

**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 Tuesday, January 7, 2014 at 5:30 p.m. at the **old Blaine County Courthouse Meeting Room, Hailey, Idaho**. The proposed agenda for the meeting is as follows:

**AGENDA  
January 7, 2014**

- I. **APPROVE AGENDA**
- II. **PUBLIC COMMENT (10 Minutes Allotted)**
- III. **FMAA FINANCIAL STATEMENTS & OTHER FINANCIAL INFORMATION**  
YEAR ENDED SEPTEMBER 30, 2013 – Attachment #1 ACTION
- IV. **APPROVE FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:**  
A. December 3, 2013 Regular Meeting – Attachment #2 ACTION
- V. **REPORTS**
  - A. Chairman Report DISCUSSION
  - B. Blaine County Report DISCUSSION
  - C. City of Hailey Report DISCUSSION
  - D. Airport Manager Report DISCUSSION
  - E. Communication Director Report DISCUSSION
- VI. **AIRPORT STAFF BRIEF (5 Minutes Allotted)**
  - A. Noise Complaints
  - B. Parking Lot Update
  - C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data – Attachments #3 - #5
  - D. Review Correspondence – Attachment #6
  - E. Airport Weather Interruptions
  - F. EIS Termination
- VII. **UNFINISHED BUSINESS**
  - A. Airport Solutions
    - 1. Existing Site
      - a. Plan to Meet 2015 Congressional Safety Area Requirement
        - i. Formulation DISCUSS/DIRECT/ACTION
          - Airport Layout Plan
          - Capital Improvement Program (CIP) – Attachment #7
          - Cash Flow to Support CIP
        - ii. Project 2 Relocate/Extend Taxiway B and Runway Safety Area Grading DISCUSS/DIRECT/ACTION
          - Engineering Work Order
          - Pre-Qualification Process
          - 35% Design Review
        - iii. Project 3 Terminal Reconfiguration SOW – Attachment #8 DISCUSS/DIRECT/ACTION
        - iv. Project 4 Airport Operations Building SOW – Attachment #9 DISCUSS/DIRECT/ACTION
        - v. Hangar Acquisition SOW – Attachment #10 DISCUSS/DIRECT/ACTION
      - b. Master Plan Outline – Attachment #11 DISCUSS/DIRECT/ACTION
      - c. Retain/Improve/Develop Air Service
        - i. Fly Sun Valley Alliance Update – Attachments #12, #13 DISCUSS/DIRECT
        - ii. Small Community Air Service Development Program Grant DISCUSS/DIRECT/ACTION
- VIII. **NEW BUSINESS**
  - A. Friedman Memorial Airport Authority Air Carrier New Market Incentive Policy – Attachment #14 DISCUSS/DIRECT/ACTION
  - B. Independent Board Member Selection DISCUSS/DIRECT/ACTION
- IX. **PUBLIC COMMENT**
- X. **EXECUTIVE SESSION – I.C. §67- 2345 (1)(f)**
- XI. **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, 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. FMAA FINANCIAL STATEMENTS & OTHER FINANCIAL INFORMATION YEAR ENDED SEPTEMBER 30, 2013 – Attachment #1**

Attachment #1 is the draft *Friedman Memorial Airport Authority Financial Statements and Other Financial Information for the Year Ended September 30, 2013*. Pages 4 – 10 of the Financial Statements are the *Management Discussion and Analysis (MD&A)* letter prepared by Staff.

Mr. Brad Hodges, Simmons and Clubb and Ms. Laurie Harberd, Rexroat, Harberd & Associates will be available to present and answer any questions the Board may have. Simmons and Clubb have prepared the audit and Rexroat, Harberd & Assoc. prepared the financial statements.

BOARD ACTION: 1. Approve the draft financial statements and direct Staff/Auditor to finalize for distribution to appropriate government agencies.

**IV. APPROVE FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES**

**A. December 3, 2013 Regular Meeting – Attachment #2**

BOARD ACTION: 1. Action

**V. REPORTS**

**A. Chairman Report**

This item is on the agenda to permit a Chairman report if appropriate.

BOARD ACTION: 1. Discussion

**B. Blaine County Report**

This item is on the agenda to permit a County report if appropriate.

BOARD ACTION: 1. Discussion

**C. City of Hailey Report**

This item is on the agenda to permit a City report if appropriate.

BOARD ACTION: 1. Discussion

**D. Airport Manager Report**

This item is on the agenda to permit an Airport Manager report if appropriate.

BOARD ACTION: 1. Discussion

**E. Communications Director Report**

This item is on the agenda to permit a Communications Director report if appropriate.

BOARD ACTION: 1. Discussion

## VI. AIRPORT STAFF BRIEF (5 Minutes Allotted)

### A. Noise Complaints:

LOCATION	DATE	TIME	AIRCRAFT TYPE	INCIDENT DESCRIPTION	ACTION TAKEN
Hailey	12/21	1:35 pm	Jet	Low Approach from North over Hailey	Research supported the observation that the aircraft did conduct and unusually low approach. The aircraft was identified and a letter has been sent to the operator, apprising them of FMA Vol. Noise Abatement Procedures.

### B. Parking Lot Update

#### The Car Park Gross/Net Revenues

Month	FY 2012 Gross	FY 2012 Net	FY 2013 Gross	FY 2013 Net	FY 2014 Gross	FY 2014 Net
November	\$15,101.36	\$6,231.09	\$12,152.00	\$4,130.00	\$14,877.00	\$5,671.70

### C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data - Attachments #3 - #5

Attachment #3 is Friedman Memorial Airport Profit & Loss Budget vs. Actual. Attachment #4 is 2001 - 2013 ATCT Traffic Operations data comparison by month. Attachment #5 is 2013 Enplanement, Deplanement and Seat Occupancy data. The following revenue and expense analysis is provided for Board information and review:

#### October 2012/2013

Total Non-Federal Revenue	October, 2013	\$206,399.39
Total Non-Federal Revenue	October, 2012	\$211,410.43
Total Non-Federal Revenue	FY '14 thru October	\$206,399.39
Total Non-Federal Revenue	FY '13 thru October	\$211,410.43
Total Non-Federal Expenses	October, 2013	\$224,133.73
Total Non-Federal Expenses	October, 2012	\$227,679.45
Total Non-Federal Expenses	FY '14 thru October	\$224,133.73
Total Non-Federal Expenses	FY '13 thru October	\$227,679.45
Net Income to include Federal Programs	FY '14 thru October	\$-13,186.70
Net Income to include Federal Programs	FY '13 thru October	\$-45,781.91

#### D. Review Correspondence - Attachment #6

Attachment #6 is information included for Board review.

#### E. Airport Weather Interruptions

<u>Airline</u>	<u>December, 2013</u>	
	<u>Flight Cancellations</u>	<u>Flight Diversions</u>
Horizon Air	3	3
SkyWest	None Available	None Available
United Express	None Available	None Available

#### F. EIS Termination

Last month, the Board reviewed an addendum to the EIS Scope of Work that has been developed for Landrum & Brown and approved by the FAA, to terminate the EIS. Staff has negotiated an amendment to the contract between the Authority and Landrum & Brown. The contract amendment has been executed and work to terminate the EIS is underway.

### VII. UNFINISHED BUSINESS

#### A. Airport Solutions

##### 1. Existing Site

##### a. Plan to Meet 2015 Congressional Safety Area Requirement

##### i. Formulation

- Airport Layout Plan

The draft Airport Layout Plan is being revised to reflect comments received from the FAA and will be resubmitted for another review. A copy of the entire drawing set will be available at the Airport Manager's office for Board members to review, if desired.

- Capital Improvement Program (CIP) – Attachment #7

Staff and consultants have developed a proposed Capital Improvement Program (CIP) for Fiscal Years 2014-2018. A draft copy of this CIP is included as Attachment #7. This reflects the planned runway safety area improvements required over the next two years, along with a "first look" at potential projects for the following years. The CIP will be presented at the meeting for Board input and consideration.

- Cash Flow to Support (CIP)

As you know, the Capital Improvement Program is an outcome of the Runway Safety Area (RSA) Implementation Project formulation. The CIP includes all projects necessary to implement the RSA project in FY 2014 and FY 2015, meeting the congressionally mandated deadline of December 31, 2015. The CIP includes two projects that are not RSA projects. Those two projects are: 1) Master Plan Update which will be completed in FY 2014 and

FY 2015 and, 2) Acquire SRE (Prime mover with plow and broom) which will be ordered in FY 2014 and delivered in FY 2015. While the CIP is a 5 year plan, projects beyond FY 2015 are placeholder-type projections and can change based on need or cash requirements, as the Safety Area Project is implemented. Total FMAA cash need during FY 2014 is predicted to be \$1,544,167. Total cash need during FY 2015 is projected at \$3,111,021. A two year capital cash requirement of \$4,655,188 is very unusual for FMAA and the following cash flow discussion is meant to give the Board an understanding of reserves that will be on hand at the end of FY 2015.

At the end of FY 2013, the FMAA had \$5,350,000 in operational reserve (savings). The Board's FY 2014 operational budget predicts a net of \$176,000 in operational revenue compared to operational expenses. As you know, the purpose of the operational budget is to compare operational expense and operational revenue without the "skewing effect" of federal projects. That means AIP project funds and PFC revenue are not a part of the operational budget. The cash flow analysis shown below assumes that the FY 2014 and FY 2015 capital needs are accurate. It assumes that FY 2014 PFC revenue will total \$250,000 and that FY 2015 PFC revenue will total \$280,000. As stated above, operational FY 2014 net revenue is budgeted to be \$176,000. The cash flow analysis below assumes that net revenue of \$250,000 will be an outcome of the FY 2015 budget process.

In summary, the Board can anticipate that at the end of FY 2015 when the project expenditures forecasted in the CIP are complete, over \$1,650,000 will remain in operational reserves. Airport Staff will be prepared to discuss this analysis in detail and answer Board questions during the January meeting.

Year	PFC	Net Revenue from Operations	Total CIP Cost	Operational Revenues End of FY
2013				\$5,350,000.00
2014	\$250,000.00	\$176,000.00	\$1,544,167.00	\$4,231,833.00
2015	\$280,000.00	\$250,000.00	\$3,111,021.00	\$1,650,812.00
2016	\$280,000.00	\$275,000.00	\$200,000.00	\$2,005,812.00
2017	\$280,000.00	\$275,000.00	\$275,000.00	\$2,285,812.00
2018	\$280,000.00	\$275,000.00	\$275,000.00	\$2,565,812.00

**BOARD ACTION:**

1. Discuss/Direct/Approve proposed CIP for transmittal to the FAA.

ii. **Project 2 – Relocate/Extend Taxiway B and Runway Safety Area Grading**

- Engineering Work Order

Negotiation of the engineering work order for this project was completed following the Board's approval of the fee at the December 18 Special Meeting.

- Pre-Qualification Process

Also at the December 18 meeting, the Board made a decision regarding pre-qualification of construction contractors for civil projects planned for FY 2014 and FY 2015. Letters were delivered to all contractors on December 20, notifying them of the Board's decision. No protests have been received to date. Any additional information will be presented at the Board meeting.

- 35% Design Review

T-O will submit the 35% design for this project on January 3, with a review meeting with Airport Staff planned for January 8.

BOARD ACTION: 1. Discuss/Direct

iii. **Project 3 Terminal Reconfiguration SOW – Attachment #8**

Project 3 is the architectural project that will reconfigure the terminal to accommodate passengers at the north end of the building. T-O and their sub-consultant, Mead & Hunt, have developed a concept for this project and a draft scope of work for the professional services necessary to complete it. The draft scope of work is included as Attachment #8 and will be presented, along with the project concept, at the meeting for Board input and approval.

BOARD ACTION: 1. Discuss/Approve Scope of Work and direct Staff to forward the Scope to the FAA for comment and to proceed with fee negotiation

iv. **Project 4 Airport Operations Building SOW – Attachment #9**

Project 4 is the second architectural project, which will include construction of a new facility for snow removal equipment storage and maintenance, ARFF and airport administrative functions. T-O and Staff have been working with their sub-consultant, Ruscitto Latham and Blanton (RLB) to develop a concept for the facility. The latest revision of this concept is included as Attachment #9, along with design goals for the facility and a preliminary scope of work for professional services. All of these items will be presented to the Board at the meeting for input and approval.

BOARD ACTION: 1. Discuss/Approve Scope of Work and direct Staff to forward the Scope to the FAA for comment and proceed with fee negotiation

**v. Hangar Acquisition SOW – Attachment #10**

One of the ongoing elements of the overall Runway Safety Area Improvements program is the acquisition of several hangars, so that these hangars can be relocated or removed to accommodate other required projects. The first step in the acquisition process is appraisal of the properties by a licensed appraiser, followed by review appraisals by another appraiser. Attachment #10 includes a proposed scope of work from T-O to provide these services. T-O's role in this is simply to manage and coordinate the actions of the appraisers. All appraisals will be completed by licensed appraisers in an independent process. The hangar acquisition process and this scope of work and fees will be presented to the Board at the meeting, for input and approval.

