of performance-based navigation system could be utilized at the Airport.

Board Member Schoen asked what the benefits are of utilizing a performance-based navigation rather than a ground-based navigation system.

Mr. Vacanti answered that an aircraft would be able to fly into an area with more accuracy and detect the navigational system from a further distance away using a performance-based navigation system.

Vice-Chairman Burke asked if the study GE Aviation is proposing to conduct would be AIP-eligible. She also asked if the larger private planes that utilize the Airport will be able to use the proposed navigational system as well.

Airport Manager Baird answered that Staff does not know whether the GE Aviation study will be AIP-eligible at this point. Mr. Vacanti answered that any navigational system developed will be built in a way to maximize the number of Airport users.

Board Member Schoen asked for what reason an airline would trade the cost of years of unreliable service with the cost of equipping aircraft with a new navigational system.

Mr. Shapero answered that Horizon has been working very diligently since 2006 to generate aircraft software that enables them to fly into newer and more difficult regions. The development of aircraft software is still a continuing evolution among many airlines.

Vice-Chairman Burke asked if the proposed GE Aviation study will trigger the FAA to conduct a Safety Management System (SMS) study at the Airport.

Airport Manager Baird answered that he is unsure whether the proposed GE Aviation study will trigger an SMS but it will most likely trigger an environmental review.

Board Member Fairfax commented that the Airport's history with the FAA in regard to researching new technology to improve reliability at the Airport is lengthy and unsuccessful. He asked how confident GE Aviation is in ensuring that they will be successful with the FAA.

Mr. Shapero answered that in conversations with the FAA, it has become clear that the FAA is aware that assistance is needed in developing new navigational technology. He commented that he believes the FAA is ready to find a way to improve and update navigational technology for the air transportation system.

The Board asked Mr. Shapero and Mr. Vacanti further technical questions regarding the proposed RNP/WAAS approach versus the unused RNP approach currently being provided at the Airport.

Chairman Bowman directed Staff to continue discussions with GE Aviation regarding the development of an RNP approach for the Airport. He commented that once GE Aviation and Staff have narrowed down the approach possibilities the Board will review and decide whether or not continued research is a cost effective venture.

Vice-Chairman Burke agreed that the Board should continue discussions with GE Aviation and suggested that Staff research whether or not this study would be AIP-eligible.

Airport Manager Baird briefed the Board that Staff will be presenting a draft report developed by GE Aviation to the FAA for review and comment.

Board Member Schoen commented that performance-based navigation (PBN) systems are the future of navigation, however, a decision cannot be made until the Board identifies a PBN system in the strategic framework of how the Board will proceed with the reliability project overall.

Board Member McBryant commented that she is encouraged by GE Aviation's presentation and is anxious to review the draft report that will indicate Staff's findings.

Board Member McBryant excused herself from the meeting.

6. **Airport Communication & Outreach Facilitator (See Brief)**

Airport Manager Baird briefed the Board on the Airport Communication & Outreach Facilitator project status. Attorney Luboviski briefed the Board on edits made to the Agreement that will allow Candice Pate to provide Strategic Communications & Marketing services to the Board.

Board Member Keirn asked if the Agreement should include a stipulation to not exceed a certain amount in strategic communications and marketing service costs.

Airport Manager Baird answered that it would not be necessary to put such a stipulation in the Agreement as Ms. Pate will be completing work as the Board directs. He commented that the expense for this service will not have a significant effect on the Airport budget.

MOTION: ***Made by Board Member Schoen to approve the Letter of Agreement as proposed to be amended by Attorney Luboviski and Authorize the Chair to execute the document. Seconded by Vice-Chairman Burke.***

PASSED UNANIMOUSLY

7. **Airport Redevelopment Plan and Feasibility Analysis Update**

VI. ~~V.~~ NEW BUSINESS (cont.)

B. ~~A.~~ **Sun Commercial Passenger Survey Results (FSVA)**

Fly Sun Valley Alliance Director, Carol Waller, presented the Board with a briefing on the activities and projects of the Fly Sun Valley Alliance team for 2011.

Chairman Bowman asked why FSVA does not encourage Horizon to distribute free passes to ensure full flight capacity rather than having the community pay for the empty seats.

Ms. Waller answered that she does not know of any community or entity that has an MRG contract with an airline in which the airlines will fill empty seats even when the seat has been paid for.

Board Member Schoen asked what the significance is of studying the age demographics of the visitors to the Wood River Valley.

Ms. Waller answered that it is important to recruit a younger generation to visit the Valley for sustainability purposes. She commented Sun Valley is doing product development to encourage a younger generation to visit the area.

~~**B. Sustain Blaine Presentation Request**~~

VII. ~~VI.~~ APPROVE FMAA MEETING MINUTES

A. **December 6, 2011 Regular Meeting (See Brief)**

The December 6, 2011 Friedman Memorial Airport Authority Meeting Minutes were approved with the following change:

VI. ~~V.~~ UNFINISHED BUSINESS

A. Replacement Airport

Board Member Schoen added that Chairman Bowman has drafted a response letter to the City of Bellevue. He suggested that the FMAA also draft a letter to Bellevue assuring them that the relocation of the runway to the south, adjacent to the city, is no longer an option and emphasize that safety is the FMAA's highest priority.

MOTION: ***Made by Vice-Chairman Burke to approve the December 6, 2011 Friedman Memorial Airport Authority Meeting Minutes as amended. Seconded by Board Member Keirn.***

PASSED UNANIMOUSLY

VIII. ~~VII.~~ AIRPORT STAFF BRIEF

A. Noise Complaints

B. Parking Lot Update

C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data (See Brief)

D. Review Correspondence (See Brief)

E. Fly Sun Valley Alliance Update (See Brief)

F. Airport Weather Interruptions

G. TSA Request for Break Room/Training Facility Update

H. Airport / FSVA Marketing / Alliance Meeting

IX. ~~VIII.~~ PUBLIC COMMENT

John Strauss suggested the Board hold a workshop to discuss RNP and WAAS approach options.

X. ~~IX.~~ ADJOURNMENT

The January 3, 2012 Regular Meeting of the Friedman Memorial Airport Authority was adjourned at approximately 8:43 p.m.

_____

Susan McBryant, Secretary

* *Additional resources/materials that should be reviewed with these meeting minutes include but are not limited to the Friedman Memorial Airport Authority Board Packet briefing, the PowerPoint presentation prepared for this meeting and any referenced attachments.*

*MINUTES OF A SPECIAL MEETING OF THE FRIEDMAN MEMORIAL AIRPORT AUTHORITY AND CITY OF BELLEVUE**

ATTACHMENT #8

October 25, 2011
6:30 P.M.

IN ATTENDANCE:

FMAA BOARD MEMBERS: Chairman –Tom Bowman, Vice-Chairman – Martha Burke, Secretary – Susan McBryant, Board – Lawrence Schoen, Don Keirn, Angenie McCleary, Ron Fairfax
CITY OF BELLEVUE COUNCIL MEMBERS: Mayor Chris Koch, Council President Dave Hattula, Aldermen Janet Duffy, Larry Plott, Barb Patterson, and Sara Burns; Bellevue City Clerk Dee Barton, Bellevue Development Services Director Craig Eckles
FRIEDMAN MEMORIAL AIRPORT STAFF: Airport Manager – Rick Baird, Emergency/Operations Chief – Peter Kramer; Contracts/Finance Administrator – Lisa Emerick, ASC/Special Projects Coordinator/Executive Assistant – Steve Guthrie,
AIRPORT LEGAL COUNSEL: Luboviski, Wygle, Fallowfield & Ritzau – Barry Luboviski;
AIRPORT CONSULTANTS: T-O Engineers – Nathan Cuvala, Chuck Sundby
TENANTS/PUBLIC: Carol Eittreim, Jeff Hine, Jim and Cynthia Knight, Sheryl Fullmer, Chrissie Huss, Robert Youngman, Mark Gilbert, Jim and Nancy Mayne, Tammy Eaton, Marc Reinemann, Les Cameron, Wanda Cole, Rob Leahy, Debbie S. Fox, J. S. Dunn, Scott Porter, Tom Bersin, Andy Miles, Johanna and Russ Sample, Tom Perry, Linda Rowe, Nathan Cuvala, Evan Stelma, Marilyn Plott, Guy Pere, Peter Lobb, Matt Filbert, Keith Roark, Selim Star, Laurie Roark, Dana Glove, Judy Ferries, Linda Johnston, Stephen Schowengerdt, Jay Coleman, Jan Anderson, Amanda Seaward, Holly Cole, Dwight Cole, Ruth Dey, Robert W. Rae, Lynn Clarke, Shawn Crea, Peter Schermier, Tisha B, Shawn Carty, Kristi Vandenberg, Brad and Kim Baker, Doro Scharella, Rosemary Cody, Fred Wagner, Jan Super, Mindy and Bill Pereira, Liz Smith, Lena Phillips, Darsi Cordingley, Eric Allen, Nils Ribi, Mark Garays, Stani Malmgren, Judy Grigsby, Ed Lawson, Mike Treshow, Heather McMahan, Sandy Schnochs, Warren Cordingley, Laura J. wolf, June Ulrich, Blaine County School District Board Member Steve Guthrie, Chuck Sundby, Lissa Winslow, Tony Polichetti, Donna Serrano, Bonnie Leighton, Janet Krogh, Ann Gasung, Joan Lamb, Sheila White, Julie Lawson, Dale Ewerson, Andy Harding, Dan Gralenski, Felicity Roberts, Christine Barrie, Tom Ahern, Kelly Cole, Billy Britta Grimberg, Patty Lousen, Bart Lassman, Paul Hoferbeck, Tracy Dunlap, Kathy Clark, Bruce Clark, Hugh Youdall, Sandra Alford, Florence Blanchard, David Trudo, James Chairman of the Board of Fire Commissioners for the Wood River Fire District James Frehling, Mike and Amber Mattias, Carolyn Benson, Don Benson, John Strauss, Melissa Ayres, Michael Rasch, Sheryl Schowengerdt, Wayne Willich, Bill Eittreim, Diane Shay, Svea Grover, Margaret Youdall, Lee and Marilyn Henry, Jen Johanningmeier, Pam Matey, Chris Mather, Tom Blanchard, Al Yates, Katherine Woods, John Delorenzo, and Robert Redfern.
PRESS: Idaho Mountain Express – Katherine Wutz

CALL TO ORDER:

The meeting was called to order at 6:48 p.m. by Bellevue Mayor Chris Koch.

I. APPROVE AGENDA

The agenda was approved as presented.

II. POWER POINT PRESENTATION – FMAA STAFF AND CONSULTANTS

Airport Manager Baird presented a PowerPoint history of the efforts to improve reliability at the Airport.

III. COMMENTS/QUESTIONS – FMAA BELLEVUE CITY COUNCIL AND MAYOR

Board Member Schoen commented that a letter he'd written to Airport Manager Baird regarding eminent domain might have been interpreted incorrectly and the letter was only to be made public if the subject arose. He apologized for the confusion and anxiety the letter had caused.

Bellevue City Alderman, Larry Plott, submitted a letter to the FMAA calling for protection of a large population of turkey vultures that have sustained a habitat along Lower Broadford Road during summer months. He commented that the vultures have legal protection under the Migratory Bird Treaty Act of 1918 and could potentially collide with aircraft if the Airport was relocated further south. He asked that the safety of residents, passengers and protected birds be the Board's primary consideration when analyzing options to improve reliability at the Airport.

Bellevue City Alderman, Dave Hattula, commented that expansion of the airport would have a tremendous potential safety impact on the City of Bellevue and relocation might well be worth the cost.

Airport Manager Baird commented that any potential modification to the Airport that effects air service will require an environmental review and a Safety Management System (SMS) evaluation. An SMS evaluation is an independent evaluation by all lines of business in the FAA that also looks for unintended consequences and the results of the SMS evaluation is irreversible.