BOARD ACTION: 1. Discuss/Approve Scope of Work and fee ('Not to exceed') and authorize Staff to forward the Scope and Fee to the FAA for comment

**b. Master Plan Outline – Attachment #11**

Based upon Board direction to move forward with an updated Master Plan, board member and staff feedback has been gathered by the consultant. Attachment #11 is a scope outline and projected schedule provided for supplemental board feedback, based on the comments received. If the Board wishes to proceed with a formal scope, next steps would include completing an overall scope for further review in future meetings.

BOARD ACTION: 1. Discuss/Direct Staff to develop a Draft Scope of Work based on discussion

**c. Retain/Improve/Develop Air Service**

**i. Fly Sun Valley Alliance Update Attachments #12, #13**

Attachment #12 is the November 20, 2013 Fly Sun Valley Alliance Meeting Minutes. Attachment #13 is the December 19, 2013 Fly Sun Valley Alliance Meeting Agenda.

This item is on the agenda to permit a Fly Sun Valley Alliance report if appropriate.

BOARD ACTION: 1. Discuss/Direct

**ii. Small Community Air Service Development Program Grant**

Update – The word now from Department of Transportation is that the Small Community Air Service Development Program Grant Offers will be mailed to communities starting sometime the week of January 6<sup>th</sup>.

BOARD ACTION: 1. Discuss/Direct

## **VIII. NEW BUSINESS**

### **A. Friedman Memorial Airport Authority Air Carrier New Market Incentive Policy – Attachment #14**

A review of FAA policy and procedures indicates that airports can create and use airport operational revenue to support an air carrier incentive program. Since the Board has taken a leadership role in improving air service, Staff has developed an Air Carrier New Market Incentive Policy, Attachment #14 for consideration. The policy will give those negotiating with an air carrier for new service on behalf of the Authority, basic guidelines to work with. This policy would allow Staff to work with a prospective service provider to discuss and negotiate terminal improvements that would make a new market transition easier. It would also give negotiators the opportunity to make the market initially more lucrative by minimally reducing air carrier expenses thru waiver of some landing fees, if appropriate. This policy will also facilitated using a landing fee waiver as in-kind-match related to the Small Community Air Service Development Program Grant. Depending on aircraft size, savings resulting from waiving landing fees could be as high as approximately \$12,000. All other fees would remain in place. For example, terminal space rental fees, fuel flowage fees and Passenger Facility Charges will remain in place.

BOARD ACTION: 1. Discuss/Direct

### **B. Independent Board Member Selection**

Chairman Fairfax took his Independent Board Member Oath of Office August 4, 2011. A review of the Amended and Restated Joint Powers Agreement states that the Independent Member shall serve a two-year term commencing on January 1 of the year of appointment.

BOARD ACTION: 1. Discuss/Direct

## **IX. PUBLIC COMMENT**

## **X. EXECUTIVE SESSION - I.C. §67- 2345 (1)(f)**

## **XI. ADJOURNMENT**



DRAFT

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY  
FINANCIAL STATEMENTS  
AND  
OTHER FINANCIAL INFORMATION**

**September 30, 2013**

## CONTENTS

	Page
<b>INDEPENDENT AUDITORS' REPORT</b> .....	1 - 3
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b> .....	4 - 10
<b>FINANCIAL STATEMENTS</b>	
Statements of Net Position .....	11
Statements of Revenue, Expenses and Changes in Net Position .....	12
Statements of Cash Flows .....	13
Notes to Financial Statements .....	14 - 22
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenue, Expenditures and Changes in Net Position - Budget and Actual .....	23
Reconciliation of Budgetary Basis to GAAP .....	24
<b>OMB CIRCULAR A-133, SUPPLEMENTARY FINANCIAL REPORT</b>	
OMB Circular A-133, Supplementary Financial Report – Table of Contents .....	25

## **Independent Auditors' Report**

To the Board  
Friedman Memorial Airport Authority  
Hailey, Idaho

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Friedman Memorial Airport Authority (Authority), as of and for the years ended September 30, 2013 and 2012, and the related notes to the financial statements, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of September 30, 2013 and 2012, and the changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

## Emphasis of Matters

### *Changes in Accounting Principles*

As described in Note 1, effective October 1, 2012, the Airport adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No 62, *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA Pronouncements*, GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis identified in the accompanying table of contents be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audits of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the Authority's financial statements. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of revenue, expenditures and changes in net position – budget and actual and reconciliation of budgetary basis to GAAP are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January ??, 2014, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance

and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Simmons and Clubb  
Certified Public Accountants

Boise, Idaho  
January ??, 2014

DRAFT

## **Management's Discussion and Analysis**

The following Management's Discussion and Analysis (MD&A) of the Friedman Memorial Airport Authority's (the Authority) financial performance provides an introduction to the financial statements for the fiscal year ended September 30, 2013. The information contained in the MD&A should be considered in conjunction with information contained in the Authority's financial statements.

Friedman Memorial Airport is located in the City of Hailey, within Blaine County. Blaine County is located in central Idaho, in an area known as the Wood River Valley. The Big Wood River runs from north to south between the Smoky, Pioneer and Boulder Mountains. Friedman Memorial Airport is located immediately south of the central business district of Hailey and approximately two miles north of the City of Bellevue. State Highway 75 runs directly adjacent to the east side of the Airport, southeast to northwest through the cities of Bellevue and Hailey, with Ketchum/Sun Valley 11 miles to the north and Twin Falls 75 miles to the south.

For the last six years, the Authority has been working in partnership with the FAA (Federal Aviation Administration) to improve air service and safety to the Wood River Valley by siting and constructing a replacement airport. In August 2011, the Authority encountered a significant impediment to this effort. The FAA, after what was described as "thoughtful deliberation and analysis", indefinitely suspended any further work on the draft environmental impact statement (DEIS). That decision resulted from new data arising from the study, suggesting significant, higher-than-anticipated project costs and problematic impacts to wildlife. The purpose of this suspension was to gather community input and technical information in order for the Authority to make the best informed decisions about a future replacement airport and allow for investigation, with cooperation from air carriers and the FAA, into any possible shorter term solutions meeting as many FAA design standards as possible and for increased reliability at the existing airport while a permanent solution is explored.

Accordingly, the Authority initiated a public process of discussions with the community to determine the community's preference moving forward. That determination was what came to be known as a "Dual Path Forward", which represented the community's desire to identify any possible short-term mitigation available at the existing site, while continuing the endeavor of identifying a mechanism for the ultimate goal of a replacement airport at another site. At the FAA's direction, the Authority conducted an Airport Alternatives Technical Analysis to identify all conceivable configurations and options that could be implemented at the existing airport site.

Early in fiscal year 2013, the Authority and the FAA agreed to the Authority's proposed dual path approach using Alternative 6 as the preferred alternative from the Alternatives Technical Analysis to meet congressional mandated safety standards required by December 2015. The FAA also, after completion of a Safety Risk Management process, granted five of six submitted Modification to Standards (MOS) to accommodate an achievable solution at the existing site. These modifications consider and limit the size of aircraft to those that currently utilize Friedman rather than making alterations that would fully achieve a C-III compliant airport.

At the conclusion of fiscal year 2013, the Authority kicked off the first series of Runway Safety Area (RSA) Implementation projects (Alternative 6). The RSA projects are expected to continue into fiscal year 2014-2015. The next step for the Authority will be to conduct a Master Planning process. The Authority has determined that an appropriate component of the Master Plan will be a site selection chapter. The

Authority would like that chapter to capture the Authority's scientific developed site study as well as the FAA's EIS Purpose and Need/Alternatives Working Paper.

Fiscal year 2013 included the announcement of additional Horizon flights into SUN, new SFO/SUN non-stop regional jet service beginning December 12, 2013 and Delta regional jet service beginning January 6, 2014.

In partnership with other community organizations, a DOT small community air service grant has been awarded for the purpose of identifying, securing and marketing improved east coast air service connectivity.

The entire Wood River community was adversely affected by the Beaver Creek Fire in August. The revenue potential and operations at the Airport were significantly reduced as a result and the effects are reflected in the financials.

### **Overview of the Financial Statements**

The Authority's financial statements are prepared on the accrual basis in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Authority is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when paid. See the notes to the financial statements for a summary of the Authority's significant accounting policies.

Following this MD&A are the basic financial statements of the Authority, together with the notes, which are essential to a full understanding of the data contained in the financial statements. The Authority's basic financial statements are designed to provide readers with a broad overview of the Authority's finances.

The *Statements of Net Position* present information on all the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. Over time, increases or decreases in net position may serve as a useful indicator of the Authority's financial position.

The *Statements of Revenue, Expenses and Changes in Net Position* present information showing how the Authority's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenue and expenses are reported in this statement for some items that will result in cash flows in future periods.

The *Statements of Cash Flows* relates to the flows of cash and cash equivalents. Consequently, only transactions that affect the Authority's cash accounts are recorded in this statement. A reconciliation is provided at the bottom of the *Statements of Cash Flows* to assist in understanding the difference between cash flows, operating activities and operating income.

In addition to the basic financial statements and accompanying notes, this report also presents the *Schedule of Revenue, Expenditures and Changes in Net Position Budget Basis* and the *Reconciliation of Budgetary Basis to GAAP* as supplementary information.

## Financial Position Summary

### The changes in net position

over time serve as a useful indicator of the Authority's financial position. The Authority's assets exceeded liabilities by \$37.7 million as of September 30, 2013, a decrease of \$340 thousand from September 30, 2012.

A condensed summary of the Authority's financial position at September 30 is shown below.

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% Change 2013/2012</u>	<u>% Change 2012/2011</u>
<b>ASSETS:</b>					
Current Assets	5,765,334	5,805,084	5,844,570	-0.7%	-0.7%
Capital Assets	<u>32,489,050</u>	<u>32,872,962</u>	<u>33,847,683</u>	-1.2%	-2.9%
Total Assets	<u>38,254,384</u>	<u>38,678,046</u>	<u>39,692,253</u>	-1.1%	-2.6%
<b>LIABILITIES:</b>					
Current Liabilities	374,619	379,585	247,694	-1.3%	53.2%
Noncurrent Liabilities	171,381	157,664	159,553	8.7%	-1.2%
Deferred Inflows of resources	-	<u>91,530</u>	<u>16,854</u>	-100.0%	443.1%
Total Liabilities	<u>546,000</u>	<u>628,779</u>	<u>424,101</u>	-13.2%	48.3%
<b>NET ASSETS:</b>					
Invested in capital assets	32,489,050	32,872,962	33,847,683	-1.2%	-2.9%
Restricted	5,500	5,500	-	.0%	N/A
Unrestricted	<u>5,213,834</u>	<u>5,170,805</u>	<u>5,420,469</u>	0.8%	-4.6%
Net Position	<u>37,708,384</u>	<u>38,049,267</u>	<u>39,268,152</u>	-0.9%	-3.1%

The largest portion of the Authority's net position is invested in capital assets (e.g. land, buildings, improvements and equipment). No outstanding debt is attributable to these assets. The Authority uses its capital assets to provide services to its aviation partners, passengers and fixed-base operators. This requirement includes the obligation to preserve and maintain airport facilities in a safe and serviceable condition and includes the responsibility to operate the aeronautical facilities and common use areas for the benefit of the public. Consequently, these assets are not available for future spending.

The Authority's unrestricted net position is available to meet current and future obligations. The Authority anticipates that these funds will be needed to pay future capital expenditures and maintain adequate levels of working capital.

The Authority's restricted net position represents an amount required to be set aside as a performance bond by a communications use lease with the Bureau of Land Management. These funds are restricted as they must be held for the duration of the lease which terminates on December 31, 2031.

The noncurrent liability increased due to an increase in accrued compensated absences.

## Summary of Operations and Changes in Net Position



Aircraft operations for the fiscal year ending September 30, 2013, increased approximately 10.8% from 28,713 to 31,824. General aviation increased by 11.6% and commercial airline increased 2.1%. Staff attributes this increase to milder winter weather conditions, improving economic conditions and increased use of the local air pattern. It is also notable, even with the fire, that diversions and cancellations decreased by 4.6%.

Enplaned passengers for the fiscal year ending September 30, 2013 increased approximately 0.9% for the same period from 50,910 to 51,392. Horizon Air enplanements increased by 4.9% while SkyWest Airlines experienced a 12.9% decrease. The increases/decreases are primarily attributed to weather/reliability issues, increased marketing efforts and the Beaver Creek fire that resulted in a 71% increase in diversions/cancellations during the month of August.

A condensed summary of the Authority's revenue, expenses and changes in net position for the fiscal year ending September 30 is shown below.