Bellevue Mayor Chris Koch asked that Bellevue be allowed representation on the FMAA Board.

IV. COMMENTS/QUESTIONS - PUBLIC

Airport Manager Baird commented that grant assurances prohibit the closing of the current airport since the Board has accepted federal money for land acquisition. He commented that it is very important that the public remain involved in the process and at this time the FMAA is merely gathering information.

Darsi Cordingley commented that residents who live within six miles of an airport are exposed to health hazards.

Guy Perry commented that the Airport has a GPS approach with lower minimums than many ski resort airports.

Airport Manager Baird commented that the lower missed approach procedure is such a difficult one that no pilots had ever used it. He commented that the FMAA is considering expansion rather than relocation is due to the current national and local economic conditions. He commented that the ultimate solution is a replacement airport; however no one can predict when that will be possible.

Bellevue residents voiced opposition to any change in the current footprint of the Airport and suggested the Board improve shuttle service to and from the Wood River Valley from Boise or perhaps consider a regional airport.

Airport Manager Baird commented that Staff is researching options to improve reliability. He also reminded everyone that the regional airport concept has been considered several times by Blaine County. He stated that it has been reportedly rejected by voters twice.

Sheryl Fullmer commented that the Airport would retain good safety controls as long as it served commercial service. If commercial service were lost, general aviation pilots could make their own decisions but safety would be compromised and noise levels would also be difficult to control.

Airport Manager Baird commented that the Board could continue researching alternative sites, however it is unlikely a relocated airport will be affordable to the FAA and Blaine County taxpayers. He commented that the Board needs to find a solution that increases reliability and passenger numbers which would in effect lower MRGs and ticket prices.

Chairman Bowman commented that a 30-year $100 million bond would cost $60 per $100,000 valuation and a bond would require two-thirds majority vote.

V. CLOSING COMMENT

Board Member McBryant commented that the Airport both impacts and supports the community's quality of life and assured Bellevue residents that the Board is trying to figure out the best solution for the community at large until the economy would be able to support a relocated airport.

Board Member Schoen commented that all previous airport documentation contains a significant, repeated and consistent commitment to relocation. The state of the economy has disrupted the idea of relocation which leaves the FMAA and community with some very difficult decisions to make. He commented that the Board needs input from the entire community and the Board's responsibility is to maintain air service that is safe, reliable, meets current and future demands, and is affordable to the community.

Board Member McCleary commented that she has received comment that the current Board has been trying to answer these question for years. It is a complex problem, and there is no easy solution for the entire community and all the diverse needs of the community and the FMAA must look at the bigger picture.

Bellevue City Alderman Sara Burns commented that she was a frequent flyer but hasn't flown out of Friedman due to unreliability so her priority would be improving reliability. She commented that she would like to see an airport south of Bellevue, which might contribute positively to Bellevue's economy.

Bellevue City Alderman Larry Plott suggested that the cities of Blaine County should routinely meet together to discuss airport updates and issues.

Bellevue City Alderman Dave Hattula commented that the angled runway approach would impact Bellevue significantly and was unacceptable.

Bellevue Mayor Chris Koch reiterated that Bellevue should have a seat at FMAA proceedings, and that he too was opposed the option of expanding the runway.

Chairman Bowman reiterated that there is no one solution that solves reliability and affordability that has no impact on the quality of life of local citizens. If the FMAA does nothing, the Airport will remain a general aviation airport, which is a huge percentage of its current operation. He commented that the solution is going to involve compromise.

The October 25, 2011 Special Meeting of the Friedman Memorial Airport Authority and City of Bellevue was adjourned at approximately 9:45 p.m.

Susan McBryant, Secretary

Chris Koch, Mayor of Bellevue, Idaho

* *Additional resources/materials that should be reviewed with these meeting minutes include but are not limited to the Friedman Memorial Airport Authority the PowerPoint presentation prepared for this meeting and any referenced attachments.*

4:00 PM
01/18/12
Accrual Basis

Friedman Memorial Airport
Profit & Loss Budget vs. Actual(Combined '12)
October through November 2011

	Oct - Nov 11	Budget	$ Over Budget	% of Budget	
Ordinary Income/Expense					
Income					
4000-00 · AIRCARRIER					
4000-01 · Aircarrier - Lease Space	14,086.74	84,600.00	-70,513.26	16.7%	
4000-02 · Aircarrier - Landing Fees	6,708.00	96,500.00	-89,792.00	7.0%	
4000-03 · Aircarrier - Gate Fees	200.00	1,200.00	-1,000.00	16.7%	
4000-04 · Aircarrier - Utility Fees	60.00	7,600.00	-7,540.00	0.8%	
4010-05 · Aircarrier -'11 PFC Application	29,781.15	205,000.00	-175,218.85	14.5%	
Total 4000-00 · AIRCARRIER	50,835.89	394,900.00	-344,064.11		12.9%
4020-00 · TERMINAL AUTO PARKING REVENUE					
4020-01 · Automobile Parking - Terminal	10,534.34	92,500.00	-81,965.66	11.4%	
Total 4020-00 · TERMINAL AUTO PARKING REVENUE	10,534.34	92,500.00	-81,965.66		11.4%
4030-00 · AUTO RENTAL REVENUE					
4030-01 · Automobile Rental - Commission	37,567.34	312,000.00	-274,432.66	12.0%	
4030-02 · Automobile Rental - Counter	1,185.56	7,500.00	-6,314.44	15.8%	
4030-03 · Automobile Rental - Auto Prkng	13,180.00	28,000.00	-14,820.00	47.1%	
4030-04 · Automobile Rental - Utilities	0.00	500.00	-500.00	0.0%	
Total 4030-00 · AUTO RENTAL REVENUE	51,932.90	348,000.00	-296,067.10		14.9%
4040-00 · TERMINAL CONCESSION REVENUE					
4040-01 · Terminal Shops - Commission	195.77	3,500.00	-3,304.23	5.6%	
4040-02 · Terminal Shops - Lease Space	1,420.84	8,300.00	-6,879.16	17.1%	
4040-03 · Terminal Shops - Utility Fees	0.00	725.00	-725.00	0.0%	
4040-10 · Advertising - Commission	1,812.50	33,000.00	-31,187.50	5.5%	
4040-12 · Terminal ATM	10.70				
Total 4040-00 · TERMINAL CONCESSION REVENUE	3,439.81	45,525.00	-42,085.19		7.6%
4050-00 · FBO REVENUE					
4050-01 · FBO - Lease Space	33,778.42	223,220.00	-189,441.58	15.1%	
4050-02 · FBO - Tiedown Fees	12,960.00	193,000.00	-180,040.00	6.7%	
4050-03 · FBO - Landing Fees - Trans.	16,084.11	197,000.00	-180,915.89	8.2%	
4050-04 · FBO - Commission	1,612.99	17,000.00	-15,387.01	9.5%	
Total 4050-00 · FBO REVENUE	64,435.52	630,220.00	-565,784.48		10.2%
4060-00 · FUEL FLOWAGE REVENUE					
4060-01 · Fuel Flowage - FBO	10,862.88	168,600.00	-157,737.12	6.4%	
Total 4060-00 · FUEL FLOWAGE REVENUE	10,862.88	168,600.00	-157,737.12		6.4%
4070-00 · TRANSIENT LANDING FEES REVENUE					
4070-02 · Landing Fees - Non-Comm./Gov't	0.00	500.00	-500.00	0.0%	
Total 4070-00 · TRANSIENT LANDING FEES REVENUE	0.00	500.00	-500.00		0.0%

ATTACHMENT #9

Friedman Memorial Airport
Profit & Loss Budget vs. Actual(Combined '12)
October through November 2011

	Oct - Nov 11	Budget	$ Over Budget	% of Budget
4080-00 · HANGARS REVENUE				
4080-01 · Land Lease - Hangar	88,305.33	477,512.00	-389,206.67	18.5%
4080-02 · Land Lease - Hangar/Trans. Fee	500.00			
4080-03 · Land Lease - Hangar/Utilities	152.38	1,300.00	-1,147.62	11.7%
4080-20 · Land Lease - Government Revenue	1,711.13			
Total 4080-00 · HANGARS REVENUE	90,668.84	478,812.00	-388,143.16	18.9%
4090-00 · TIEDOWN PERMIT FEES REVENUE				
4090-01 · Tiedown Permit Fees (FMA)	17,339.09	30,000.00	-12,660.91	57.8%
4090-02 · Tiedown - Gov. Fire Support	0.00	5,000.00	-5,000.00	0.0%
Total 4090-00 · TIEDOWN PERMIT FEES REVENUE	17,339.09	35,000.00	-17,660.91	49.5%
4100-00 · POSTAL CARRIERS REVENUE				
4100-01 · Postal Carriers - Landing Fees	1,417.91	8,900.00	-7,482.09	15.9%
4100-02 · Postal Carriers - Tiedown	2,970.00			
Total 4100-00 · POSTAL CARRIERS REVENUE	4,387.91	8,900.00	-4,512.09	49.3%
4110-00 · MISCELLANEOUS REVENUE				
4110-06 · Misc. - Security-Prox. Cards	17,280.00	25,000.00	-7,720.00	69.1%
4110-08 · Misc.-Security Prox. Reissue	150.00			
Total 4110-00 · MISCELLANEOUS REVENUE	17,430.00	25,000.00	-7,570.00	69.7%
4120-00 · GROUND TRANSP. PERMIT REVENUE				
4120-01 · Ground Transportation Permit	5,140.00	25,000.00	-19,860.00	20.6%
Total 4120-00 · GROUND TRANSP. PERMIT REVENUE	5,140.00	25,000.00	-19,860.00	20.6%
4400-00 · TSA				
4400-01 · LEO Expense Reimbursement	21,987.45	135,000.00	-113,012.55	16.3%
4400-02 · Terminal Lease	1,508.94			
Total 4400-00 · TSA	23,496.39	135,000.00	-111,503.61	17.4%
4500-00 · IDAHO STATE GRANT PROGRAM REV.				
4500-12 · SUN-12	0.00	20,000.00	-20,000.00	0.0%
Total 4500-00 · IDAHO STATE GRANT PROGRAM REV.	0.00	20,000.00	-20,000.00	0.0%
4520-00 · INTEREST INCOME				
4520-05 · Interest Income - '11 PFC	13.36			
4600-00 · Interest Income - General	2,230.13	14,000.00	-11,769.87	15.9%
Total 4520-00 · INTEREST INCOME	2,243.49	14,000.00	-11,756.51	16.0%
4702-00 · AIP 02 New Airpt. EIS Phs. II				
4702-01 · AIP 02	0.00	100,000.00	-100,000.00	0.0%
Total 4702-00 · AIP 02 New Airpt. EIS Phs. II	0.00	100,000.00	-100,000.00	0.0%

Friedman Memorial Airport
Profit & Loss Budget vs. Actual(Combined '12)
October through November 2011