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% Change 2013/2012</u>	<u>% Change 2012/2011</u>
Operating Revenue	2,184,610	2,199,031	2,227,328	-0.7%	-1.3%
Operating Expenses	<u>3,580,984</u>	<u>3,713,175</u>	<u>3,701,028</u>	-3.6%	0.3%
Operating (income/loss)	-1,396,374	-1,514,144	-1,473,700	7.8%	-2.7%
Non Operating Revenue					
(Expenses)	312,968	143,319	412,175	118.4%	-65.2%
Capital Contributions	<u>742,523</u>	<u>151,940</u>	<u>2,421,229</u>	388.7%	-93.7%
Changes in net position	-340,883	-1,218,885	1,359,704	72.0%	-189.6%
Beginning net position	<u>38,049,267</u>	<u>39,268,152</u>	<u>37,908,448</u>	-3.1%	3.6%
Ending net position	<u>37,708,384</u>	<u>38,049,267</u>	<u>39,268,152</u>	-0.9%	-3.1%

Operating revenue decreased 0.7% from the prior fiscal year. Highlights of the revenues are as follows:

- Automobile Parking revenue increased 21.3%. This increase is primarily attributed to the months of March, August & September. In March and September Horizon promoted fare specials and in August the Beaver Creek Fire mandated several evacuations which resulted in an increased number of locals and second home owners utilizing the terminal parking lot. The increase is also related to the method of calculating commissions once gross revenues collected exceed \$13,000.00. Once the \$13,000 is reached, the percent of commission due to the Airport escalates from 35% to 80% of the gross revenues collected.
- Automobile rental revenue experienced a 1.9% increase. This increase is the result of commission revenue received from an off-airport operator. It is notable that the on-airport auto rental decreased approximately 3.8%. This decrease is attributed to the Beaver Creek Fire. Several local events were cancelled and county-wide evacuations were mandated due to fire conditions. The auto rental concessionaires experienced a high level of cancellations during this time.

The auto rental concession leases were renegotiated during fiscal year 2013 with a commencement date of November 1, 2013. The new leases were entered into with two existing agencies and one off-site operator that will now be on-site. It is anticipated the addition of a third operator will increase revenues.

- Fuel Flowage Revenue increased 7.4%. This is primarily attributed to increased aircraft operations and improving national economic factors.
- Rents, fees, commissions and leases increased approximately 2.5%. The increase is a combination of increased transient landing and tiedown fees and adjustments made to FBO and hangar land lease rates. One notable item, tiedown fees, decreased approximately 20%. This decrease is attributed to the decrease in local small aircraft owners, an aging local pilot population and prolonged local economic factors.
- Miscellaneous revenue decreased 71.3%. The decrease is primarily attributed to the TSA discontinuing their law enforcement reimbursement contract with the Airport.

Operating expenses decreased 3.6% over the prior fiscal year. Highlights of expenses are as follows:

- Employee wages, benefits and taxes increased 1.8%. This increase is attributed to employee merit increases and an anticipated increase in medical premiums.
- Travel increased 160.5%. This increase is related to the Airport being reassigned from the FAA regional office in Seattle to Helena, MT during the planning of a major airport reconfiguration program. This reassignment required travel to the new regional office with consultants to obtain FAA guidance and approval on proposed airport improvements. Travel expenses were also increased due to attendance at meetings with American Association of Airport Executives (AAAE) US Contract Tower (USCTA) and meetings with airline representatives.
- Contracts – COH LEO was dramatically reduced when the TSA discontinued their law enforcement (LEO) service reimbursement agreement with the Airport. The Airport has entered into a separate agreement with the City of Hailey Police Department to provide a minimal amount of LEO services during commercial flights.
- Service Provider – Weather – Increased 132.3% due to an upgrade in service. What was previously available on a stand-alone computer is now web-based. This upgrade includes additional features and increases accessibility.
- Professional Services – Litigation - increased due to the FAA's threat of cessation of FAA funding for the Airport Contract Control Tower (Tower). The Airport Authority hired Kaplan, Kirsch & Rockwell, LLP to defend the Airport's need to retain the Tower based on local conditions and safety concerns. To date, funding for the Tower remains to be funded; however, future FAA funding is not certain and the need for additional legal services may resurface.
- Contracts Security CMS (Credential Management Service) - The CMS system was implemented in March 2013. The subscription fees charged in fiscal year 2012 were credited in fiscal year 2013 due to an unanticipated delayed in the operational startup.
- R/M BLDGS – Terminal – Increased 44.5% due to an aging building and an evaluation of maintenance needs.

- R/M – Airfield decreased 99.5% due to asphalt repair material that was purchased in bulk in fiscal year 2012 and the need for asphalt repair was less in fiscal year 2013 due to reconstruction of the transient tiedown ramp and the plan to eliminate taxiway A as part of the FAA mandated runway safety area improvement projects.
- R/M – Lights decreased 624% due to repairs and spare parts purchased in fiscal year 2012 that were not required in fiscal year 2013.
- Fuel/Lubricants decreased 63.9%. This decrease is attributed to a winter of low snowfall which resulted in a reduced amount of snow removal efforts.
- Supplies/Equipment–Deicer did not reflect an expense in fiscal year 2013. This is the result of mild winter weather conditions and a bulk purchase of de-icing fluid in fiscal year to avoid a price increase.

### **Comparison of Budget and Actual Results**

No amendments were made to the Authority's *Budgeted Revenue, Expenses and Changes in Net Position* during the fiscal year ending September 30, 2013. A summary of operating revenue and expenses based on the actual budgetary basis is shown below.

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Total Operating Revenue	2,133,373	2,184,610	51,237
Total Operating Expenses	2,032,702	1,922,568	-110,134
Operating Income (loss)	100,671	262,042	161,371

Actual results reported above may differ from the actual results as reported in the *Statement of Revenue, Expenses and Changes in Net Position* for the following reasons:

1. Accruals of compensated absences are not budgeted.
2. Depreciation is a non-cash item and therefore not budgeted.
3. Passenger Facility Charges (PFC) are budgeted based on receipts but may be deferred for GAAP.
4. Interest earned on PFCs are budgeted as interest but reportable as PFC revenue for GAAP.
5. Capital asset purchases are budgeted but are an asset instead of an expense for GAAP.

The Authority's budget philosophy is to conservatively estimate revenue while, at the same time, making certain that budgeted operating expenses are not understated. The fiscal year 2013 budget process was a direct reflection of the economy and the Authority's conscientious approach to estimating revenues and expenses.

### **Capital Acquisitions and Construction Activities**

The decrease to *Buildings and Improvements* includes the disposal of terminal security system equipment and the installation of an air conditioning unit in the air passenger terminal.

The increase to *Airfield and General Improvements* includes the acquisition of window shades, an air conditioning unit and a security camera for the air traffic control tower and installation of a fiber optic data line between the air passenger terminal and administration office to improve data throughput. A decrease was recorded due to a refund received from the FAA on AIP '30 for the VASI installation .

The increase to *Office Equipment* includes the acquisition of a copier, disposal of a copier, disposal and acquisition of computer equipment and an upgrade and redesign of the Airport's website.

The increase to *Maintenance Equipment/Vehicles* is related to the disposal of maintenance equipment and acquisition of driver's training software, snow removal equipment, operation equipment, operations radio, and security upgrades.

The increase to *Assessments/Plans & Studies* is related to the AIP '37 90-Day Study.

The increase to Construction in Progress is related to the Runway Safety Improvements completed (AIP '038/'039). During fiscal year 2011, the FAA suspended the Environmental Impact Study (EIS) Phase I/II. At the end of fiscal year 2013, this study had been terminated; however, remained to be in a suspended status as the grant final reports have not been completed by the FAA. This project remains in *Construction in Progress*.

### **Long-term Liabilities**

The only long-term liability is for compensated absences, which represents vacation, comp time and 25% of sick leave, which has been accrued but will be paid in future periods as used or on termination of employment. The total liability at September 30, 2013, was \$171,381. The total liability increase is related to the amount of benefits accrued but not used. Currently, the Authority has no other long-term debt outstanding nor are there any plans to incur any long-term debt.

### **Requests for Information**

This financial report is designed to provide the Authority's Board, management, investors, creditors and customers with a general view of the Authority's net position and results of operations. Questions concerning any information contained in this report may be directed to the Airport Manager, 1616 Airport Circle, Hailey, ID 83333.

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**STATEMENTS OF NET POSITION  
ENTERPRISE FUND  
September 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 5,451,576	\$ 5,433,041
Operating accounts receivable	148,180	191,847
Due from other governments	156,233	78,314
Interest receivable	533	968
Prepaid expenses	3,312	3,884
Restricted cash and cash equivalents:		
BLM	5,500	5,500
Passenger Facility Charges	-	91,530
Total Current Assets	<u>5,765,334</u>	<u>5,805,084</u>
<b>Noncurrent Assets:</b>		
Capital assets:		
Land	6,712,067	6,712,067
Construction in progress	8,760,396	8,017,410
Airfield, buildings, equipment, improvements, plans and studies	39,983,509	39,575,929
	<u>55,455,972</u>	<u>54,305,406</u>
Accumulated depreciation	<u>(22,966,922)</u>	<u>(21,432,444)</u>
Total Capital Assets	<u>32,489,050</u>	<u>32,872,962</u>
<b>Total Assets</b>	<u>38,254,384</u>	<u>38,678,046</u>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Trade accounts payable	56,640	108,739
Payable City of Hailey	1,487	14,065
Accounts payable for capital improvements	223,671	163,511
Accrued payroll and benefits	3,029	3,403
Customer deposits	7,400	7,300
Accrued compensated absences	82,392	82,567
Total Current Liabilities	<u>374,619</u>	<u>379,585</u>
<b>Noncurrent Liabilities:</b>		
Long-term accrued compensated absences	171,381	157,664
Total Liabilities	<u>546,000</u>	<u>537,249</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred revenue - Passenger Facility Charges	-	91,530
Total Deferred Inflows of Resources	<u>-</u>	<u>91,530</u>
<b>NET POSITION</b>		
Invested in capital assets	32,489,050	32,872,962
Restricted	5,500	5,500
Unrestricted	5,213,834	5,170,805
Total Net Position	<u>\$ 37,708,384</u>	<u>\$ 38,049,267</u>

See Accompanying Notes to Financial Statements

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
ENTERPRISE FUND**

**For the Years Ended September 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>Operating Revenue:</b>		
Airlines	\$ 176,753	\$ 171,072
Automobile rental	389,427	381,889
Auto parking	85,789	70,711
Rents, fees, commissions and leases	1,306,635	1,274,265
Fuel flowage fees	190,494	177,287
Other operating revenue	35,512	123,807
Total Operating Revenue	<u>2,184,610</u>	<u>2,199,031</u>
<b>Operating Expenses:</b>		
Employee wages, benefits and taxes	1,190,186	1,169,218
Supplies	59,234	101,429
Utilities	80,711	76,357
Services and contracts	378,053	486,109
Repairs and maintenance	90,988	98,970
Insurance	67,930	61,073
Other operating expense	69,009	69,614
Depreciation	1,644,873	1,650,405
Total Operating Expenses	<u>3,580,984</u>	<u>3,713,175</u>
Operating Income (Loss)	<u>(1,396,374)</u>	<u>(1,514,144)</u>
<b>Nonoperating Revenue (Expenses):</b>		
Passenger Facility Charges	304,284	131,824
Interest income	8,684	11,495
Contribution income	-	-
Total Nonoperating Revenue and (Expenses)	<u>312,968</u>	<u>143,319</u>
Income (Loss) before Capital Contributions	<u>(1,083,406)</u>	<u>(1,370,825)</u>
<b>Capital Contributions</b>	<u>742,523</u>	<u>151,940</u>
Change in Net Position	<u>(340,883)</u>	<u>(1,218,885)</u>
<b>Net Position, Beginning of Year</b>	<u>38,049,267</u>	<u>39,268,152</u>
<b>Net Position, End of Year</b>	<u>\$ 37,708,384</u>	<u>\$ 38,049,267</u>

See Accompanying Notes to Financial Statements

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**STATEMENTS OF CASH FLOWS  
ENTERPRISE FUND  
For the Years Ended September 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 2,228,641	\$ 2,143,931
Cash payments for employees' services and benefits	(1,177,018)	(1,154,139)
Cash payments to suppliers for goods and services	(810,030)	(824,112)
Net cash provided (used) by operating activities	<u>241,593</u>	<u>165,680</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	(1,201,065)	(634,186)
Grants and other amounts received for the purchase of capital assets	664,604	113,402
Passenger facility charges received for the purchase of capital assets	212,754	206,500
Net cash provided (used) by capital and related financing activities	<u>(323,707)</u>	<u>(314,284)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Receipts of interest	9,119	11,671
Net cash provided (used) by investing activities	<u>9,119</u>	<u>11,671</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(72,995)</u>	<u>(136,933)</u>
<b>Balances - beginning of the year</b>	<u>5,530,071</u>	<u>5,667,004</u>
<b>Balances - end of the year</b>	<u><u>\$ 5,457,076</u></u>	<u><u>\$ 5,530,071</u></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	<u>\$(1,396,374)</u>	<u>\$ (1,514,144)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,644,873	1,650,405
Noncash transactions - undepreciated cost in assets disposed of	264	-
Change in assets and liabilities:		
(Increase) decrease in trade accounts receivable	43,667	(59,600)
(Increase) decrease in prepaid expenses	572	515
Increase (decrease) in accounts payable trade	(64,677)	68,925
Increase (decrease) in accrued payroll and benefits	(374)	123
Increase (decrease) in customer deposits	100	4,500
Increase (decrease) in accrued compensated absences	13,542	14,956
Total Adjustment and Changes	<u>1,637,967</u>	<u>1,679,824</u>
Net cash provided (used) by operating activities	<u><u>\$ 241,593</u></u>	<u><u>\$ 165,680</u></u>

## FRIEDMAN MEMORIAL AIRPORT AUTHORITY

### NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2013

#### Note 1. Summary of Significant Accounting Policies

##### 1-A. Organization and Reporting Entity

###### Organization

Effective October 1, 1994, Blaine County, Idaho and the City of Hailey, Idaho entered into a Joint Powers Agreement creating the Friedman Memorial Airport Authority (Authority) for the purpose of operating and managing airport activities in Blaine County, Idaho. The Authority is a public entity of the State of Idaho and therefore the Authority's income is exempt from Federal and Idaho income taxes. The Authority is governed by a seven-member board with three members representing Blaine County, three members representing the City of Hailey and one member who is unanimously selected by the other six members. The Authority has hired employees to provide for the day-to-day operations and management.