	Oct - Nov 11	Budget	$ Over Budget	% of Budget
4703-00 · AIP 03 FMA/FAA				
4703-01 · AIP 03	0.00	40,000.00	-40,000.00	0.0%
Total 4703-00 · AIP 03 FMA/FAA	0.00	40,000.00	-40,000.00	0.0%
4704-00 · AIP 04-New Arpt. EIS-Phs.III/IV				
4704-01 · AIP '04 - FAA	73,625.00	1,000,000.00	-926,375.00	7.4%
Total 4704-00 · AIP 04-New Arpt. EIS-Phs.III/IV	73,625.00	1,000,000.00	-926,375.00	7.4%
4705-00 · AIP 05-New Arpt. EIS-Phs.				
4705-01 · AIP '05 - FAA	0.00	1,000,000.00	-1,000,000.00	0.0%
Total 4705-00 · AIP 05-New Arpt. EIS-Phs.	0.00	1,000,000.00	-1,000,000.00	0.0%
4706-00 · AIP 06-New Arpt. EIS-Phs.				
4706-01 · AIP 06-New Arpt. EIS-Phs.	0.00	1,000,000.00	-1,000,000.00	0.0%
Total 4706-00 · AIP 06-New Arpt. EIS-Phs.	0.00	1,000,000.00	-1,000,000.00	0.0%
4737-00 · AIP 37 - TBD				
4737-01 · AIP '37	0.00	500,000.00	-500,000.00	0.0%
Total 4737-00 · AIP 37 - TBD	0.00	500,000.00	-500,000.00	0.0%
Total Income	426,372.06	6,061,957.00	-5,635,584.94	7.0%
Gross Profit	426,372.06	6,061,957.00	-5,635,584.94	7.0%
Expense				
5000-00 · A EXPENDITURES				
5000-01 · Salaries - Airport Manager	21,459.24	127,403.00	-105,943.76	16.8%
5010-00 · Salaries -Contracts/Finance Adm	13,748.80	82,500.00	-68,751.20	16.7%
5010-01 · Salaries - Office Assist.	26,783.47	159,195.91	-132,412.44	16.8%
5020-00 · Salaries - ARFF/OPS Chief	13,748.80	82,500.00	-68,751.20	16.7%
5030-00 · Salaries - ARFF/OPS Specialist	50,045.76	294,193.00	-244,147.24	17.0%
5040-00 · Salaries-ASC/Sp.Prjct./Ex. Assi	9,543.64	57,523.00	-47,979.36	16.6%
5050-00 · Salaries - Temp.	402.50	15,000.00	-14,597.50	2.7%
5050-02 · Salaries - Merit Increase	0.00	14,816.45	-14,816.45	0.0%
5060-01 · Overtime - General	0.00	2,000.00	-2,000.00	0.0%
5060-02 · Overtime - Snow Removal	0.00	10,000.00	-10,000.00	0.0%
5060-04 · OT - Security	0.00	2,500.00	-2,500.00	0.0%
5100-00 · Retirement	15,711.77	98,410.00	-82,698.23	16.0%
5110-00 · Social Security/Medicare	9,660.83	64,843.80	-55,182.97	14.9%
5120-00 · Life Insurance	303.76	2,000.00	-1,696.24	15.2%
5130-00 · Medical Insurance	23,299.40	155,000.00	-131,700.60	15.0%
5160-00 · Workman's Compensation	0.00	15,000.00	-15,000.00	0.0%
Total 5000-00 · A EXPENDITURES	184,707.97	1,182,885.16	-998,177.19	15.6%

Friedman Memorial Airport
Profit & Loss Budget vs. Actual(Combined '12)
October through November 2011

	Oct - Nov 11	Budget	$ Over Budget	% of Budget	
6000-00 · TRAVEL EXPENSE					
6000-01 · Travel	207.26	15,000.00	-14,792.74	1.4%	
Total 6000-00 · TRAVEL EXPENSE	207.26	15,000.00	-14,792.74		1.4%
6010-00 · SUPPLIES/EQUIPMENT EXPENSE					
6010-01 · Supplies - Office	1,830.35	13,500.00	-11,669.65	13.6%	
6010-03 · Supplies - Computer	155.00				
Total 6010-00 · SUPPLIES/EQUIPMENT EXPENSE	1,985.35	13,500.00	-11,514.65		14.7%
6020-00 · INSURANCE					
6020-01 · Insurance - Liability	16,500.00	18,500.00	-2,000.00	89.2%	
6020-02 · Insurance - Public Officials	12,715.00	13,600.00	-885.00	93.5%	
6020-03 · Insurance-Bldg/Unlic.Veh./Prop	25,834.00	29,600.00	-3,766.00	87.3%	
6020-04 · Insurance - Licensed Vehicles	5,503.00	5,900.00	-397.00	93.3%	
6020-05 · Insurance - Crime	278.00	550.00	-272.00	50.5%	
Total 6020-00 · INSURANCE	60,830.00	68,150.00	-7,320.00		89.3%
6030-00 · UTILITIES					
6030-01 · Utilities - Gas/Terminal	1,361.04	13,000.00	-11,638.96	10.5%	
6030-02 · Utilities - Gas/Maintenance	918.71	8,500.00	-7,581.29	10.8%	
6030-03 · Utilities - Elect./Runway&PAPI	1,036.72	6,000.00	-4,963.28	17.3%	
6030-04 · Utilities - Elec./Office/Maint.	1,371.47	9,000.00	-7,628.53	15.2%	
6030-05 · Utilities - Electric/Terminal	1,151.22	7,500.00	-6,348.78	15.3%	
6030-06 · Utilities - Telephone	2,227.42	17,000.00	-14,772.58	13.1%	
6030-07 · Utilities - Water	100.40	1,200.00	-1,099.60	8.4%	
6030-08 · Utilities - Garbage Removal	1,359.45	6,000.00	-4,640.55	22.7%	
6030-09 · Utilities - Sewer	222.66	1,500.00	-1,277.34	14.8%	
6030-10 · Utilities - Elec./Sewer	25.51	500.00	-474.49	5.1%	
6030-11 · Utilities - Electric/Tower	604.67	4,000.00	-3,395.33	15.1%	
6030-15 · Utilities - Elec/AWOS	125.45	900.00	-774.55	13.9%	
6030-16 · Utilities - Elec. Wind Cone	23.89	210.00	-186.11	11.4%	
6030-17 · Utilities - Elec.- Rosenberg	8.46				
6040-01 · Service Provider - Weather	0.00	2,500.00	-2,500.00	0.0%	
6040-02 · Service Provider - Term. Music	204.00	1,000.00	-796.00	20.4%	
6040-03 · Service Provider - Internet/ISP	598.59	7,000.00	-6,401.41	8.6%	
6040-04 · Service Provider - AWOS NADN	0.00	8,000.00	-8,000.00	0.0%	
6040-05 · Service Provider - ISP/Terminal	622.95				
Total 6030-00 · UTILITIES	11,962.61	93,810.00	-81,847.39		12.8%

Friedman Memorial Airport
Profit & Loss Budget vs. Actual(Combined '12)
October through November 2011

	Oct - Nov 11	Budget	$ Over Budget	% of Budget
6050-00 · PROFESSIONAL SERVICES				
6050-01 · Professional Services - Legal	3,609.15	27,500.00	-23,890.85	13.1%
6050-02 · Professional Services - CPA	0.00	24,000.00	-24,000.00	0.0%
6050-03 · Professional Services - Enginee	1,456.47	27,000.00	-25,543.53	5.4%
6050-04 · Professional Services - ARFF	0.00	4,000.00	-4,000.00	0.0%
6050-07 · Professional Services - Archite	0.00	1,000.00	-1,000.00	0.0%
6050-08 · Professional Services - Securit	0.00	4,000.00	-4,000.00	0.0%
6050-09 · Profess. Srvcs.-Lrg. Jet Def	3,381.00			
6050-10 · Prof. Srvcs.-IT/Comp. Support	1,122.50	12,000.00	-10,877.50	9.4%
6050-11 · Professional Services - Wildlif	0.00	2,000.00	-2,000.00	0.0%
Total 6050-00 · PROFESSIONAL SERVICES	9,569.12	101,500.00	-91,930.88	9.4%
6060-00 · MAINTENANCE-OFFICE EQUIPMENT				
6060-01 · Maint.-Office Equip./Gen.	0.00	10,000.00	-10,000.00	0.0%
6060-04 · Maintenance - Copier	1,080.32			
Total 6060-00 · MAINTENANCE-OFFICE EQUIPMENT	1,080.32	10,000.00	-8,919.68	10.8%
6070-00 · RENT/LEASE OFFICE EQUIPMENT				
6070-02 · Rent/Lease - Postage Meter	0.00	1,500.00	-1,500.00	0.0%
Total 6070-00 · RENT/LEASE OFFICE EQUIPMENT	0.00	1,500.00	-1,500.00	0.0%
6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E				
6080-01 · Dues/Memberships/Publications	8,151.25	15,000.00	-6,848.75	54.3%
Total 6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E	8,151.25	15,000.00	-6,848.75	54.3%
6090-00 · POSTAGE				
6090-01 · Postage/Courier Service	349.00	2,700.00	-2,351.00	12.9%
Total 6090-00 · POSTAGE	349.00	2,700.00	-2,351.00	12.9%
6100-00 · EDUCATION/TRAINING				
6100-01 · Education/Training - Admin.	-100.00	30,000.00	-30,100.00	-0.3%
6100-06 · Education - Security	375.00			
Total 6100-00 · EDUCATION/TRAINING	275.00	30,000.00	-29,725.00	0.9%
6110-00 · CONTRACTS				
6110-02 · Contracts - FMAA	5,600.00	24,000.00	-18,400.00	23.3%
6110-03 · Contracts - SVA/Fee Collection	9,800.00	58,800.00	-49,000.00	16.7%
6110-04 · Contracts - COH LEO	26,349.30	145,000.00	-118,650.70	18.2%
6110-05 · Contracts - Janitorial	0.00	10,000.00	-10,000.00	0.0%
6110-06 · Electronic Filing System	2,300.00	13,800.00	-11,500.00	16.7%
6110-08 · Contracts - Eccles Tree Lights	30,000.00	30,000.00	0.00	100.0%
6110-09 · Contracts - Website	0.00	750.00	-750.00	0.0%
6110-10 · Security - Badge Automation	0.00	36,000.00	-36,000.00	0.0%
Total 6110-00 · CONTRACTS	74,049.30	318,350.00	-244,300.70	23.3%

Friedman Memorial Airport
Profit & Loss Budget vs. Actual(Combined '12)
October through November 2011

	Oct - Nov 11	Budget	$ Over Budget	% of Budget
6130-00 · MISCELLANEOUS EXPENSES				
6130-01 · Misc. - General	1,054.86	6,500.00	-5,445.14	16.2%
6130-04 · Misc. Green Program	0.00	2,500.00	-2,500.00	0.0%
6140-00 · Bank Fees	84.50			
Total 6130-00 · MISCELLANEOUS EXPENSES	1,139.36	9,000.00	-7,860.64	12.7%
6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI				
6500-01 · Supplies/Equipment - General	72.59	10,000.00	-9,927.41	0.7%
6500-02 · Supplies/Equipment - Tools	1,949.80			
6500-03 · Supplies/Equipment - Clothing	44.99			
6500-04 · Supplies/Equipment - Janitorial	2,003.30			
6500-05 · Supplies/Equipment - Deice	28,945.00	35,000.00	-6,055.00	82.7%
6500-06 · Supplies/Equipment - ARFF	0.00	5,000.00	-5,000.00	0.0%
Total 6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI	33,015.68	50,000.00	-16,984.32	66.0%
6510-00 · FUEL/LUBRICANTS				
6510-01 · Fuel/Lubricants - General	69.48	50,000.00	-49,930.52	0.1%
6510-02 · Fuel	6,759.26			
Total 6510-00 · FUEL/LUBRICANTS	6,828.74	50,000.00	-43,171.26	13.7%
6520-00 · VEHICLES/MAINTENANCE				
6520-01 · R/M Equipment - General	1,982.96	27,000.00	-25,017.04	7.3%
6520-02 · R/M Equip. '93 Schmidt Snow	11.98			
6520-11 · R/M Equip. - '89 J. Deere Ldr.	171.49			
6520-19 · R/M Equip. '02 Ford F-150 PU	936.12			
6520-23 · R/M Equip. - '97 Ford Exped.	97.53			
6520-24 · R/M Equip. - '01 Ford F-250	39.05			
6520-30 · R/M Equip.-'05 Ford F-350	148.75			
6520-31 · R/M Equip. - Oshkosh Blower	65.98			
Total 6520-00 · VEHICLES/MAINTENANCE	3,453.86	27,000.00	-23,546.14	12.8%
6530-00 · ARFF MAINTENANCE				
6530-01 · ARFF Maint. General	1,823.54	5,000.00	-3,176.46	36.5%
6530-04 · ARFF Maint. - Radios	165.00			
6530-05 · ARFF MAint. - '03 E-One	16.97			
Total 6530-00 · ARFF MAINTENANCE	2,005.51	5,000.00	-2,994.49	40.1%
6540-00 · REPAIRS/MAINTENANCE - BUILDING				
6540-01 · R/M Bldg. - General	601.21	29,000.00	-28,398.79	2.1%
6540-02 · R/M Bldg. - Terminal	2,959.13			
6540-03 · R/M Bldg. - Shop	3,377.28			
6540-05 · R/M Bldg. - Manager's Bldg.	200.00			
6540-07 · R/M Bldg. - Tower	2,080.73			
Total 6540-00 · REPAIRS/MAINTENANCE - BUILDING	9,218.35	29,000.00	-19,781.65	31.8%