Pursuant to the Joint Powers Agreement, all buildings, improvements, facilities, equipment, and personal property used by the Authority were conveyed by Blaine County and the City of Hailey to the Authority for use and benefit of the Authority and title thereof shall be held by the Authority. Upon termination of this Agreement, title to all buildings, improvements, facilities, equipment and personal property held by the Authority shall vest jointly in Blaine County and the City of Hailey.

###### Reporting Entity

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading or incomplete. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government, regardless of the authority of the organization's governing board.

Based on the application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that the Authority does not have component units. Accordingly, the accompanying financial statements include only the operations of the Friedman Memorial Airport Authority.

##### 1-B. Measurement Focus, Basis of Accounting

The Friedman Memorial Airport Authority's financial statements have been prepared using the accrual basis of accounting. Under this method, revenue and receivables are recognized when services are provided and expense and liabilities are recorded at the time goods and services are received.

The Authority's accounting policies conform to generally accepted accounting principles applicable to proprietary funds of governmental units. Proprietary funds use the economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statement of net position.

Proprietary operating revenue, such as charges for services, result from exchange transactions associated with the principal activity of the operating unit. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as interest or capital contributions, result from nonexchange transactions or ancillary activities. Nonexchange transactions, in which the Authority gives (or receives) value without directly receiving (or giving) value in exchange, include grants, donations and passenger facility charges (PFC's). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. PFC's along with related interest earnings are recorded as deferred revenue until authorized for matching payments on construction projects under an FAA approved Application to Use. Once authorized to use, PFC receipts are recognized and recorded as nonoperating revenue in the year collected.



## FRIEDMAN MEMORIAL AIRPORT AUTHORITY

### NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2013

Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA Committee on Accounting Procedures, which does not conflict with or contradict other GASB pronouncements. The provisions of this statement are effective for financial statements for periods beginning after December 15, 2011. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources and renames the resulting measure as net position rather than net assets. The provisions of this statement are effective for the financial statements for periods beginning after December 15, 2011. As of October 1, 2012, the Authority adopted the above GASB statements, which did not have a significant impact on its financial statements.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The statement also recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. As of October 1, 2012, the Authority adopted the provisions of GASB Statement No. 65 and restated deferred revenues from Passenger Facility Charges from noncurrent liabilities to deferred inflows of resources.

#### 1-C. Assets, Liabilities and Equity

##### Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash in bank accounts and funds deposited in the State Treasurer's Local Government Investment Pool. Because the State Treasurer's Local Government Investment Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is deemed to be a cash equivalent. These funds are carried at cost which is not materially different than fair value.

##### Accounts Receivable

Based upon past experience, uncollectible receivables are deemed immaterial by management and no allowance has been provided.

##### Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

##### Capital Assets

Capital assets are stated at cost. Donated capital assets are recorded at their estimated fair market value when received. Only assets with a value over \$1,500 are capitalized. The Authority does include the cost of all infrastructure assets in capital assets. Assets held under capital leases are recorded at the lower of fair market value or the present value of future lease payments and amortized over the estimated life of the asset. Depreciation is calculated by the straight-line method over the estimated useful life of the depreciable property as follows:

Building and improvements	4 to 50 years
Airfield and general improvements	4 to 25 years
Office equipment	2 to 10 years
Maintenance equipment and vehicles	2 to 20 years
Assessments, plans and studies	4 to 20 years

##### Restricted Cash – BLM

This cash represents an amount required to be set aside as a performance bond by a communications use lease with the Bureau of Land Management. These funds are restricted as they must be held for the duration of the lease which terminates on December 31, 2031.

## FRIEDMAN MEMORIAL AIRPORT AUTHORITY

### NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2013

#### Restricted Cash – Passenger Facility Charges Funds

This cash represents Passenger Facility Charges (PFC) collections based on an approved FAA application to "impose" such charges on enplaned passengers at the Airport. These funds are restricted to funding designated capital projects.

#### Use of Restricted Resources

The Authority's policy is to first apply restricted resources when an eligible expenditure is made for which both restricted and unrestricted net position is available.

#### Budget

The Airport is required by state law to adopt an annual budget. The budgetary basis is accrual but differs from the basis of accounting used for the financial statements in the following ways:

1. Accruals of compensated absences are not budgeted.
2. Depreciation is a non-cash item and therefore not budgeted.
3. Passenger Facility Charges (PFC) are budgeted based on receipts but may be deferred for GAAP.
4. Interest earned on PFCs is budgeted as interest but reportable as PFC revenue for GAAP.
5. Capital asset purchases are budgeted but are reported as an asset instead of as an expense for GAAP.

#### Compensated Absences

All employees receive 96 hours of sick leave per year with no maximum accrual. Vacation is received based on years of service. Those having one to two years of service receive 80 hours of vacation annually and the hours received increase 8 hours per year for every two years of service. Compensated absences consist of accrued vacation, comp time and 25% of accrued sick leave that would be paid upon termination of employment.

#### Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimated.

#### Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

#### 1-D. Subsequent Events

Management has evaluated subsequent events through January ??, 2014, the date on which financial statements were available to be issued.

# FRIEDMAN MEMORIAL AIRPORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2013

### Note 2. Deposits and Investments

The following is a reconciliation of the Authority's deposit and investment balances as of September 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Cash on hand	\$ 50	\$ 50
Bank deposits	22,970	97,203
Repurchase agreement	181,511	238,999
State of Idaho Local Government Investment Pool	5,252,545	5,193,819
	<u>\$ 5,457,076</u>	<u>\$ 5,530,071</u>

The Authority invests in the State of Idaho Local Government Investment Pool. These funds can be liquidated at cost as needed and are carried at cost which is not materially different than fair value. The invested amounts at year end are as listed above.

#### Deposit and Investment Policy

The Authority's Investment Policy limits investments to interest-bearing accounts through approved and chosen financial institutions and the State of Idaho Local Government Investment Pool. The accounts are to be reviewed monthly by the Board's financial review committee.

#### Credit Risk

The Authority's investment policy limits investment choices to interest-bearing accounts at approved banks or the State of Idaho Local Government Investment Pool. As of September 30, 2013 and 2012, the Authority's deposits and investment had the following credit ratings:

<u>Investment</u>	<u>2013 Fair Value</u>	<u>2012 Fair Value</u>	<u>Credit Rating</u>
Mountain West Savings	\$ 17,308	\$ 91,623	None
Mountain West Certificate of Deposit	5,662	5,580	None
Mountain West repurchase agreement	181,511	238,999	None
State of Idaho Local Government Investment Pool	5,252,545	5,193,819	None

Investment by the Authority in State of Idaho Local Government Investment Pool is considered unclassified as to credit risk because they are not evidenced by securities that exist in physical or book entry form. The type of investments allowed is regulated by *Idaho Code* and oversight is provided by the Idaho State Treasurer's Office.

#### Custodial Credit Risk

The Authority's investment policy does not limit the amount of deposits in approved and chosen financial institutions.

As of September 30, 2013, the carrying amount of the Authority's bank deposits was \$204,481 and the respective bank balances totaled \$290,577. The Authority's deposits at September 30, 2013, were covered by \$250,000 of insurance from the Federal Depository Insurance Corporation and \$275,896 of collateral. None of these deposits were unsecured or uninsured. The securities serving as collateral are held in the name of the financial institution and not that of the Authority.

As of September 30, 2012, the carrying amount of the Authority's bank deposits was \$336,202 and the respective bank balances totaled \$376,657. The Authority's deposits at September 30, 2012, were covered by \$250,000 of insurance from the Federal Depository Insurance Corporation and \$280,388 of collateral. None of these deposits were unsecured or uninsured. The securities serving as collateral are held in the name of the financial institution and not that of the Authority.

# FRIEDMAN MEMORIAL AIRPORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2013

### Concentration of Credit Risk

The Authority's investment policy does not place limits on amounts invested in any one issuer. Pooled investments and investments issued or explicitly guaranteed by the U.S. Government are not considered a concentration of credit risk. On September 30, 2013 and 2012, the Authority did not have 5% or more of its deposits and investments with one issuer.

### Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Authority's investment policy limits their investments and deposits to interest-bearing accounts at approved and chosen financial institutions. The Authority had the following deposits and investments as of September 30, 2013 and 2012:

<u>Investment</u>	<u>2013 Fair Value</u>	<u>Weighted Average Duration</u>	<u>2012 Fair Value</u>	<u>Weighted Average Duration</u>
Repurchase agreement	\$ 181,511	1 day	\$ 238,999	1 day
Investment pool	5,252,545	121 days	5,193,819	121 days
Certificate of Deposit	5,662	2 years 16 days	5,580	3 years 16 days
Demand deposits	17,308	not applicable	91,623	not applicable

### **Note 3. Capital Assets**

Capital asset activity for the year ended September 30, 2013, was as follows:

	<u>Balance 9/30/2012</u>	<u>Increase</u>	<u>Decrease</u>	<u>Transfer</u>	<u>Balance 9/30/2013</u>
Nondepreciable capital assets:					
Land	\$ 6,712,067	\$	\$	\$	\$ 6,712,067
Construction in progress	8,017,411	817,105		(74,120)	8,760,396
Depreciable capital assets:					
Buildings and improvements	7,038,565	2,680	(3,970)		7,037,275
Airfield and general improvements	26,458,626	22,662	(72,952)		26,408,336
Office equipment	138,942	19,321	(18,326)		139,937
Maintenance equipment & vehicles	3,815,025	419,868	(74,209)	11,917	4,172,601
Assessments, plans & studies	2,124,770	38,387		62,203	2,225,360
	54,305,406	1,320,023	(169,457)	-	55,455,972
Accumulated depreciation	(21,432,444)	(1,644,873)	110,395		(22,966,922)
	<u>\$ 32,872,962</u>	<u>\$ (324,850)</u>	<u>\$ (59,062)</u>	<u>\$ -</u>	<u>\$ 32,489,050</u>

# FRIEDMAN MEMORIAL AIRPORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2013

### Note 3. Capital Assets (continued)

Capital asset activity for the year ended September 30, 2012, was as follows:

	Balance 9/30/2011	Increase	Decrease	Transfer	Balance 9/30/2012
Nondepreciable capital assets:					
Land	\$ 6,712,067	\$	\$	\$	\$ 6,712,067
Construction in progress	7,671,572	355,996		(10,157)	8,017,411
Depreciable capital assets:					
Depreciating capital assets:					
Buildings and improvements	6,949,110	89,455			7,038,565
Airfield and general improvements	26,274,696	173,773		10,157	26,458,626
Office equipment	100,585	43,621	(5,264)		138,942
Maintenance equipment & vehicles	3,802,186	12,839			3,815,025
Assessments, plans & studies	2,124,770				2,124,770
	53,634,986	675,684	(5,264)	-	54,305,406
Accumulated depreciation	(19,787,303)	(1,650,405)	5,264		(21,432,444)
	<u>\$ 33,847,683</u>	<u>\$ (974,721)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,872,962</u>

### Note 4. Accounts Receivable

The Airport manager, under the direction of the Airport, charges fees and rents for parking (aircraft and automobiles), landing of aircraft, fuel flowage, hangars and concession commissions. Landing fees are based on the weight of the aircraft while parking fees are based on the class and weight of each aircraft. Auto parking is on a commission basis. The Airport clerk posts these charges on a regular basis and bills each user.

Based upon past experience, uncollectible receivables are deemed immaterial by management.