Friedman Memorial Airport
Profit & Loss Budget vs. Actual(Combined '12)
October through November 2011

	Oct - Nov 11	Budget	$ Over Budget	% of Budget
6550-00 · REPAIRS/MAINTENANCE - AIRSIDE				
6550-01 · R/M - General	0.00	15,000.00	-15,000.00	0.0%
6550-02 · R/M - Airfield	64.69			
6550-04 · R/M - Lights	5,096.34			
6550-05 · R/M - Grounds	190.00			
Total 6550-00 · REPAIRS/MAINTENANCE - AIRSIDE	5,351.03	15,000.00	-9,648.97	35.7%
6560-00 · SECURITY EXPENSE				
6560-01 · Security	6,742.31	20,000.00	-13,257.69	33.7%
6560-00 · SECURITY EXPENSE - Other	350.00			
Total 6560-00 · SECURITY EXPENSE	7,092.31	20,000.00	-12,907.69	35.5%
6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU				
6570-01 · R/M Aeronautical Equp - NDB/DME	0.00	22,000.00	-22,000.00	0.0%
Total 6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU	0.00	22,000.00	-22,000.00	0.0%
66900 · Reconciliation Discrepancies	-0.01			
7000-00 · MISC. CAPITAL EXPENDITURES				
7000-01 · Contingency	0.00	20,000.00	-20,000.00	0.0%
7000-04 · Office Equip.-Telephone	0.00	8,000.00	-8,000.00	0.0%
7000-05 · Computer Equipment/Software	3,954.34	12,000.00	-8,045.66	33.0%
7000-33 · Passenger Terminal Carpet	0.00	50,000.00	-50,000.00	0.0%
7000-34 · Security Upgrades/Equipment	0.00	14,500.00	-14,500.00	0.0%
Total 7000-00 · MISC. CAPITAL EXPENDITURES	3,954.34	104,500.00	-100,545.66	3.8%
7500-00 · IDAHO STATE GRANT PROGRAM				
7500-12 · '12 ITD (SUN-12 ITD/FMA)	24,341.67	40,000.00	-15,658.33	60.9%
Total 7500-00 · IDAHO STATE GRANT PROGRAM	24,341.67	40,000.00	-15,658.33	60.9%
7502-00 · AIP 02 EXPENSE				
7502-01 · AIP '02 - New Arpt. EIS-Ph.II	0.00	105,264.00	-105,264.00	0.0%
Total 7502-00 · AIP 02 EXPENSE	0.00	105,264.00	-105,264.00	0.0%
7503-00 · AIP 03 EXPENSE				
7503-01 · AIP '03 - New Arpt. EIS-Ph. III	0.00	42,106.00	-42,106.00	0.0%
Total 7503-00 · AIP 03 EXPENSE	0.00	42,106.00	-42,106.00	0.0%
7504-00 · AIP 04 EXPENSE				
7504-01 · AIP '04-New Arpt.EIS-Phs.III/IV	77,500.00	1,052,632.00	-975,132.00	7.4%
7504-02 · AIP '04 - Non-eligible	750.00			
Total 7504-00 · AIP 04 EXPENSE	78,250.00	1,052,632.00	-974,382.00	7.4%
7505-00 · AIP '05 EXPENSE				
7505-01 · AIP '05-New Arpt. EIS-Phs.	0.00	1,052,632.00	-1,052,632.00	0.0%
Total 7505-00 · AIP '05 EXPENSE	0.00	1,052,632.00	-1,052,632.00	0.0%

Friedman Memorial Airport
Profit & Loss Budget vs. Actual(Combined '12)
October through November 2011

	Oct - Nov 11	Budget	$ Over Budget	% of Budget
7506-00 · AIP '06 EXPENSE				
7506-01 · AIP '06-New Arpt. EIS-Phs.	0.00	1,052,632.00	-1,052,632.00	0.0%
Total 7506-00 · AIP '06 EXPENSE	0.00	1,052,632.00	-1,052,632.00	0.0%
7537-00 · AIP '37 EXPENSE				
7537-01 · AIP '37 - TBD	0.00	526,316.00	-526,316.00	0.0%
Total 7537-00 · AIP '37 EXPENSE	0.00	526,316.00	-526,316.00	0.0%
8000-00 · Replacement Airport				
8000-01 · EIS Project Formulation	696.00			
8000-02 · Project Manager	0.00	50,000.00	-50,000.00	0.0%
8000-03 · Financial	0.00	50,000.00	-50,000.00	0.0%
8000-04 · Public Outreach	11,991.85	60,000.00	-48,008.15	20.0%
8000-05 · Current Site Master Plan	2,342.68			
8000-06 · Legal	3,432.69	50,000.00	-46,567.31	6.9%
8000-07 · General	52,374.52	200,000.00	-147,625.48	26.2%
8000-00 · Replacement Airport - Other	114.00			
Total 8000-00 · Replacement Airport	70,951.74	410,000.00	-339,048.26	17.3%
Total Expense	598,769.76	6,465,477.16	-5,866,707.40	9.3%
Net Ordinary Income	-172,397.70	-403,520.16	231,122.46	42.7%
Other Income/Expense				
Other Income				
Finance Charges	25.88			
Total Other Income	25.88			
Net Other Income	25.88	0.00	25.88	100.0%
Net Income	-172,371.82	-403,520.16	231,148.34	42.7%

SCANNED

FAA CONTRACT TOWER - AIRPORT OPERATIONS COUNT RECORD

Facility Name: Hailey/Friedman Memorial Airport FCT | Location: Hailey, ID | Mo. 12 | Yr. 11 | Location Ident. SUN

Airport Operations Count | Facility Operating Hours → 16 O

	ITINERANT										LOCAL			
	IFR					VFR								
Day	AC	AT	GA	MI	Total IFR Itinerant Ops	AC	AT	GA	MI	Total VFR Itinerant Ops	Civil	Military	Total Local Ops	Total Airport Operations
01		15	8		23		4	7		11				34
02		13	11		24		2	9		11				35
03		9	8		17		2	21		23				40
04		7	9		16			7		7				23
05		14	1		15		2	8		10				25
06		11	3		14			11		11				25
07		15	4		19			10		10				29
08		12	11		23		1	7		8				31
09		26	13		39			28		28	8		8	75
10		14	9		23		3	22		25				48
11		21	11		32		4	18		22				54
12		17	16		33		2	8		10				43
13		13	7		20			6		6				26
14		22	12	2	36			17		17				53
15	4	26	13		43			23		23				66
16	4	43	28		75			27		27	23		23	125
17	4	39	42		85		1	46		47	22		22	154
18	4	49	32		85			50		50	22		22	157
19	4	32	19		55			38		38				93
20	4	40	38		82		3	32		35				117
21	4	30	39		73			13		13				86
22	4	55	49		108		1	22		23	32		32	163
23	4	40	49		93		1	58		59	8		8	160
24	4	28	15		47		2	22		24	10		10	81
25	4	26	17		47			4		4				51
26	4	38	101		143			42		42	10		10	195
27	4	47	55		106		4	26		30	8		8	144
28		11	15		26		1			1				27
29	4	45	22		71			14		14				85
30		15	18		33		2			2				35
31	4	41	33		78		2	47		49				127
Total	60	814	708	2	1584		37	643		680	143		143	2407

2010

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ATTACHMENT #10

FAA CONTRACT TOWER OVERFLIGHT SUMMARY RECORD

Facility Name: Hailey/Friedman Memorial Airport FCT

Location: Hailey, ID

Mo. 1 2 | Yr. 1 1 | Loc Ident S U N

OVERFLIGHT COUNT

Day	IFR OVERFLIGHTS AC	IFR AT	IFR GA	IFR MI	IFR Total	VFR OVERFLIGHTS AC	VFR AT	VFR GA	VFR MI	VFR Total	Total Overflights
01											
02											
03								6		6	6
04											
05								3		3	3
06											
07								8		8	8
08											
09											
10								8		8	8
11							4	4		8	8
12								2		2	2
13									2	2	2
14											
15											
16								4	2	6	6
17								10		10	10
18								2		2	2
19							2			2	2
20							4	2		6	6
21							4			4	4
22											
23											
24								4		4	4
25								5		5	5
26								8		8	8
27											
28											
29											
30											
31								2		2	2
Total							14	68	4	86	86

2010

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ATCT TRAFFIC OPERATIONS RECORDS
2009 - 2016

FMA ATCT TRAFFIC OPERATION RECORDS	2009	2010	2011	2012	2013	2014	2015	2016
January	2,070	2,379	2,408					
Febuary	2,244	2,647	2,117					
March	2,145	2,709	1,813					
April	1,724	1,735	1,604					
May	2,280	1,891	1,891					
June	2,503	3,019	2,898					
July	4,551	5,005	5,004					
August	4,488	4,705	4,326					
September	3,376	3,128	3,359					
October	2,145	2,012	1,886					
November	1,901	1,309	1,114					
December	2,272	1,811	2,493					
Total	31,699	32,350	30,913	0	0	0	0	0

ATCT TRAFFIC OPERATIONS RECORDS
2001 - 2008

FMA ATCT TRAFFIC OPERATIONS RECORDS	2001	2002	2003	2004	2005	2006	2007	2008
January	3,622	3,893	3,912	2,600	3,028	2,787	4,547	2,520
Febuary	4,027	4,498	3,073	3,122	3,789	3,597	3,548	2,857
March	4,942	5,126	3,086	4,097	3,618	2,918	4,677	3,097
April	2,494	3,649	2,213	2,840	2,462	2,047	2,581	2,113
May	3,905	4,184	2,654	3,282	2,729	2,134	1,579	2,293
June	4,787	5,039	4,737	4,438	3,674	3,656	5,181	3,334
July	6,359	8,796	6,117	5,910	5,424	5,931	7,398	4,704
August	6,479	6,917	5,513	5,707	5,722	6,087	8,196	4,570
September	3,871	4,636	4,162	4,124	4,609	3,760	4,311	2,696
October	3,879	3,656	3,426	2,936	3,570	3,339	3,103	2,134
November	3,082	2,698	2,599	2,749	2,260	2,912	2,892	1,670
December	3,401	2,805	3,247	3,227	2,722	3,834	2,699	1,848
Total	50,848	55,897	44,739	45,032	43,607	43,002	50,712	33,836

TRAFFIC\ATC.OPS.01-08

SKYWEST ENPLANEMENT DATA INCLUDING NON-REVENUE PASSENGERS

MONTH	2008			2009			2010			2011		
	Revenue SUN/SLC	Non-Revenue SUN/SLC	Total	Revenue SUN/SLC	Non-Revenue SUN/SLC	Total	Revenue SUN/SLC	Non-Revenue SUN/SLC	Total	Revenue SUN/SLC	Non-Revenue SUN/SLC	Total
January	3,033	64	3097	2,881	117	2998	2,750	73	2,823	2,966	106	3072
Febuary	3,691	120	3811	2,994	126	3120	2,786	103	2889	2,675	116	2791
March	4,982	130	5112	3,489	129	3618	3,680	107	3787	2,999	96	3095
April	2,790	133	2923	2,252	113	2365	2,517	133	2650	2,272	94	2366
May	2,572	139	2711	2,248	150	2398	2,064	138	2202	1,942	108	2050
June	3,841	149	3990	3,241	130	3371	2,888	174	3062	2,362	126	2488
July	5,019	224	5243	4,736	183	4919	4,336	183	4519	4,078	135	4213
August	5,739	179	5918	5,650	161	5811	5,511	144	5655	4,615	139	4754
September	3,962	134	4096	3,779	135	3914	3,768	115	3883	3,477	127	3604
October	2,937	163	3100	2,673	113	2786	2,975	132	3107	2,495	131	2626
November	2,215	100	2315	2,100	81	2181	1,963	100	2063	1,693	75	1768
December	1,799	74	1873	2,035	84	2119	1,766	45	1811	1,870	77	1947
Total	42,580	1,609	44,189	38,078	1,522	39,600	37,004	1,447	38,451	33,444	1,330	34,774

ATTACHMENT #12

ENPLANEMENT FIGURES INCLUDING NON-REVENUE PASSENGERS
2008 - 2011
HORIZON AIRLINES

MONTH	2008			2009			2010			2011		
	Revenue	Non-Revenue	Total	Revenue	Non-Revenue	Total	Revenue	Non-Revenue	Total	Revenue	Non-Revenue	Total
January	2,192	70	2,262	1,436	90	1,526	2,059	48	2,107	2,592	68	2,660
Febuary	2,942	116	3,058	2,124	77	2,201	2,549	53	2,602	2,356	63	2,419
March	3,574	129	3,703	2,229	110	2,339	1,853	62	1,915	1,429	37	1,466
April	1,031	102	1,133	511	42	553	0	0	0	0	0	0
May	724	70	794	533	44	577	67	4	71	280	22	302
June	1,215	86	1,301	693	38	731	944	91	1,035	1,873	139	2,012
July	2,761	125	2,886	1,075	21	1,096	3,014	111	3,125	3,362	93	3,455
August	3,031	108	3,139	1,303	39	1,342	3,613	131	3,744	3,757	116	3,873
September	1,421	74	1,495	236	8	244	551	24	575	498	10	508
October	949	39	988	0	0	0	0	0	0	0	0	0
November	510	35	545	0	0	0	0	0	0	0	0	0
December	590	62	652	862	19	881	681	13	694	1,131	39	1,170
Total	20,940	1,016	21,956	11,002	488	11,490	15,331	537	15,868	17,278	587	17,865

Rick Baird

From: Gwen Papineau Basaria <gwen.papineau@aaae.org>
Sent: Friday, February 03, 2012 9:55 AM
To: rick@flyfma.com
Subject: Airport Alert: House Approves Final FAA Bill

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House Approves Final FAA Bill

February 3, 2012

After five years of debate and 23 short-term extensions, the House of Representatives today approved the final version of the long-delayed FAA reauthorization bill. The vote on the conference report to H.R. 658, the FAA Modernization and Reform Act of 2012, was 248 to 169.

The conference report generated bipartisan support. But during today's debate several Democrats spoke out against a compromise provision related to the National Mediation Board and union elections for airline and railway workers. Transportation and Infrastructure Committee Chairman John Mica (R-FL) defended the agreement brokered by Congressional leaders and argued that the FAA reauthorization bill "promotes certainty in an uncertain time."

PFCs and AIP Funding: Aviation Subcommittee Ranking Member Jerry Costello (D-IL) expressed his disappointment that the final bill does not include higher AIP funding levels or a PFC increase. However, he voiced his support for the conference report and said that we "desperately need" a long-term FAA reauthorization bill. Meanwhile, a number of Costello's Republican colleagues touted the fact that legislation does not include any tax hikes or a PFC increase.

As we have been reporting throughout the week, the conference report to the FAA reauthorization bill would keep the federal cap on local PFCs at $4.50. It also authorizes $3.35 billion annually for AIP through Fiscal Year 2015 - the same amount

that Congress approved in the FY12 appropriations process but $350 million more per year than the House recommend. AAAE strongly urged Congress to eliminate the federal cap on local PFCs and increase AIP funding.

Federal Share for Small Airports: The final FAA bill would reduce the federal share for AIP projects at most small airports from 95% to 90% and end a "temporary increase" that Congress approved in the last FAA reauthorization bill. AAAE and airports around the country repeatedly urged lawmakers to retain the higher federal share for small airports. We also convinced lawmakers to keep the higher federal share in place during 4½ years of short-term extensions.

Although retaining the higher federal share was one of several top airport priorities, we faced significant opposition from key quarters. For instance, the FAA has been pushing to lower the federal share for some time. When the previous Administration released its FAA reauthorization plan in 2007, it argued that the special rule that increased the federal share for small airports was "no longer justified." House Republicans intent on cutting AIP funding by $2 billion over four years also rejected airport calls to keep the higher federal share in place.

The conference report only calls for a 95% federal share for airports that are receiving subsidized air service and are located in "economically depressed communities." Eligible communities would need to meet one or more of the following criteria: 1) the area has a per capita income of 80% or less of the national average; 2) the area unemployment rate is at least 1% above the national average; and 3) the area has "actual or threatened severe unemployment or economic adjustment problems...."

What Happens Next? The Senate is scheduled to begin considering the conference report to the FAA reauthorization bill on Monday at 3:00 p.m. The Senate is expected to vote on the legislation at approximately 5:30 p.m. on the same day.

Click here for details on the conference report to the FAA reauthorization bill. For more information please contact Brad Van Dam at 703-797-2534.

2012 ALA Meetings

AAAE/ACI-NA Washington Legislative Conference, March 14-16, 2012 | Washington, DC

2012 AAAE/ALA Summer Legislative Issues Conference, July 16-17, 2012 | Washington, DC

Todd Hauptli, Senior Executive Vice President
Joel Bacon, Vice President
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Best North American airports for skiers

Laura Coale / Denver International Airport

Members of the Alpine Ski Club in North Carolina, from left, James Connors, Thomas Beutler, Derk Beutler and Joe Sirianni, pick up their gear at Denver International Airport on their way to Vail, Colo.

By Harriet Baskas, msnbc.com contributor

Some airports are kid-friendly; others seem made for the business traveler.

But as winter approaches, it may be helpful to know which airports savvy skiers and snowboarders seek out -- and where a boarding pass may be exchanged for a free lift ticket.

Grab 'n' go

No one wants to spend the first hours of a ski vacation hanging around the baggage claim area waiting for their gear to arrive.

That's why John Hanna, CEO of NimbleTravel.com, recommends Denver International Airport for its "wonderful, dedicated ski baggage return" and "easy transport to the slopes on the Colorado Mountain Express."

Michael Bociurkiw, founder and editor of My Savvy Traveller, gives props to Vancouver International Airport (YVR) and any airport in a city that's hosted a Winter Olympics. "You can be sure they are well set up to handle winter sports baggage," said Bociurkiw. "YVR, for example, has a dedicated pickup area in international arrivals for oversized items, including skis."

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Another perk for skiers at YVR is the frequent bus service to Whistler Village, B.C., via Pacific Coach's YVR Whistler SkyLynx.

Ski-friendly airlines

When it comes to ski-friendly airlines, Bociurkiw gives a nod to Alaska Airlines. "They fly to many ski destinations and, like Air Canada, know how to handle checked skis and boards, including special packaging, handling, tagging and dedicated drop-off and pickup stations. Air Canada gives you the option of declaring oversized baggage during online check-in."

Travelzoo's senior editor Gabe Saglie notes that while most airlines impose strict dimension restrictions on ski equipment, a handful stand out for making it easier to take along skis and boots. "Delta and JetBlue allow skis to go on simply as checked baggage, with standard weight limits," said Saglie. "And skis are free if they are your first — or only — checked piece of baggage on JetBlue."

Liftopia co-founder and CEO Evan Reece ranks Southwest Airlines as particularly ski-friendly. "The airline considers a ski bag or snowboard bag, plus your boot bag, an equal trade for a single piece of luggage," said Reece. "So with a ski bag/boot bag and one other piece of checked baggage, there are no fees on Southwest."

Fly in. Ski free.

The special section for ski and snowboard bags at baggage claim gets high marks at Salt Lake City International Airport, as does a program that allows arriving passengers to ski for free. Via the Park City Quick START (Ski Today and Ride Today) Vacation program, travelers may convert their airline boarding pass into a same-day lift ticket at Canyons Resort, Park City Mountain Resort or Deer Valley Resort.

Skiers arriving at the Reno-Tahoe International Airport can also swap their boarding passes for free ski-lift tickets at Squaw Valley, on the north shore of Lake Tahoe, and at its sister resort, Alpine Meadows, just north of Tahoe City.

Skiers and snowboarders: Did we miss your favorite airport? Please add your tips below.

More on Itineraries

- Hitch a ride to a snowbound cabin
- Ice sculptures featured at Finland's Santa Claus Village
- Best national parks to visit during winter

Find more by Harriet Baskas on StuckatTheAirport.com and follow her on Twitter.

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DrJ-3991127

Eagle County (EGE) handles skiers well - but one would expect that as a small airport that serves one of the country's largest ski areas (Summit & Eagle counties CO).

#5 - Mon Dec 19, 2011 1:47 PM EST

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gmk-2013680

Salt Lake City is amazingly good upon arrival.. just be prepared for a very long security line on the way out

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Sagebrusher

Nice to see Reno make a good top 10 list. Usually, our top rankings are for foreclosures, bankruptcy, unemployment.

#7 - Mon Dec 19, 2011 4:04 PM EST REPLY

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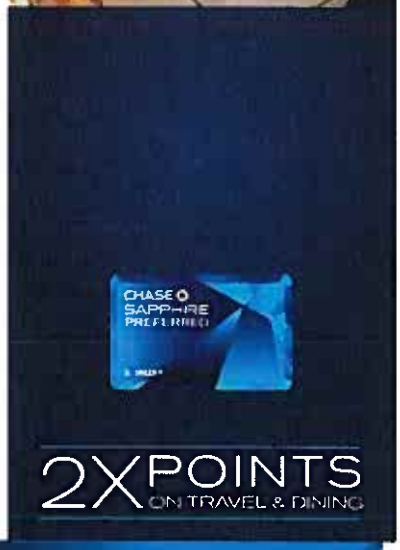

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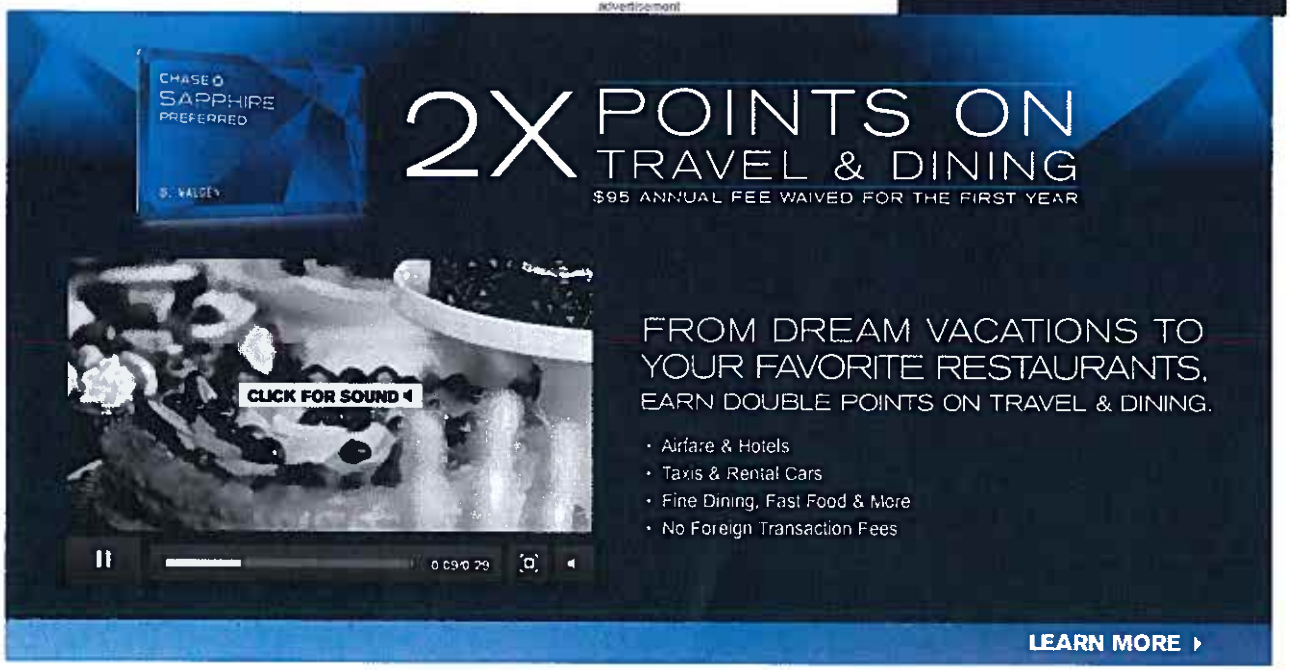