The Authority's uncollected accounts as of September 30, 2013 and 2012, are as follows:

	2013	2012
Current	\$ 147,385	\$ 191,277
30-60 days	72	253
60-90 days	738	194
90 days and over	(15)	123
	<u>\$ 148,180</u>	<u>\$ 191,847</u>
Government grants receivable	<u>\$ 156,233</u>	<u>\$ 78,314</u>

### Note 5. Long-term Liabilities

Changes in long-term obligations for the year ended September 30, 2013, are as follows:

	Balance at 10/01/2012	Additions	Reductions	Balance 9/30/2013	Amount due within 1 year
Compensated absences	<u>\$ 157,664</u>	<u>\$ 13,717</u>	<u>\$ -</u>	<u>\$ 171,381</u>	<u>\$ -</u>

Changes in long-term obligations for the year ended September 30, 2012, are as follows:

	Balance at 10/01/2011	Additions	Reductions	Balance 9/30/2012	Amount due within 1 year
Compensated absences	<u>\$ 159,553</u>	<u>\$ -</u>	<u>\$ 1,889</u>	<u>\$ 157,664</u>	<u>\$ -</u>

# FRIEDMAN MEMORIAL AIRPORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2013

### Note 6. Pension Plan

The Authority adopted a Simplified Employee Pension Plan (SEP) which became effective January 1, 1998. Vesting in the plan is immediate and all employees whose compensation exceeds \$450 and have performed services in at least one of the immediately preceding 5 years receive contributions. Plan contributions were \$98,328 for the year ended September 30, 2013, and \$97,111 for the year ended September 30, 2012.

### Note 7. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the Authority purchases commercial insurance. There has been no significant reduction in insurance coverage in the current year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

### Note 8. Concentrations

The Authority enters into contracts with service providers at the Airport. Because of physical space limitations at the airfield, there are limited facilities available for service providers. During the current year, there were two airlines that provide scheduled commercial service, one fuel supplier, one fixed-base operator, one gift shop, one car park and two rental car agencies.

### Note 9. Lease Revenue

The Airport leases its property to commercial airlines, car rental companies, concessionaires, fixed base operators who service the airline industry and hanger operations. The airlines have annual renewal dates and some concessionaires are month to month. The long-term leases can only be terminated by buying out the lease and vary from 3 to 20 years. Some of these leases are increased annually by an inflation factor based on the CPI. These inflation rates are unknown and have not been included in amounts calculated. The net book value of property held for operating lease as of September 30, 2013, is \$563,333, not including the value of the land leased by hangar owners/operators. No allocation of land values between leased and utilized land has been done. The projected lease revenue at current rates is as follows:

Year Ended September 30	
2014	\$ 982,073
2015	668,381
2016	660,218
2017	246,828
2018	301,841
2019 to 2023	1,299,137
2024 to 2028	486,553
Total	<u>\$ 4,645,031</u>

# FRIEDMAN MEMORIAL AIRPORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS For the Year Ended September 30, 2013

### Note 10. Passenger Facility Charges

Passenger Facility Charges (PFC) at the rate of \$4.50 per enplaned passenger have been imposed by the Authority under a Federal Aviation Administration (FAA) approved application effective January 1, 2014 until the later of collecting \$527,500 or January 1, 2016. The total amount has been approved for use.

PFC revenue is used as matching funds for capital projects funded with Airport Improvement Project funds. There was deferred revenue of \$91,530 at September 30, 2012, and \$0 at September 30, 2013.

The following schedule shows the amounts collected and expended:

	<u>2013</u>		<u>2012</u>	
	<u>Receipts</u>	<u>Expenditures</u>	<u>Receipts</u>	<u>Expenditures</u>
PFC 11-07-C-00-SUN	\$ 129,932	\$ -	\$ 206,500	\$ 131,824
PFC 12-08-C-00-SUN	82,822	400,103	-	-

### Note 11. Capital Contributions

During the years ended September 30, 2013 and 2012, the Authority received the following capital contributions:

	<u>2013</u>	<u>2012</u>
Federal grants	\$ 742,523	\$ 131,940
State grants	-	20,000
Other sources	-	-
	<u>\$ 742,523</u>	<u>\$ 151,940</u>

### Note 12. Commitments

The Authority had four open grants from the U.S. Department of Transportation Airport Improvement Program (AIP) as of September 30, 2013. A summary of these projects is as follows:

<u>Project Description</u>	<u>Total Budget</u>	<u>Federal Awards</u>	<u>Expenditures to date</u>
AIP 38 Construct runway safety areas planning	\$ 737,984	\$ 691,860	\$ 582,414
AIP 39 Construct access road, apron, taxiway, install perimeter fence, remove obstructions and rehabilitate apron	2,383,738	2,234,754	234,237
AIP 03 Conduct environmental study for replacement airport for Friedman Memorial Airport, Hailey, Idaho (Phase 3)	477,703	453,818	477,703
AIP 04 Conduct environmental study for replacement airport for Friedman Memorial Airport, Hailey, Idaho (Phase 4)	2,631,579	2,500,000	2,631,579
	<u>\$ 6,231,004</u>	<u>\$ 5,880,432</u>	<u>\$ 3,925,933</u>

FRIEDMAN MEMORIAL AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended September 30, 2013

**Note 13. Contingencies**

The 2004 Master Plan adopted by the Authority and accepted by the FAA on August 12, 2004, concluded that a new airport is the best long-term solution for aviation safety and for meeting the air transportation needs of the Wood River Valley and surrounding communities. The Authority agreed that new airport issues would be addressed in various future feasibility studies. Conclusions also indicated that interim improvements would need to be made to the current facility. Both safety and capacity improvements will continue to be made at the current site so that it may continue to function at the highest levels. AIP 38 thru AIP 04 are all projects developed to implement the 2004 Master Plan vision and to search for a new airport location to resolve aviation safety and air transport needs and to make interim improvements while the relocation is studied and implemented. On August 22, 2011, the FAA notified the Authority that the Replacement Airport Environmental Impact Statement was suspended indefinitely due to increased anticipated costs and potential impacts to wildlife. Specifically, the FAA was concerned that the replacement airport project may not be affordable for either the FAA or the local community. The Authority held public discussions with the community and determined that there was a desire to identify any possible short-term mitigation available at the existing site while continuing to pursue the ultimate goal of a replacement airport at another site. At the FAA's direction, the Authority conducted an Airport Alternatives Technical Analysis to identify all conceivable configurations and options that could be implemented at the existing airport site. At the end of the current fiscal year, the Authority began a series of construction projects to implement Alternative 6 of the Airport Alternatives Technical Analysis. The Authority will continue to determine the need to locate a site for a replacement airport.

**Note 14. Related Party Transactions**

The City of Hailey, Idaho is one of the entities that created the Authority by entering into a Joint Powers Agreement. The Authority contracts with the City of Hailey for certain security services and reimburses the City for the cost of these services. The Authority also pays the City of Hailey for sewer, water and garbage collection at the same rates as other customers. Other services may also be contracted for at comparable rates as others are charged. The amounts paid for these services are as follows:

	<u>2013</u>	<u>2012</u>
Security services	\$ 4,012	\$ 160,292
Utilities	8,818	9,009

The amount due to the City of Hailey at September 30, 2013, was \$1,487 and was paid within 30 days.



**SUPPLEMENTARY INFORMATION**

DRAFT

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN  
NET ASSETS - BUDGET AND ACTUAL**

**For the Year Ended September 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary</u>	<u>Positive</u>
			<u>Basis</u>	<u>(Negative)</u>
<b>Operating Revenue:</b>				
Airlines	\$ 185,400	\$ 185,400	\$ 176,753	\$ (8,647)
Automobile rental	401,800	401,800	389,427	(12,373)
Auto parking	70,000	70,000	85,789	15,789
Rents, fees, commissions and leases	1,304,173	1,304,173	1,306,635	2,462
Fuel flowage fees	172,000	172,000	190,494	18,494
Other operating revenue	-	-	35,512	35,512
Total Operating Revenue	<u>2,133,373</u>	<u>2,133,373</u>	<u>2,184,610</u>	<u>51,237</u>
<b>Operating Expenses:</b>				
Employee wages, benefits and taxes	1,207,597	1,207,597	1,176,643	30,954
Supplies	93,500	93,500	59,234	34,266
Utilities	89,510	89,510	80,711	8,799
Services and contracts	355,145	355,145	378,053	(22,908)
Repairs and maintenance	108,000	108,000	90,988	17,012
Insurance	68,150	68,150	67,930	220
Other operating expense	110,800	110,800	69,009	41,791
Total Operating Expenses	<u>2,032,702</u>	<u>2,032,702</u>	<u>1,922,568</u>	<u>110,134</u>
Operating Income	<u>100,671</u>	<u>100,671</u>	<u>262,042</u>	<u>161,371</u>
<b>Nonoperating Revenue and (Expenses):</b>				
Passenger Facility Charges	213,000	213,000	212,542	(458)
Interest income	14,000	14,000	8,896	(5,104)
Contribution income	-	-	-	-
Total Nonoperating Revenue and (Expenses)	<u>227,000</u>	<u>227,000</u>	<u>221,438</u>	<u>(5,562)</u>
<b>Capital Contributions</b>	<u>4,660,000</u>	<u>4,660,000</u>	<u>742,523</u>	<u>(3,917,477)</u>
<b>Capital Expenditures</b>	<u>5,427,771</u>	<u>5,427,771</u>	<u>1,320,023</u>	<u>4,107,748</u>
<b>Change in Net Position</b>	<u>\$ (440,100)</u>	<u>\$ (440,100)</u>	<u>\$ (94,020)</u>	<u>\$ 346,080</u>

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**  
**RECONCILIATION OF BUDGETARY BASIS TO GAAP**  
**For the Year Ended September 30, 2013**

	<u>Actual Budgetary Basis</u>	<u>GAAP Basis</u>	<u>Difference</u>	<u>Number of Explanation</u>
<b>Operating Revenue:</b>				
Airlines	\$ 176,753	\$ 176,753	\$ 0	
Automobile rental	389,427	389,427	0	
Auto parking	85,789	85,789	0	
Rents, fees, commissions and leases	1,306,635	1,306,635	0	
Fuel flowage fees	190,494	190,494	0	
Other operating revenue	35,512	35,512	0	
Total Operating Revenue	<u>2,184,610</u>	<u>2,184,610</u>	<u>-</u>	
<b>Operating Expenses:</b>				
Employee wages, benefits and taxes	1,176,643	1,190,186	13,543	1
Supplies	59,234	59,234	0	
Utilities	80,711	80,711	0	
Services and contracts	378,053	378,053	0	
Repairs and maintenance	90,988	90,988	0	
Insurance	67,930	67,930	0	
Other operating expense	69,009	69,009	0	
Depreciation		1,644,873	1,644,873	2
Total Operating Expenses	<u>1,922,568</u>	<u>3,580,984</u>	<u>1,658,416</u>	
Operating Income	<u>262,042</u>	<u>(1,396,374)</u>	<u>(1,658,416)</u>	
<b>Nonoperating Revenue and (Expenses):</b>				
Passenger Facility Charges	212,542	304,284	91,742	3, 4
Interest income	8,896	8,684	(212)	4
Total Nonoperating Revenue and (Expenses)	<u>221,438</u>	<u>312,968</u>	<u>91,530</u>	
Capital Contributions	<u>742,523</u>	<u>742,523</u>	<u>-</u>	
Capital Expenditures	<u>1,320,023</u>	<u>-</u>	<u>1,320,023</u>	5
Change in Net Position	<u>\$ (94,020)</u>	<u>\$ (340,883)</u>	<u>\$ (246,863)</u>	

1. Accruals of compensated absences are not budgeted.
2. Depreciation is a noncash item and therefore not budgeted.
3. Passenger facility charges (PFC) are budgeted based on receipts but may be deferred for GAAP.
4. Interest earned on PFCs is budgeted as interest but reportable as PFC revenue for GAAP.
5. Capital asset purchases are budgeted but are reported as an asset instead of as an expense for GAAP.

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

**OMB CIRCULAR A-133  
SUPPLEMENTARY FINANCIAL REPORT**

**September 30, 2013**

**DRAFT**

**OMB CIRCULAR A-133  
SUPPLEMENTARY FINANCIAL REPORT**

**CONTENTS**

	Page
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	26-27
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133.....	28-29
Schedule of Expenditures of Federal Awards .....	30
Notes to Schedule of Expenditures of Federal Awards .....	31
Schedule of Findings and Questioned Costs .....	32-33
Summary Schedule of Prior Audit Findings.....	34

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of  
Freidman Memorial Airport Authority  
Hailey, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Friedman Memorial Airport Authority, as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise Friedman Memorial Airport Authority's basic financial statements, and have issued our report thereon dated January ??, 2014.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Freidman Memorial Airport Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Friedman Memorial Airport Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matter**

As part of obtaining reasonable assurance about whether Friedman Memorial Airport Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Simmons and Clubb  
Certified Public Accountants

Boise, Idaho  
January ??, 2014

DRAFT

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of  
Friedman Memorial Airport Authority  
Hailey, Idaho

**Report on Compliance for Each Major Federal Program**

We have audited Friedman Memorial Airport Authority's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on Friedman Memorial Airport Authority's major federal program for the year ended September 30, 2013. Friedman Memorial Airport Authority's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance of Friedman Memorial Airport Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Friedman Memorial Airport Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Friedman Memorial Airport Authority's compliance.