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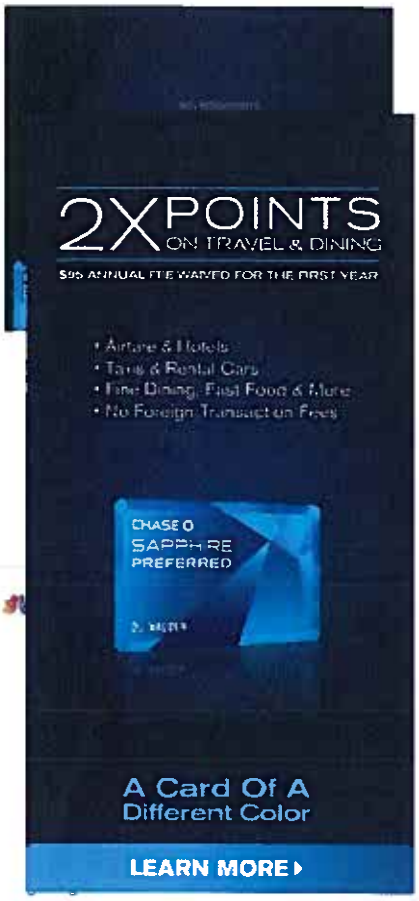

Harriet Baskas

Award-winning writer and radio producer happiest in an airport or an unusual museum

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Travel photo of the day: Sandhill cranes at dusk (2)

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TSA Funding Up In 2012 Consolidated Appropriations Act

By: Mickey McCarter

12/29/2011 (4:00am)

SHARE

Although overall appropriations for the Department of Homeland Security (DHS) are down slightly this year from Fiscal Year (FY) 2011, the Transportation Security Administration (TSA) remains a consistent winner in the battle of the budget.

In the FY 2012 consolidated spending act (Public Law 112-074) signed by President Barack Obama last Friday, TSA received about $7.85 billion, up $153 million from 2011. TSA and US Customs and Border Protection, perhaps two of the three most visible DHS agencies along with the Federal Emergency Management Agency, both received increases although the total DHS budget dropped to $39.6 billion in base discretionary funding in FY 2012, down about $111 million from last year.

The TSA funding included several hundred million dollars for 250 additional advanced imaging technology (AIT) devices -- the whole body imagers that scan air travelers for any contraband concealed on their bodies. The additional funding came from a congressional conference committee that approved TSA plans to move forward with deployment of the AIT machines despite a House vote on June 2 on a spending bill that would have denied TSA the money for the devices.

House Republicans included the restriction in their bill not out of a sense that the devices are too intrusive -- an idea championed by Rep. Jason Chaffetz (R-Utah) -- but rather out of an estimation from Rep. Robert Aderholt (R-Ala.), chairman of the House Homeland Security Appropriations Subcommittee, that TSA could withstand a cut in funding for the devices while they adjust to fielding and upgrading previously funded devices, which sometimes stood unmanned at US airports in 2011 due to a lack of staff to operate them.

The Senate sought to sustain funding for the AIT devices in a DHS appropriations bill introduced in September, and the Senate view clearly carried the day in conference committee negotiations between the two chambers.

In addition to the AIT devices, TSA received funds for 140 new behavior detection officers, 12 additional multi-modal Visible Intermodal Prevention and Response (VIPR) teams, 20 additional explosives detection canine teams, and 53 air cargo security staffers.

The 2012 consolidated spending law directed TSA to report on its strategy for achieving 100 percent screening of US-bound international air cargo, a requirement set by the Implementing the Recommendations of the 9/11 Commission Act (PL 110-53).

TSA Administrator John Pistole has been emphasizing TSA's commitment to screening high-risk international air cargo in recent months despite an assurance that the agency would achieve 100 percent screening in the near future. Pistole recently revised his estimates to say TSA would not achieve 100 percent screening of US-bound international cargo for several years. The agency met a deadline to screen 100 percent of domestic air cargo in 2008.

The law further told TSA to produce a five-year strategic investment plan for passenger-screening technology as well as spending plans for checked baggage equipment, checkpoint security technology and air cargo security.

TSA also must improve training and outreach to meet the needs of populations that face unique screening challenges such as some disabled travelers, comply with privacy and civil liberties laws when screening passengers, and review its complaint process.

The consolidated spending law allocated TSA a total budget of $7.85 billion but about 2.3 billion in fees such as the aviation security fee offsets some of that funding.

The base funding of roughly $5.5 billion provided $4.1 billion for screening operations with $543 million

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Ask The Experts

Homeland Security Today welcomes Patrick Schambach, vice president and general manager of CSC's Department of Homeland Security division to its "Ask the Expert" blog. Join Pat in the current discussion "Is there one area within DHS that sets policy and/or makes purchasing decisions for physical

specifically funding explosives detection systems. It also funded about $205 million for checkpoint support and $1.1 billion for aviation security direction and enforcement.

Moreover, a major initiative to upgrade the Transportation Threat Assessment and Credentialing system throughout TSA received about $164 million for the modernization and consolidation of the agency's credentialing efforts.

TSA also got about $1 billion for transportation security support and intelligence collection activities and another $966 million for the Federal Air Marshal Service.

The spending bill restricted TSA to hiring no more than 46,000 full-time transportation security officers or airport screeners or the part-time equivalent of that number.

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security? Or is it necessary to approach DHS one branch at a time?"

Click here to ask Pat a question.
Click here to participate in this security discussion.

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Calendar

Jan 17 - 19 New Orleans, LA	IDCE 2012
Jan 23 - 25 Washington, DC	5th Annual Biometrics for National Security and Defense Summit
Jan 23 - 25 Alexandria, VA	IDGA's 6th Counter-IED Summit
Feb 20 - 24 Las Vegas, NV	IWCE 2012
Feb 27 - 29 Shanghai,	ISC CHINA 2012 (International Security Conference & Exposition CHINA)
Mar 6 - 7 Phoenix, AZ	6th Annual Border Security Expo
Mar 6 Washington, DC	Homeland Security Finance Forum 2012

More Calendar »

Poll of the Week

What should be the top homeland security priority in 2012?

- Counterterrorism
- Border security
- Disaster preparedness
- Cargo security
- CBRNE detection
- Transportation security
- Cybersecurity/Infosharing

www.chicagotribune.com/classified/automotive/traffic/ct-met-getting-around-1219-20111219,0,504405.column

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New airplane technologies promise easier landings in bad weather

Infrared cameras, GPS offer better look at runway in snow, fog — and devices could reduce cancellations

Jon Hilkevitch's Getting Around

December 19, 2011

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In the future, airline pilots may have an extra set of eyes — an infrared camera mounted on the nose of the plane — to help guide them to a safe landing in weather that's so fuzzy gray they would otherwise be forced to divert to a different airport.

Weather problems cause more than 40 percent of all flight delays in the U.S., according to U.S. Department of Transportation data. A recent study commissioned by the FAA estimated the cost of airline delays and cancellations at $6.7 billion a year.

Technologies that are part of the FAA's long-range program to modernize the air traffic control system will help get airline passengers to their destinations on time more often in foggy, snowy and rainy conditions, saving countless wasted hours and millions of gallons of jet fuel each year, experts said.

Last week without leaving the newsroom, your Getting Around reporter experienced one of these developing systems on a virtual flight — via a video of a plane landing in dense fog in Santa Barbara, Calif.

The new avionics software, produced by Honeywell, combines on a single cockpit screen the enhanced vision of real-time infrared camera images with an artificial but 100 percent accurate schematic of runways and surrounding terrain generated from Global Positioning System data, according to Honeywell and Kollsman Inc., which manufactures the camera technology.

The infrared image shows pilots the view of the runway ahead that they might not be able to see because of low visibility. The synthetic-vision component provides the pilot with awareness of nearby obstacles ranging from air-traffic control towers to mountains that might not be clearly visible in bad weather.

"You can now see the runway upon approach regardless of the visibility conditions, like it's a clear sunny day," said Larisa Parks, Honeywell vice president of crew interface products.

By using the infrared camera image to see runway approach lights in poor weather, pilots would be permitted to reduce the landing minimum from an altitude of 200 feet visibility of the runway environment down to 100 feet, Parks said.

"At that point, you have to make your decision, 'Can I see the runway sufficiently with my own eyes to land, or do I have to go around and attempt another landing or divert to another airport?'" said Ronald Weight, Honeywell's chief pilot of corporate aviation.

During a visit to Tribune Tower, Weight narrated the video of a business jet flying the landing approach in heavy fog near the airport in Santa Barbara. Overlaid with the real-time camera feed was a full-color synthetic vision image depicting the Santa Ynez Mountains in the background, a useful tool to help the pilot safely clear the peaks in the event of an aborted landing and the need to climb out.

The Honeywell software contains a data picture of every runway in the world and 90,000 natural and man-made obstacles, according to the company.

On the video, the plane is engulfed in murky skies 700 feet above the ground and no runway is visible, even with the infrared capability. But the computer builds a picture of the runway in the distance and draws a box around it. A flight path marker displays the route to the apron of the runway.

The plane continues to descend to just above 200 feet and suddenly the runway approach lights show up on the cockpit screen.

"Now I have the runway environment through my infrared video," Weight said. "I have what I need at this point to continue down to 100 feet above the runway. We still don't have the runway in sight through the windshield."

A few more seconds pass.

"You see more lights starting to come into view. There's the end of the runway. I can finally see it," he said.

Indeed, the runway lights are glowing. There is the runway center line and other markings. The altimeter reads 130 feet above the ground. The plane continues to descend, almost touching down on the runway before the pilot spools up the engines and takes off to conduct another test.

The enhanced vision and synthetic vision systems have been certified for use by the FAA. Honeywell and Kollsman will soon seek certification of the combined technologies, officials said.

It's estimated to cost $500,000 per plane to install the system, according to Elbit Systems of America, the parent company of Kollsman.

No airline is yet using the enhanced vision system, relying instead on what pilots can or can't see through the windshield to determine whether a landing can safely and legally be accomplished.

FAA officials declined to comment on the combined enhanced vision and synthetic vision technology, because no such system has been submitted for certification.

An FAA official did say that these types of systems are still in the research and development phase, noting that many of these technologies are developed initially to provide situational awareness and safety benefits for pilots, and may eventually provide other benefits when they are in operation.

*Contact Getting Around at **jhilkevitch@tribune.com** or c/o the Chicago Tribune, 435 N. Michigan Ave., Chicago, IL 60611; on Twitter @jhilkevitch; and on Facebook, facebook.com/jhilkevitch. Read recent columns at **chicagotribune.com/gettingaround**.*

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South Florida Sun-Sentinel.com

Airport volunteers are South Florida's ambassadors

By Ken Kaye, Sun Sentinel

5:03 PM EST, January 7, 2012

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If it's winter, there must be lots of tourists — and lots of questions, usually about bathrooms and baggage.

That's where the airport volunteers come in. Airport officials consider their job critical because they frequently are the first to welcome travelers, and help them out in some unusual situations.

For example, Peggy Ellefsen, 83, a volunteer in Fort Lauderdale, had to deal with a woman who complained that "stupid" shuttle drivers couldn't find her car. When Ellefsen asked how she got to the airport, the woman said she drove by way of Interstate 4.

"I said, 'You're in the wrong city. You should be in Orlando,'" Ellefsen said. "It was hard for me not to laugh."

With the busy winter travel season under way, both Fort Lauderdale-Hollywood and Palm Beach international airports are looking for additional volunteers. Recognizable by their red jackets in Fort Lauderdale, teal in West Palm Beach, the airport "ambassadors" generally are retired although some are in high school.

After receiving training, they work at least one four-hour shift a week. At Fort Lauderdale, they receive discounts at airport restaurants; at PBI, they are given a $14 meal voucher per shift. They also are provided free parking at both airports.

"The key to doing this successfully is be flexible and smile," said Felice Schneider, who coordinates the volunteer program at Fort Lauderdale-Hollywood International.

There is not a lot of downtime on the job. Passengers blitzed Landstein with questions while she worked in the baggage claim area of Terminal 3 on Thursday, everything from where to find restaurants to restrooms.

The most common question: Where's the rental car center? "I get that question a hundred times a day," said Landstein.

Jason Baker, 86, of Boynton Beach, an airport volunteer for 14 years, once noticed an 11-year-old boy who appeared lost. When Baker approached him, the boy asked if he was in Fort Worth, Texas.

"He was supposed to change planes in Atlanta," said Baker, who arranged for him to fly back to Atlanta and catch the right flight.

On another occasion, after landing in Fort Lauderdale, a businesswoman asked Baker the fastest way to get to Fort Myers.

"I said. 'Lady, it's on the other side of the state," Baker recalled. He ended up putting her in a limo, which got her there for $275.

When questions are posed in Spanish, French and other languages, the ambassadors, who mostly speak English, simply find other airport workers who are bilingual. Once Ellefsen ran into a passenger who only spoke Russian; JetBlue employees helped Ellefsen find a translator.

The Fort Lauderdale airport is looking for 30 volunteers to bring its staff to 115, and Palm Beach International is looking for 8-10 people to bring its staff to about 95.

To be a volunteer at Fort Lauderdale-Hollywood, visit fll.net and look under the "community" tab, or go to FLL Volunteers. To volunteer at Palm Beach International, contact Alan Bernstein, of the Palm Beach County Convention and Visitors Bureau, which oversees that airport's program, at 561-233-3155 or abernstein@palmbeachfl.com.

"We're always looking for a few good people," Bernstein said.

kkaye@tribune.com or 954-572-2085.

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AOPA

White House: 'Why we need aviation user fees'

By Sarah Brown

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After almost 9,000 people urged the president to take damaging aviation user fees off the table, the administration on Jan. 13 offered its response: No way.

In a response to a petition on the White House's "We the People" website, Office of Management and Budget Associate Director for General Government Programs Dana Hyde reaffirmed the Obama administration's commitment to a proposed $100-per-flight fee for use of air traffic services, claiming that the fee would both "ensure that everyone is paying their fair share" and help reduce the deficit.

"We are disappointed but not surprised that the administration continues to seek a $100 user fee on general aviation flights," said AOPA President Craig Fuller. "Congress has repeatedly said that a GA user fee is an unacceptable method of funding the air traffic system. Pay at the pump has worked since the dawn of powered flight and it still works. The last thing we need right now is to create an expensive new bureaucracy to fix what isn't broken."

AOPA member Kevin Mossey of Marion, Iowa, started the petition Sept. 23 in response to a White House deficit-reduction proposal that would impose a $100-per-flight fee for flights in controlled airspace. The petition pointed out that the existing system of revenue generation, collected through excise taxes, allows more of the revenue collected to go toward the operation of the air traffic control system. It also explained that fuel taxes more accurately reflect the amount of ATC services, "as a flight from NYC to LA will require more controller time than a flight from NYC to Boston." The petition gained 8,904 signatures—well more than the threshold at the time for earning a response from the White House.

In the response, Hyde said the administration wanted to make sure that those who benefit from the airspace system share the costs equitably.

AOPA TOP STORIES

- Kestrel Aircraft to move to Wisconsin
- White House: 'Why we need aviation user fees'
- EAA announces major reorganization, leadership changes
- FAA proposes plan for navigation in NextGen environment
- Chart provider shuts down citing FAA changes
- 121.5 ELT proposal would not affect availability of units

"For example, under current law, a large commercial aircraft flying from Los Angeles to San Francisco pays between twenty-one and thirty-three times the fuel taxes paid by a corporate jet flying the same route and using the same FAA air traffic services," according to the response.

Really? Paying the 21.9-cents-per-gallon tax on noncommercial jet fuel, operators of a Gulfstream IV business jet would pay about $87 in fuel taxes. The commercial jet fuel tax is 4.4 cents per gallon; even with a much higher fuel burn, operators of an Airbus A320 would pay about $68 in fuel taxes. AOPA maintains that GA is willing to pay its fair share into the system—but payment shouldn't be based on faulty calculations.

A loose grasp on the workings of the aviation system also revealed itself in the ambiguous language of the proposal: It would exempt flights outside of "controlled airspace," but doesn't define the term. (Is Class E "controlled"?) The original proposal also would exempt "recreational piston aircraft," a nebulous distinction. The response to the petition refers instead to exempting "all piston aircraft," among other categories—but no segment of aviation can count itself immune once the bureaucratic structure for user fees is introduced. User fees bypass congressional budgeting processes and can be raised or expanded at will. AOPA holds that GA should pay its share using the time-tested funding system that has supported the National Airspace System for years.

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January 13, 2012

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Article published Jan 12, 2012

Local airport sets passenger boarding record in 2011

Departures up for 6th consecutive year

Photo by: STEVE LEWIS/Durango Herald file
The Durango-La Plata County Airport saw 175,019 passengers leave Durango by air in 2011, up from 165,581 in 2010, a 5.7 percent increase.

By Dale Rodebaugh Herald Staff Writer

Durango-La Plata County Airport for the sixth consecutive year in 2011 recorded an increase in commercial airline boardings.

The airport saw 175,019 passengers leave Durango by air, up 5.7 percent from 165,581 in 2010, Ron Dent, the airport's director of aviation, said.

The inauguration by American Eagle on June 9 of a daily round-trip flight between Durango and Dallas-Ft. Worth was a major contributor to the increase, Dent said.

Dent said the increased boardings show Durango is becoming the regional airport of the Four Corners.

"The increased traffic is allowing the airport to improve the customer experience of flying to and from Durango," he said. "All commercial airlines in Durango are now flying jet aircraft exclusively."

Larger aircraft aren't the only improvement, Dent said. Security screening is being upgraded

to allow faster and more-efficient service.

"Our customers can also look forward to new self-service airline kiosks to be installed his year," Dent said. "This will help speed the customer through the check-in process."

The first week of the year saw one carrier introduce a larger aircraft on its Durango-to-Denver route.

Frontier Airlines, which began service between the two cities in 2008, replaced its 74-passenger Bombardier Q400 turboprops with 100-passenger Embraer E-190 jets on those flights.

"We reduced our flying from Denver from two round trips to one per day," Frontier spokesman Peter Kowalchuk wrote in an email. "The E-190 is a higher-capacity aircraft and more suited to handle increased passenger loads."

The single, daily round trip will remain in effect until April 15, when the second round trip will be reinstated, Kowalchuk said.

"The E-190 is a great aircraft," Dent said. "It looks like a Boeing 737 that was left in the dryer too long."

Passengers boarding after 10 a.m. receive the airline's trademark chocolate-chip cookie, he said.

The loss of the Frontier flight is only for a time, he said. In addition to restoring the second flight, Frontier is in discussions with the airport about investing in self-service kiosks.

Durango is connected by air to Dallas-Ft. Worth by American Eagle, to Phoenix by U.S. Airways and to Denver by Frontier and United Express.

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NYDailyNews.com
DAILY NEWS New York

TSA apologizes to elderly women for strip search at Kennedy Airport

Exclusive: Lenore Zimmerman and Ruth Sherman still fuming after humiliating December incident

BY RICH SCHAPIRO / NEW YORK DAILY NEWS

Published: Wednesday, January 18 2012, 4:00 AM
Updated: Wednesday, January 18 2012, 4:00 AM

GARY ROTHSTEIN AND GETTY IMAGES

Lenore Zimmerman (top photo) and Ruth Sherman (bottom) are still fuming after being subjected to humiliating strip searches at Kennedy Airport in December. The TSA says its screeners screwed up.

In an about-face, the feds have admitted wrongdoing in the cases of two elderly women who say they were strip-searched at Kennedy Airport by overzealous screeners.

Federal officials had initially insisted that all "screening procedures were followed" after Ruth Sherman, 89, and Lenore Zimmerman, 85, went public with separate accounts of humiliating strip searches.

But in a letter obtained by the Daily News, the Homeland Security Department acknowledges that screeners violated standard practice in their treatment of the ailing octogenarians last November.

Assistant Homeland Security Secretary Betsy Markey concedes to state Sen. Michael Gianaris (D-Queens) that Sherman was forced to show security agents her colostomy bag — a violation of policy.

"It is not standard operating procedure for colostomy devices to be visually inspected, and [the Transportation Security Administration\] apologizes for this employee's action," Markey wrote.

The letter says that Sherman, who uses a wheelchair, was escorted into a private area after she voluntarily lowered her pants to show screeners the device.

In the private room, she was patted down and told to show agents the colostomy bag, the letter says.

Markey still maintained that the Florida-based Sherman was never asked to remove her clothing.

"They asked me to pull my sweatpants down, and now they're not telling you the truth," Sherman fumed Monday.

Markey also denied that Zimmerman had been strip-searched, but did apologize for the conduct of a TSA agent who violated policy by scanning the Long Island granny's back brace.

Zimmerman had told The News two female agents removed her clothes — instead of just patting her down — after she revealed that she was wearing a defibrillator.

"They're lying," said Zimmerman. "I don't have a problem with [screeners checking\] the back brace. I have a problem with being strip-searched."

Gianaris, who wrote to the TSA requesting a full investigation, said the feds' account is still full of holes.

"It's obvious that something went wrong, so its nice to see the TSA admit that their procedures were violated," Gianaris said, "but they're still falling short of admitting that these women's dignity was violated by asking them to remove their clothes."

rschapiro@nydailynews.com

From NYDailyNews.com

He's told he's not his daughter's biological father, and can't...

Creep gets 72 years in rape of girlfriend's 11-yr -old daughter

TSA apologizes to Lenore Zimmerman, granny who says she was...

Third elderly flier says she was 'traumatized' by search at Kennedy...

Create 'passenger advocates' to help ease turmoil at airports, Sen...

From Around the Web

Photography: Park City Mountain Ski Resort
(Away.com)

A New Way to Cover Your Gray Hair
(HaircolorForWomen)

Dead Teen Sued By Victim Hit By His Flying Body Parts
(The Stir By CafeMom)

Doctor Reveals: These 4 Things Happen Right Before a Heart Attack
(Newsmax.com)

About the Burj Al Arab Hotel
(USA Today)

[?]