**Opinion on Each Major Federal Program**

In our opinion, Friedman Memorial Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2013.



## Report on Internal Control Over Compliance

Management of Friedman Memorial Airport Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures appropriate in the circumstances for the purpose of expressing an opinion on compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of Friedman Memorial Airport Authority's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Simmons and Clubb  
Certified Public Accountants

Boise, Idaho  
January ??, 2014

DRAFT

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended September 30, 2013**

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<u>U.S. Department of Transportation</u> Airport Improvement Program	20.106	<u>\$ 742,523</u>
Total Federal Financial Assistance		<u>\$ 742,523</u>

DRAFT

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**  
**NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended September 30, 2013**

**Note 1.      Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Friedman Memorial Airport Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

DRAFT

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended September 30, 2013**

Summary of Auditors' Results

**Financial Statements**

Type of auditors' report issued: unqualified opinion

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_\_\_ Yes      X      No
- Reportable conditions identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes      X      No

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes      X      No

**Federal Awards**

Internal control over major programs:

- Material weaknesses identified? \_\_\_\_\_ Yes      X      No
- Reportable conditions identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes      X      None reported

Type of auditors' report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

\_\_\_\_\_ Yes      X      No

Identification of major programs:

CFDA Number(s)

20.106

Name of Federal Program or Cluster

Airport Improvement Program

Dollar threshold used to distinguish between type A and type B programs:

\$300,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ Yes      X      No

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended September 30, 2013**

Findings Relating to the Financial Statements

There were no findings relating to the financial statements which were required to be reported in accordance with GAGAS.

Findings and Questioned Cost for Federal Awards

There were no findings and questioned cost for Federal award which we are required to report under § \_\_\_\_, 510(a)

DRAFT

**FRIEDMAN MEMORIAL AIRPORT AUTHORITY**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For the Year Ended September 30, 2013**

There are no audit findings of Friedman Memorial Airport Authority which were reported for the year ended September 30, 2012.

DRAFT

**MINUTES OF A REGULAR MEETING  
OF THE ATTACHMENT #2  
FRIEDMAN MEMORIAL AIRPORT AUTHORITY\***

**December 3, 2013  
5:30 P.M.**

**IN ATTENDANCE:**

**BOARD MEMBERS:** Chairman – Ron Fairfax, Vice-Chairman – Susan McBryant, Board – Lawrence Schoen, Angenie McCleary, Fritz Haemmerle, Don Keirn

**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, Administrative Assistant/Alternate Airport Security Coordinator – Roberta Christensen, Administrative Assistant/IT Systems Maintenance Coordinator – April Dieter, Administrative Assistant – Cecilia Vega

**AIRPORT LEGAL COUNSEL:** Luboviski, Wygle, Fallowfield & Ritzau – Barry Luboviski; Lawson Laski Clark & Pogue, PLLC – Jim Laski

**CONSULTANTS:** T-O Engineers – Dave Mitchell, Bill Russell; ANTICIPATE – Candice Pate; R/L/B – Nicholas Latham

**AIRPORT TENANTS/PUBLIC:** Don Hudson, Felicity Roberts, Evan Stelma, Donna Serrano, Glass Cockpit Aviation – John Strauss; BCPA – Jim Perkins, Atlantic Aviation – Mike Rasch, SkyWest Airlines – Tom Christian, Dave Tackett; ATCT – George White; FSVA – Carol Waller

**CALL TO ORDER:**

The meeting was called to order at 5:35 p.m. by Chairman Fairfax.

**I. APPROVE AGENDA**

The agenda was approved as presented.

**II. PUBLIC COMMENT**

No public comment was made.

**III. AIRPORT STAFF BRIEF**

**A. Employee of the 3<sup>rd</sup> Quarter, 2013 (See Brief)**

Airport Manager Baird announced that Mr. Tom Christian of SkyWest Airlines was selected as the Employee of the 3<sup>rd</sup> Quarter for Calendar Year 2013. He congratulated Mr. Christian and thanked him for his efforts and service to Friedman Memorial Airport.

Chairman Fairfax thanked Mr. Christian on behalf of the Board for all he does for the Airport.

**IV. APPROVE FMAA  
MEETING MINUTES**

**A. November 5, 2013 Regular Meeting (See Brief)**

The November 5, 2013 Friedman Memorial Airport Authority Meeting Minutes were approved as presented:

**MOTION:**

***Made by Board Member McCleary to approve the November 5, 2013 Friedman Memorial Airport Authority Regular Meeting Minutes as presented. Seconded by Vice-Chairman McBryant.***

**PASSED UNANIMOUSLY**

**B. November 7, 2013 Special Meeting (See Brief)**

The November 7, 2013 Friedman Memorial Airport Authority Meeting Minutes were approved as presented:

**MOTION:**

*Made by Board Member McCleary to approve the November 7, 2013 Friedman Memorial Airport Authority Special Meeting Minutes as presented. Seconded by Vice-Chairman McBryant.*

**PASSED UNANIMOUSLY**

**V. REPORTS**

**A. Chairman Report**

Chairman Fairfax presented Attorney Luboviski with a gift of appreciation for his years of dedicated service to the Friedman Memorial Airport Authority on behalf of Board and Staff.

Attorney Luboviski thanked the Board and Staff for their gift and expressed that it has been a pleasure to serve the Board and work with Airport Staff.

**B. Blaine County Report**

Board Member Schoen announced that a news reporter from KMVT attended the Blaine County Commissioner's meeting held today and interviewed a County representative and the Airport Manager regarding the recent changes occurring at the Friedman Memorial Airport.

**C. City of Hailey Report**

Board Member Haemmerle reported that the Hailey City Council held two separate meetings on the subject of airport expansion, as it is a matter they take very seriously. The City has concluded that if expansion is deemed necessary, the Joint Powers Agreement would need to be modified in order to allow it. He requested that Staff notify the Board far in advance if there are items that require expansion, so discussions amongst the City and County can begin.

**D. Airport Manager Report**

Airport Manager Baird reported that there will be a celebration at the Airport terminal to welcome the inaugural United Airlines flight on December 12<sup>th</sup> and the Board is encouraged to attend the event.

**E. Communications Director Report**

Communications Director Pate reported that the November Airport Tour and Coffee Talk went well and public interest in the events and the Airport Solutions Newsletters remain high. She reported that advertising campaigns continue to be developed in order to ensure that the messaging is collaborative and benefits all.

**VI. AIRPORT STAFF BRIEF  
(cont.)**

**A. Noise Complaints (See Brief)**

**B. Parking Lot Update (See Brief)**

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

**D. Review Correspondence (See Brief)**



**E. Airport Weather Interruptions (See Brief)**

**F. Administrative Brief (See Brief)**

**VII. UNFINISHED BUSINESS**

**A. Airport Solutions**

**1. Existing Site**

**a. Plan to Meet 2015 Congressional Safety Area Requirement**

**i. Modifications of Standards**

T-O Engineer Dave Mitchell updated the Board on the current status of the Modifications of Standards (MOS) document.

**ii. Formulation (See Brief)**

Engineer Mitchell updated the Board on the current status of the RSA Formulation Project.

Board Member Haemmerle commented that, with respect to taxiway/runway configuration at the runway north end, the City would like to proceed with Alternative 3 and not pursue Alternative 1, which would entail property acquisition.

Airport Manager Baird stated that Staff had been directed by the Board to gather information regarding the properties in question. He went on to say that he interprets the property owners' unreceptive response as having triggered one of the FAA's conditions that would not make land acquisition feasible.

Board Member Schoen suggested that the reasonable course of action would be to move forward with Alternative 3 based on the FAA's criteria of what is feasible for land acquisition. He also commented that he feels the City has undermined the Board's process as an Airport Authority by voting on land acquisition matters before the gathered information could be reviewed as a Board.

Board Member McCleary agreed with Board Member Schoen's comment and supported pursuing Alternative 3.

Board Member Haemmerle stated that the process of the Airport Authority failed when the Board was not given notice of the land acquisition in a timely manner before the November Board Meeting. He commented that land acquisition requires a discussion with the City as a political subdivision and the City did nothing nefarious to block the process in any way.

Vice-Chairman McBryant agreed with Board Member Haemmerle's comments and added that it is important for the City to talk about expansions. She also commented that she is concerned that Alternative 3 does not increase runway safety but further reduces the non-standardized state of the runway.

Chairman Fairfax commented that he is concerned with Alternative 3's non-standard angled connector as it isn't standard to the aircraft that use the Airport. He reminded that Board that the goal of these improvements is to make a standard Airport for the aircraft that currently use the Airport.

Board Member Schoen commented that Alternative 1 consists of a minor property acquisition to satisfy a real and significant operational safety concern and he did not see it as a major policy departure in terms of meeting the safety requirements for operations.

Chairman Fairfax directed Staff to proceed with Alternative 3 due to the landowners' unwillingness to sell the property as well as the City's desire to not expand.

Board Member McCleary suggested that the Board work to clarify communications and timing amongst themselves in order to find a balanced distribution of information to the City and County as far in advance as possible, without excluding information from either party.

Glasscockpit Aviation owner John Strauss commented that a non-standard angled taxiway is not a minor modification from the pilot's perspective and adding an additional non-standard pathway seems a little harsh. He also commented that he often receives inquiries from other pilots asking if the Airport is improving or if it remains contentious and it seems that it is now more contentious than ever.

Board Member Haemmerle commented that there will always be a certain amount of contention regarding the Airport and he cannot be concerned more about offending someone than looking after the best interest of the City.

The Board discussed technical aspects of Engineer Mitchell's presentation including funding and scheduling for upcoming projects.

### **iii. Phase 1 Construction Project**

Engineer Mitchell updated the Board on the current status of Phase 1 of the RSA Improvements Construction Project.

### **iv. Project 2 Construction Project (See Brief)**

Engineer Mitchell briefed the Board on the Scope of Work and status of the prequalification process for Project 2 of the RSA Improvements Construction Project.

**MOTION:**                    ***Made by Board Member Schoen to approve Work Order 14-01 Scope of Work for Project 2 of the RSA Improvements Project to relocate/extend Taxiway B and runway safety area grading. Seconded by Board Member Keirn.***

***PASSED UNANIMOUSLY***

The Board agreed to hold a special meeting on Wednesday, December 18 at 9:00 am to review and discuss the prequalification applications.

### **v. Architectural Projects**

Engineer Mitchell updated the Board on the current status of the planning for the upcoming architectural projects.

## **b. Retain/Improve/Develop Air Service**

**i. Fly Sun Valley Alliance Report**

Fly Sun Valley Alliance representative, Carol Waller, gave the Board a presentation regarding the recently passed LOT and the 2013 Airport Passenger Survey Annual Results Summary.

The Board discussed technical aspects of Ms. Waller's report and thanked her for the presentation and helpful information.

**ii. Small Community Air Service Development Program Grant (See Brief)**

**2. Airport Relocation**

**a. EIS Termination (See Brief)**

**VIII. PUBLIC COMMENT**

No public comment was made.

**IX. ADJOURNMENT**

The December 3, 2013 Regular Meeting of the Friedman Memorial Airport Authority was adjourned at approximately 7:43 p.m.

---

Lawrence Schoen, 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.*

11:55 AM

12/23/13

Accrual Basis

# Friedman Memorial Airport

## Profit & Loss Budget vs. Actual (Combined '14)

### October 2013

#### Ordinary Income/Expense

##### Income

##### 4000-00 - AIRCARRIER

4000-01 - Aircarrier - Lease Space	7,043.37	84,600.00			8.3%
4000-02 - Aircarrier - Landing Fees	4,537.96	101,200.00		-77,556.63	4.5%
4000-03 - Aircarrier - Gate Fees	100.00	1,200.00		-1,100.00	8.3%
4000-04 - Aircarrier - Utility Fees	30.00	7,600.00		-7,570.00	0.4%
4010-05 - Aircarrier - '11 PFC Application	0.00	216,000.00		-216,000.00	0.0%
4010-06 - Aircarrier - '12 PFC App	13,533.73				

##### Total 4000-00 - AIRCARRIER

	25,245.06	410,600.00		-385,354.94	6.1%
--	-----------	------------	--	-------------	------

##### 4020-00 - TERMINAL AUTO PARKING REVENUE

4020-01 - Automobile Parking - Terminal	7,567.62	80,000.00		-72,432.38	9.5%
---	----------	-----------	--	------------	------

##### Total 4020-00 - TERMINAL AUTO PARKING REVENUE

	7,567.62	80,000.00		-72,432.38	9.5%
--	----------	-----------	--	------------	------

##### 4030-00 - AUTO RENTAL REVENUE

4030-01 - Automobile Rental - Commission	18,783.67	350,000.00		-331,216.33	5.4%
4030-02 - Automobile Rental - Counter	700.76	7,500.00		-6,799.24	9.3%
4030-03 - Automobile Rental - Auto Prkng	1,590.00	29,100.00		-27,510.00	5.5%
4030-04 - Automobile Rental - Utilities	0.00	400.00		-400.00	0.0%
4030-05 - Automobile Rental - Off. Airprt.	666.51	25,000.00		-24,333.49	2.7%

##### Total 4030-00 - AUTO RENTAL REVENUE

	21,740.94	412,000.00		-390,259.06	5.3%
--	-----------	------------	--	-------------	------

##### 4040-00 - TERMINAL CONCESSION REVENUE

4040-01 - Terminal Shops - Commission	0.00	1,200.00		-1,200.00	0.0%
4040-02 - Terminal Shops - Lease Space	218.16	6,120.00		-5,901.84	3.6%
4040-03 - Terminal Shops - Utility Fees	0.00	600.00		-600.00	0.0%
4040-10 - Advertising - Commission	913.75	35,000.00		-34,086.25	2.6%
4040-11 - Vending Machines - Commission	253.24				
4040-12 - Terminal ATM	7.90				

##### Total 4040-00 - TERMINAL CONCESSION REVENUE

	1,393.05	42,920.00		-41,526.95	3.2%
--	----------	-----------	--	------------	------

##### 4050-00 - FBO REVENUE

4050-01 - FBO - Lease Space	17,407.83	230,000.00		-212,592.17	7.6%
4050-02 - FBO - Tiedown Fees	14,317.20	312,500.00		-298,182.80	4.6%
4050-03 - FBO - Landing Fees - Trans.	12,660.76	287,500.00		-274,839.24	4.4%
4050-04 - FBO - Commission	936.69	20,000.00		-19,063.31	4.7%

##### Total 4050-00 - FBO REVENUE

	45,322.48	850,000.00		-804,677.52	5.3%
--	-----------	------------	--	-------------	------

##### 4060-00 - FUEL FLOWAGE REVENUE

4060-01 - Fuel Flowage - FBO	6,621.28	200,000.00		-193,378.72	3.3%
------------------------------	----------	------------	--	-------------	------

##### Total 4060-00 - FUEL FLOWAGE REVENUE

	6,621.28	200,000.00		-193,378.72	3.3%
--	----------	------------	--	-------------	------

##### 4070-00 - TRANSIENT LANDING FEES REVENUE

4070-02 - Landing Fees - Non-Comm./Gov't	306.48	500.00		-193.52	61.3%
--	--------	--------	--	---------	-------

##### Total 4070-00 - TRANSIENT LANDING FEES REVENUE

	306.48	500.00		-193.52	61.3%
--	--------	--------	--	---------	-------

Friedman Memorial Airport  
Profit & Loss Budget vs. Actual (Combined '14)  
October 2013

	Oct 13	Budget	\$ Over Budget	% of Budget
4080-00 · HANGARS REVENUE				
4080-01 · Land Lease - Hangar	74,444.80	495,000.00	-420,555.20	15.0%
4080-02 · Land Lease - Hangar/Trans. Fee	420.00			
4080-03 · Land Lease - Hangar/Utilities	184.53	1,400.00	-1,215.47	13.2%
4080-20 · Land Lease - Government Revenue	1,731.73	7,150.00	-5,418.27	24.2%
Total 4080-00 · HANGARS REVENUE	76,781.06	503,550.00	-426,768.94	15.2%
4090-00 · TIEDOWN PERMIT FEES REVENUE				
4090-01 · Tiedown Permit Fees (FMA)	12,498.28	16,000.00	-3,501.72	78.1%
Total 4090-00 · TIEDOWN PERMIT FEES REVENUE	12,498.28	16,000.00	-3,501.72	78.1%
4100-00 · POSTAL CARRIERS REVENUE				
4100-01 · Postal Carriers - Landing Fees	820.12	9,000.00	-8,179.88	9.1%
4100-02 · Postal Carriers - Tiedown	2,970.00			
Total 4100-00 · POSTAL CARRIERS REVENUE	3,790.12	9,000.00	-5,209.88	42.1%
4110-00 · MISCELLANEOUS REVENUE				
4110-06 · Misc. - Security-Prox. Cards	17,820.00	27,000.00	-9,180.00	66.0%
Total 4110-00 · MISCELLANEOUS REVENUE	17,820.00	27,000.00	-9,180.00	66.0%
4120-00 · GROUND TRANSP. PERMIT REVENUE				
4120-01 · Ground Transportation Permit	0.00	14,000.00	-14,000.00	0.0%
4120-02 · GTSP - Trip Fee	300.00	3,000.00	-2,700.00	10.0%
Total 4120-00 · GROUND TRANSP. PERMIT REVENUE	300.00	17,000.00	-16,700.00	1.8%
4400-00 · TSA				
4400-02 · Terminal Lease	545.37	6,600.00	-6,054.63	8.3%
Total 4400-00 · TSA	545.37	6,600.00	-6,054.63	8.3%
4520-00 · INTEREST INCOME				
4520-06 · Interest Income - '12 PFC	0.15			
4600-00 · Interest Income - General	546.75	12,000.00	-11,453.25	4.6%
Total 4520-00 · INTEREST INCOME	546.90	12,000.00	-11,453.10	4.6%
4738-00 · Existing Site Improvement				
4738-01 · AIP '38	0.00	400,000.00	-400,000.00	0.0%
4738-00 · Existing Site Improvement - Other	33,063.00			
Total 4738-00 · Existing Site Improvement	33,063.00	400,000.00	-366,937.00	8.3%
4739-00 · AIP 39 - Safety Area Proj. Imp.				
4739-01 · AIP '39 Project I	43,463.00	500,000.00	-456,537.00	8.7%
Total 4739-00 · AIP 39 - Safety Area Proj. Imp.	43,463.00	500,000.00	-456,537.00	8.7%
4740-00 · AIP 40 - Safety Area Proj. Imp.				
4740-01 · AIP '40 Project II	0.00	15,000,000.00	-15,000,000.00	0.0%
Total 4740-00 · AIP 40 - Safety Area Proj. Imp.	0.00	15,000,000.00	-15,000,000.00	0.0%

Friedman Memorial Airport  
Profit & Loss Budget vs. Actual (Combined '14)  
October 2013

	Oct 13	Budget	\$ Over Budget	% of Budget
Total Income	297,004.64	18,487,170.00	-18,190,165.36	1.6%
Gross Profit	297,004.64	18,487,170.00	-18,190,165.36	1.6%

11:55 AM

12/23/13

Accrual Basis

# Friedman Memorial Airport

## Profit & Loss Budget vs. Actual (Combined '14)

October 2013

Expense	Oct 13	Budget	\$ Over Budget	% of Budget
<b>EXPENDITURES</b>				
<b>"A" EXPENSES</b>				
5000-01 · Salaries - Airport Manager	10,643.34	127,402.00	-116,758.66	8.4%
5010-00 · Salaries -Contracts/Finance Adm	7,222.80	84,975.00	-77,752.20	8.5%
5010-01 · Salaries - Office Assist.	14,388.39	168,726.96	-154,338.57	8.5%
5020-00 · Salaries - ARFF/OPS Chief	7,222.80	84,975.00	-77,752.20	8.5%
5030-00 · Salaries - ARFF/OPS Specialist	25,196.56	309,170.06	-283,973.50	8.1%
5040-00 · Salaries-ASC/Sp.Prjct./Ex. Assi	5,513.70	60,966.69	-55,452.99	9.0%
5050-00 · Salaries - Temp.	0.00	15,000.00	-15,000.00	0.0%
5050-02 · Salaries - Merit Increase	0.00	19,392.11	-19,392.11	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	8,148.79	102,761.11	-94,612.32	7.9%
5110-00 · Social Security/Medicare	5,215.84	67,710.81	-62,494.97	7.7%
5120-00 · Life Insurance	166.26	2,000.00	-1,833.74	8.3%
5130-00 · Medical Insurance	12,297.90	166,924.92	-154,627.02	7.4%
5160-00 · Workman's Compensation	0.00	15,000.00	-15,000.00	0.0%
<b>Total "A" EXPENSES</b>	<b>96,016.38</b>	<b>1,239,504.66</b>	<b>-1,143,488.28</b>	<b>7.7%</b>
<b>"B" EXPENDITURES</b>				
<b>"B" EXPENSES - ADMINISTRATIVE</b>				
6000-00 · TRAVEL EXPENSE				
6000-01 · Travel	16.00	15,000.00	-14,984.00	0.1%
<b>Total 6000-00 · TRAVEL EXPENSE</b>	<b>16.00</b>	<b>15,000.00</b>	<b>-14,984.00</b>	<b>0.1%</b>
6010-00 · SUPPLIES/EQUIPMENT EXPENSE				
6010-01 · Supplies - Office	823.61	13,000.00	-12,176.39	6.3%
6010-03 · Supplies - Computer	30.99			
<b>Total 6010-00 · SUPPLIES/EQUIPMENT EXPENSE</b>	<b>854.60</b>	<b>13,000.00</b>	<b>-12,145.40</b>	<b>6.6%</b>
6020-00 · INSURANCE				
6020-01 · Insurance - Liability	10,216.00	19,425.00	-9,209.00	52.6%
6020-02 · Insurance - Public Officials	4,081.00	14,700.00	-10,619.00	27.8%
6020-03 · Insurance-Bldg/Unic.Veh./Prop	30,814.00	31,920.00	-1,106.00	96.5%
6020-04 · Insurance - Licensed Vehicles	5,552.00	6,195.00	-643.00	89.6%
6020-05 · Insurance - Crime	0.00	660.00	-660.00	0.0%
<b>Total 6020-00 · INSURANCE</b>	<b>50,663.00</b>	<b>72,900.00</b>	<b>-22,237.00</b>	<b>69.5%</b>
6030-00 · UTILITIES				
6030-01 · Utilities - Gas/Terminal	206.72	13,000.00	-12,793.28	1.6%
6030-02 · Utilities - Gas/Maintenance	241.52	7,000.00	-6,758.48	3.5%
6030-03 · Utilities - Elect./Runway&PAPI	570.53	6,700.00	-6,129.47	8.5%
6030-04 · Utilities - Elec./Office/Maint.	735.70	11,000.00	-10,264.30	6.7%
6030-05 · Utilities - Electric/Terminal	2,181.78	11,000.00	-8,818.22	19.8%
6030-06 · Utilities - Telephone	1,032.25	17,000.00	-15,967.75	6.1%

Friedman Memorial Airport  
Profit & Loss Budget vs. Actual (Combined '14)  
October 2013

	Oct 13	Budget	\$ Over Budget	% of Budget
6030-07 · Utilities - Water	55.68	1,200.00	-1,144.32	4.6%
6030-08 · Utilities - Garbage Removal	814.20	8,500.00	-7,685.80	9.6%
6030-09 · Utilities - Sewer	176.13	1,500.00	-1,323.87	11.7%
6030-10 · Utilities - Elec./Sewer	15.80	500.00	-484.20	3.2%
6030-11 · Utilities - Electric/Tower	364.25	5,000.00	-4,635.75	7.3%
6030-12 · Utilities - Elec./Brdrfd.Hghl	60.16	900.00	-825.59	8.3%
6030-15 · Utilities - Elec/AWOS	74.41	210.00	-198.01	5.7%
6030-16 · Utilities - Elec. Wind Cone	11.99			
6030-17 · Utilities - Elec.- Rosenberg	5.30			
6040-01 · Service Provider - Weather	51.00	4,000.00	-3,949.00	1.3%
6040-02 · Service Provider - Term. Music	72.88	1,000.00	-927.12	7.3%
6040-03 · Service Provider - Internet/ISP	450.00	6,500.00	-6,050.00	6.9%
6040-05 · Service Provider - ISP/Terminal	150.00	2,000.00	-1,850.00	7.5%
6040-06 · Service Provider - SSI Movement	0.00	12,000.00	-12,000.00	0.0%
Total 6030-00 · UTILITIES	7,270.30	109,010.00	-101,739.70	6.7%
6050-00 · PROFESSIONAL SERVICES				
6050-01 · Professional Services - Legal	1,555.35	35,000.00	-33,444.65	4.4%
6050-02 · Professional Services - Audit	330.00	30,000.00	-29,670.00	1.1%
6050-03 · Professional Services - Engineer	1,300.00	10,000.00	-8,700.00	13.0%
6050-04 · Professional Services - ARFF	0.00	2,000.00	-2,000.00	0.0%
6050-07 · Professional Services - Archite	0.00	1,000.00	-1,000.00	0.0%
6050-08 · Professional Services - Securit	540.00	4,000.00	-3,460.00	13.5%
6050-10 · Prof. Svcs.-IT/Comp. Support	1,489.01	14,000.00	-12,510.99	10.6%
6050-11 · Professional Services - Wildlif	0.00	1,000.00	-1,000.00	0.0%
6050-12 · Prof. Serv.- Planning Air Serv.	995.00	35,000.00	-34,005.00	2.8%
6050-15 · Prof. Serv. - Public Outreach	0.00	20,000.00	-20,000.00	0.0%
Total 6050-00 · PROFESSIONAL SERVICES	6,209.36	152,000.00	-145,790.64	4.1%
6060-00 · MAINTENANCE-OFFICE EQUIPMENT				
6060-01 · Maint.-Office Equip./Gen.	99.75	10,000.00	-9,900.25	1.0%
6060-04 · Maintenance - Copier	814.09			
6060-05 · Maintenance - Phone	209.10			
Total 6060-00 · MAINTENANCE-OFFICE EQUIPMENT	1,122.94	10,000.00	-8,877.06	11.2%
6070-00 · RENT/LEASE OFFICE EQUIPMENT				
6070-01 · Rent/Lease - Office Equip./Gen	0.00	3,400.00	-3,400.00	0.0%
6070-02 · Rent/Lease - Postage Meter	0.00	1,400.00	-1,400.00	0.0%
Total 6070-00 · RENT/LEASE OFFICE EQUIPMENT	0.00	4,800.00	-4,800.00	0.0%
6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E				
6080-01 · Dues/Memberships/Publications	3,546.00	15,000.00	-11,454.00	23.6%
6080-04 · Airport Marketing	2,167.50	20,000.00	-17,832.50	10.8%
Total 6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E	5,713.50	35,000.00	-29,286.50	16.3%
6090-00 · POSTAGE				
6090-01 · Postage/Courier Service	0.55	1,500.00	-1,499.45	0.0%