ATTACHMENT #14

FLY SUN VALLEY ALLIANCE BOARD OF DIRECTORS MEETING

Thursday, January 12, 8:00am – 10:00am – Sun Valley Resort

Columbine Room in the Sun Valley Inn

AGENDA:

1. Consent Items:
   - Approval of Dec Meeting Minutes *(attached)*
   - December financials (*attached)*

2. Committee Reports:

   Funding Committee:
   - Long-term funding update – legal update *(attached)*, meetings with new elected officials, SVBR, other
   - Recap of follow up meeting on 12/15 with BOI officials in Sun Valley
   - Hailey City airport meeting – January 23, 5:30pm

   Programs Committee:
   - Access Sun Valley Card & Corporate Transferable Ski Pass sales update; (*attached)*
   - Discussion on AC program
   - Other Fundraising: "*Ski for Air Service"* Community Ski Day January 22 *(attached)*
     Need raffle items and board members to help at information tables in River Run & Warm Springs

3. Air Service Initiatives/Research/Promotion
   - Alaska Airlines winter booking from Mead & Hunt *(attached);* bussing contract update
   - Negotiations with AS for summer 2012
   - AS sponsorship of SV Film Festival – *Carol has been helping facilitate proposal presentation, etc.*
   - Air Passenger survey results: FMAA presentation/report/press
   - Passenger Leakage Study/Analysis update – Rick
   - New Service Initiatives: should set meeting for pro-forma presentation for March or April
   - FSVA presentation to state officials at Capitol for a Day in SV on 12/21 recap
   - Meeting with SVMA/FMAA/FSVA & Winter air service promotion update – Jack & Arlene

4. Executive Session:
   - ED Contract renewal

Other attachments:
- *December Director Report*
- *January Flight News*

FLY SUN VALLEY ALLIANCE MEETING MINUTES

Thursday, December 12, 8:00am – 10am, Sun Valley Resort

Board Members Present: Eric Seder, Jack Sibbach, Maurice Charlat, Rick Baird, Arlene Schieven, Peter Scheurmier
Staff: Carol Waller.
Board Members Absent: . Warren Benjamin, Martha Burke, Patrick Buchanan, Deb Fox, Dewayne Briscoe

TOPIC DISCUSSED:

Consent Items:

- November Board Minutes: Jack moved to approve, Peter seconded VOTE: All in favor
- November FY12 YTD Financials: Peter moved to approve, Jack seconded. VOTE: All in favor
- Monthly FSVA Board Meetings: It was agreed to change monthly meetings to 2nd Thursday of each month. Carol will send revised 2012 board meeting schedule to all.

Air Service Initiatives/Research/Promotions:

- Alaska Airlines MRG performance update from Mead & Hunt: November fare sale helping stimulate winter bookings for all months (Dec – March) currently running behind YTD last year. SkyWest has added additional flights on peak days during the holiday period but still hearing about no seats available, and conference call with SkyWest officials and FMA, FSVA was made to discuss.
- Airport Update: FMAA continuing to be involved with various city/public meetings for outreach and input on current situation and potential options. Airport staff to met with SkyWest on 11/22 re: reliability and aircraft relating to future service. FMAA has send letter to FAA requesting permission to pursue use of regional jets at SUN. FMA staff is meeting with Alaska Airlines this month, and also with GE, a company working on solutions to reliability at FMA.
- Potential new service: Waiting for certain airport issues to be resolved/clarified before proceeding with next steps. New service pro-forma to be updated with information on leakage study when available. Carol working with county to get SMA data on non-resident property owners to include in pro-forma.
- Sustain Blaine Airport Economic Forum: Discussed event held by SB with major area employers on 11/30 which surveyed importance of airport on local businesses. All agreed information presented & generated was important.
- Air Service Marketing Update: SVMA & SVR have implemented their winter marketing initiatives in SEA and LAX markets (cinema branding ads, Facebook ads, etc); both are promoting the AS fare sale through email, social media.
- Research:
  - Summer 2011 passenger research completed, report due shortly, will provide to board when received. FSVA will present overview of findings to FMAA at their January meeting.
  - SUN Leakage Study: Airport staff expecting to receive preliminary draft results report from M&H this week, will review data and present findings to FMAA board and public in January or February.
  - Rocky Mountain Air Service News (compilations of articles related to air service in competitive set) provided.

Sun Valley Express Boise-SUN Shuttle Service:

- Carol assisting SVE with media/marketing outreach re: their new winter schedule, info updated on FSVA website.

Committee Reports:

1. Funding Committee

MRG Legal Assessment: Eric reported that MRG legal assessment work from HT is still in progress. FSVA coordinated a meeting re: air service in Idaho with FSVA, FMAA, IDOC and BOI city/airport officials on 11/18 in Boise, which was very productive. A follow up meeting will be held in SV on 12/15. FSVA Board members encouraged to continue to reach out to elected officials and other stakeholders on importance of air service and funding.

2. Program Committee

ACCESS SUN VALLEY CARD: Update included in board packets; agreed to discuss AC program more fully at January board meeting.
Transferable Ski Passes: Update included in board packets, sales to date similar to previous year.
Ski for Air Service Community Ski Day: Plans are forming to hold this new event in January as fundraiser for FSVA's air service initiatives, would be in partnership with SV Resort.

Monthly Directors Report

Provided for review.

Respectfully Submitted, Carol Waller, FSVA Director

ACCESS SUN VALLEY CARD & TRANSFERABLE BUSINESS SKI PASS MONTHLY REPORT

ACCESS SUN VALLEY CARD PROGRAM

DATE	# CARDS SOLD	BUSINESS JOINED	MARKETING
OCTOBER			
NEW CARDS	1	Hertz Rental Car	▪ **Secure 100% AC participation from board members**
RENEWING CARDS	2	Grumpys	▪ Launch co-promotion with SV Board Realtors for AC and Holiday Baskets
REFERRED CARDS	4	The Toy Store	*(Refer A Friend bonus changing to $25 for referrer and referred)*
TPASS CARDS	19		▪ Continued email and social media marketing of deals, Refer-A-Friend, flight info, etc
TOTAL OCT	**26**	3	▪ Research potential for short-term (7 day) Visitor ACCESS SUN VALLEY CARD to launch Dec
NOVEMBER			
NEW CARDS	3	Clarion Inn	▪ **Secure 100% AC participation from board members**
RENEWING CARDS	2	The Picket Fence	▪ Develop 2011/12 marketing strategy/plan; continue co-promotion with realtors
REFERRED CARDS	12	The Open Room	Attend Local Business Showcase, sell card with "show bonus", sell Transferable Passes
TPASS CARDS	34	Premier Cleaners	▪ Survey members and businesses for program feedback, do program review/analysis
TOTAL NOV	**51**	4	▪ Research mobile app; continue email/sm mktg of deals, flight info, etc.
DECEMBER			
NEW CARDS	1	Sayvour	Promoted via Enews & social media
RENEWING CARDS	0	Premier Cleaners	Followed up with TP business to get info for AC - still have not heard back from several
REFERRED CARDS	17		
TPASS CARDS	28		
TOTAL DEC	**46**	2	
TOTAL YTD 12/31	**123**	9	
PREVIOUS SALES HISTORY			
Aug-April 2010/11	**34**	**60**	
May-11	**78**	**10**	
Jun-11	**34**	**7**	
Jul-11	**13**	**2**	
Aug-11	**33**	**5**	
Sep-11	**30**	**2**	
Total Sold&Comp 8/10-12,	**345**		
Total Comp TP	**81**		
Total Sold	**264**		
CURRENT ACTIVE	**325**	**95**	

FSVA TRANSFERABLE BUSINESS SKI PASS SALES

DATE	#Passes Sold	TOTAL SALES	MARKETING
Oct-11			
ALL WEEK	12	$31,200	Email/PR/direct outreach campaign to: past pass purchasers,
LONG WEEKEND	1	2,600	Email & PR campaign to other local businesses, via Chambers, biz license list
GOLD	1	5,000	Direct outreach to businesses in region - ski shops, hospitals, major employers
TOTAL SALES OCT	14	$38,800	
Nov-11			
ALL WEEK	27	$70,200	
LONG WEEKEND	7	18,200	
TOTAL SALES NOV	34	$88,400	
Dec-11			
ALL WEEK	1	$2,600	SALES SUMMARY: Weekend & Gold Pass sales sparked interest, should continue to grow
			9 New Businesses Bought Passes; 7 Businesses dropped pass purchase this year
TOTAL SALES YTD	48	$129,800	TOTAL TP SALES IN 2010/11 = $128,000

SUMMARY: Recommendations for 2012/13 program

Determine price & promote in June, coincide with SV early pass sales, people need to know options when deciding

Keep Weekend Option - consider changing to 3 skiers each Sat & Sunday for maximum benefit of M-F businesses

Add 20 Day Option back - demand is there for lower priced pass

Keep Gold Pass Option - I think more will do that with more time to prepare & plan

No Access Card in deal - made it too confusing, too much follow up for $0 extra revenue

Require all lodging properties to purchase TP to get 20% off lift ticket rate (this was suggested by one hotel who said this is how they would convince owners)

Fly Sun Valley ALLIANCE Idaho

Monthly Director's Report December, 2011

1. TRANSPORTATION SERVICES

AIR SERVICE PROGRAM

- Received/reviewed Alaska Airlines booking/MRG projection reports. Followed up with SUN AS station manager on diversion bussing contract negotiations for winter – 20% lower rates were secured with bus providers. Promoted various new AS flight deals offered via media, FSVA outreach channels, shared with lodging properties and other local businesses , etc. **Pursued potential for sponsorship with Alaska Airlines for March 2012 SV Film Festival**.
- Ongoing communication/work with M&H consultant re: proforma & potential new service, scheduled vs. actual season/diversion & cancellation stats, enplanement reports, etc.
- Organized follow-up meeting with IDOC, City of Boise, Boise airport and local representatives to discuss air service issues and future collaborations. Attended various meetings re: air service with local officials, newly elected city council members, FMAA, etc. Prepared for/made presentation at Dec. 21 Capitol for A Day in Sun Valley.
- Continue work on compiling/tracking relevant comparative data and information of air service re: SUN and within competitive set of ski resorts. Worked with FMAA staff on updating historical seats/enplanement data.

BOISE SHUTTLE SERVICE

- Assisted SVE with contacts for media, lodging properties and other outreach to help promote new winter schedule.

2. FUNDRAISING

ACCESS SUN VALLEY CARD

- Continued implementation of marketing; co-promotion with SV Board of Realtors as tie-in with Holiday Baskets campaign. Promoted new Refer-A-Friend program and new December ***Get It Now! Hot Deals*** program on website, through email and social media. Continued to solicit new biz to join.
- Created/sent ENews updates – updated database of customers and businesses on ongoing basis. Continued promotion of deals, business participants and other air service news via FSVA Facebook.
- Processed **46 new card orders** (1 new, 17 new referrals, 0 renewal, 28 from TP) and added **2 new businesses**. Answered customer and business questions, handled customer & business issues as needed. Updated website.

STATE/LOCAL FUNDING OPTIONS:

- Continued follow-up with legal counsel on pursuit of options on assessment of MRG funding

TRANSFERABLE SKI PASSES

Continued marketing outreach of TP to local and regional businesses through emails, social media, calls, etc. Sold & processed **47 basic Business passes and 1 GOLD TP pass** YTD through December 2011. Coordinated plans for January Company Ski Day with Gold Pass business purchaser and SV Resort – re; process, signage on mountain, etc.

FSVA COMMUNITY SKI DAY

Worked with FSVA Program Committee and SV Resort to develop and implement all aspects of plan for new Ski for Air Service Community ski day; set date, recruited ski shops as sales outlets, developed Terms & Conditions for sales outlets and POP displays, developed marketing plan with media advertising schedule (print & radio), creative design & messaging, press release, Reasons Why flyer informational handout, etc. Secured raffle items including 4 roundtrip tickets on Alaska Airlines, followed up the FSVA board members to secure additional raffle items.

3. BOARD/ADMIN BUSINESS

- Developed/compiled/distributed all materials for monthly Board Packets; prepared minutes from meeting. Prepared Monthly Report.
- Reviewed Financials, approved invoices/signed & processed checks, reviewed payables list, presented to President for review/approval. Made deposits as needed.

4. RESEARCH/OTHER

- Created new year-round air passenger survey research report/presentation/PR materials based on winter 2009/10 and summer 2011 passenger survey results.