Friedman Memorial Airport  
Profit & Loss Budget vs. Actual (Combined '14)  
October 2013

	Oct 13	Budget	\$ Over Budget	% of Budget
Total 6090-00 · POSTAGE	0.55	1,500.00	-1,499.45	0.0%
6100-00 · EDUCATION/TRAINING				
6100-01 · Education/Training - Admin.	0.00	25,000.00	-25,000.00	0.0%
6100-05 · Education - Neighborl Flight	5,737.55			
Total 6100-00 · EDUCATION/TRAINING	5,737.55	25,000.00	-19,262.45	23.0%
6110-00 · CONTRACTS				
6110-02 · Contracts - FMAA	2,800.00	33,600.00	-30,800.00	8.3%
6110-03 · Contracts - SVA/Fee Collection	4,900.00	58,900.00	-54,000.00	8.3%
6110-04 · Contracts - COH LEO	272.00	10,000.00	-9,728.00	2.7%
6110-05 · Contracts - Janitorial	0.00	10,000.00	-10,000.00	0.0%
6110-06 · Electronic Filing System	1,150.00	13,800.00	-12,650.00	8.3%
6110-08 · Contracts - Eccles Tree Lights	0.00	30,000.00	-30,000.00	0.0%
6110-09 · Contracts - Website	0.00	350.00	-350.00	0.0%
6110-10 · Online Email Server Access	147.20	2,500.00	-2,352.80	5.9%
6110-11 · Contracts -Security CMS	0.00	42,500.00	-42,500.00	0.0%
Total 6110-00 · CONTRACTS	9,269.20	201,650.00	-192,380.80	4.6%
6120-00 · PERMITS				
6120-01 · Permits - General	0.00	100.00	-100.00	0.0%
Total 6120-00 · PERMITS	0.00	100.00	-100.00	0.0%
6130-00 · MISCELLANEOUS EXPENSES				
6130-01 · Misc. - General	541.74	6,500.00	-5,958.26	8.3%
6140-00 · Bank Fees	40.50	1,000.00	-959.50	4.1%
6130-00 · MISCELLANEOUS EXPENSES - Other	-31.60			
Total 6130-00 · MISCELLANEOUS EXPENSES	550.64	7,500.00	-6,949.36	7.3%
Total "B" EXPENSES - ADMINISTRATIVE	87,407.64	647,460.00	-560,052.36	13.5%
"B" EXPENSES - OPERATIONAL				
6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI				
6500-01 · Supplies/Equipment - General	99.27	10,000.00	-9,900.73	1.0%
6500-02 · Supplies/Equipment - Tools	37.79			
6500-04 · Supplies/Equipment - Janitorial	1,084.30			
6500-05 · Supplies/Equipment - Deice	0.00	15,000.00	-15,000.00	0.0%
6500-06 · Supplies/Equipment - ARFF	0.00	5,000.00	-5,000.00	0.0%
Total 6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI	1,221.36	30,000.00	-28,778.64	4.1%
6510-00 · FUEL/LUBRICANTS				
6510-01 · Fuel/Lubricants - General	0.00	45,000.00	-45,000.00	0.0%
6510-02 · Fuel	4,113.26			
Total 6510-00 · FUEL/LUBRICANTS	4,113.26	45,000.00	-40,886.74	9.1%
6520-00 · VEHICLES/MAINTENANCE				
6520-01 · R/M Equipment - General	1,351.99	25,000.00	-23,648.01	5.4%

Friedman Memorial Airport  
Profit & Loss Budget vs. Actual (Combined '14)  
October 2013

	Oct 13	Budget	\$ Over Budget	% of Budget
6520-04 · R/M Equip. '84 Chevy Plow Truck	-8.00			
6520-19 · R/M Equip. '02 Ford F-150 PU	51.96			
6520-24 · R/M Equip. - '01 Ford F-250	34.29			
Total 6520-00 · VEHICLES/MAINTENANCE	1,430.24	25,000.00	-23,569.76	5.7%
6530-00 · ARFF MAINTENANCE				
6530-01 · ARFF Maint. General	0.00	5,000.00	-5,000.00	0.0%
6530-04 · ARFF Maint. - Radios	160.20			
Total 6530-00 · ARFF MAINTENANCE	160.20	5,000.00	-4,839.80	3.2%
6540-00 · REPAIRS/MAINTENANCE - BUILDING				
6540-01 · R/M Bldg. - General	0.00	29,000.00	-29,000.00	0.0%
6540-02 · R/M Bldg. - Terminal	440.64			
6540-04 · R/M Bldg. - Cold Storage	1,536.12			
6540-05 · R/M Bldg. - Manager's Bldg.	186.53			
Total 6540-00 · REPAIRS/MAINTENANCE - BUILDING	2,163.29	29,000.00	-26,836.71	7.5%
6550-00 · REPAIRS/MAINTENANCE - AIRSIDE				
6550-01 · R/M - General	424.95	15,000.00	-14,575.05	2.8%
6550-02 · R/M - Airfield	-168.17			
6550-05 · R/M - Grounds	95.00			
Total 6550-00 · REPAIRS/MAINTENANCE - AIRSIDE	351.78	15,000.00	-14,648.22	2.3%
6560-00 · SECURITY EXPENSE				
6560-01 · Security	4,137.47	20,000.00	-15,862.53	20.7%
Total 6560-00 · SECURITY EXPENSE	4,137.47	20,000.00	-15,862.53	20.7%
6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU				
6570-01 · R/M Aeronautical Equip - NDB/DME	0.00	22,000.00	-22,000.00	0.0%
6570-05 · R/M Aero.Equip. Flying Hat Lgts	777.00			
Total 6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU	777.00	22,000.00	-21,223.00	3.5%
Total "B" EXPENSES - OPERATIONAL	14,354.60	191,000.00	-176,645.40	7.5%
Total "B" EXPENDITURES	101,762.24	838,460.00	-736,697.76	12.1%
"C" EXPENSES				
7000-00 · MISC. CAPITAL EXPENDITURES				
7000-01 · Contingency	0.00	35,000.00	-35,000.00	0.0%
7000-05 · Computer Equipment/Software	200.00	30,000.00	-29,800.00	0.7%
7000-36 · Drivers Training Software	9,850.00			
7000-37 · Tractor Rake Attachment	0.00	6,000.00	-6,000.00	0.0%
7000-38 · Snow Monitoring Telemetry Eq.	0.00	7,000.00	-7,000.00	0.0%
7000-39 · Air Pass. Terminal - Int. Paint	0.00	10,000.00	-10,000.00	0.0%
7000-40 · Weather Viewing Equipment	0.00	20,000.00	-20,000.00	0.0%
7000-41 · Terminal Air Service Support	16,305.11			

11:55 AM

12/23/13

Accrual Basis

# Friedman Memorial Airport

## Profit & Loss Budget vs. Actual (Combined '14)

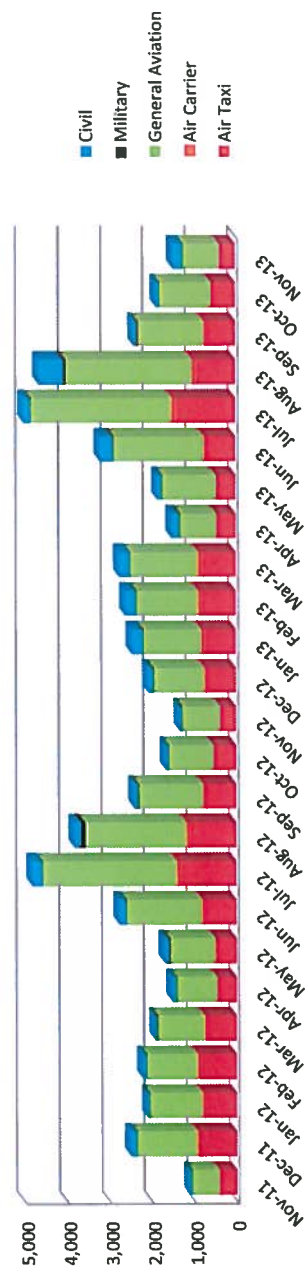
### October 2013

	Oct 13	Budget	\$ Over Budget	% of Budget
<b>Total 7000-00 · MISC. CAPITAL EXPENDITURES</b>				
7538-00 · Improvements to Existing Site	26,355.11	108,000.00	-81,644.89	24.4%
7538-01 · AIP '38	35,266.90	425,000.00	-389,733.10	8.3%
<b>Total 7538-00 · Improvements to Existing Site</b>	35,266.90	425,000.00	-389,733.10	8.3%
7539-00 · AIP '39 EXPENSE - Imp. ALP	46,360.26	535,000.00	-488,639.74	8.7%
7539-01 · AIP '39 - Eligible	46,360.26	535,000.00	-488,639.74	8.7%
<b>Total 7539-00 · AIP '39 EXPENSE - Imp. ALP</b>	46,360.26	535,000.00	-488,639.74	8.7%
7540-00 · AIP '40 EXPENSE - Safety Area	0.00	16,000,000.00	-16,000,000.00	0.0%
7540-01 · AIP '40 Eligible	0.00	16,000,000.00	-16,000,000.00	0.0%
<b>Total 7540-00 · AIP '40 EXPENSE - Safety Area</b>	0.00	16,000,000.00	-16,000,000.00	0.0%
<b>8000-00 · Replacement Airport</b>				
8000-04 · Public Outreach	-68.45			
8000-07 · General	-40.00			
<b>Total 8000-00 · Replacement Airport</b>	-108.45			
<b>9000-00 · PFC EXPENSE</b>				
9000-07 · PFC '14	4,538.90			
9000-08 · PFC '14 - Admin Expense	4,538.90			
<b>Total 9000-07 · PFC '14</b>	4,538.90			
<b>9000-10 · PFC - NEW TBD</b>				
9000-11 · PFC - TBD Master Plan Update	0.00	350,000.00	-350,000.00	0.0%
9000-12 · PFC - TBD Approach Proc. Devel.	0.00	100,000.00	-100,000.00	0.0%
<b>Total 9000-10 · PFC - NEW TBD</b>	0.00	450,000.00	-450,000.00	0.0%
<b>Total 9000-00 · PFC EXPENSE</b>	4,538.90	450,000.00	-445,461.10	1.0%
<b>Total "C" EXPENSES</b>	112,412.72	17,518,000.00	-17,405,587.28	0.6%
<b>Total EXPENDITURES</b>	310,191.34	19,595,964.66	-19,285,773.32	1.6%
<b>Total Expense</b>	310,191.34	19,595,964.66	-19,285,773.32	1.6%
<b>Net Ordinary Income</b>	-13,186.70	-1,108,794.66	1,095,607.96	1.2%
<b>Net Income</b>	-13,186.70	-1,108,794.66	1,095,607.96	1.2%

## ATCT Traffic Operations Record

Month	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
January	3,622	3,893	3,912	2,600	3,028	2,787	4,547	2,520	2,070	2,379	2,408	2,098	2,454		
February	4,027	4,498	3,073	3,122	3,789	3,597	3,548	2,857	2,244	2,647	2,117	2,205	2,612		
March	4,952	5,126	3,086	4,097	3,618	2,918	4,677	3,097	2,145	2,709	1,813	1,921	2,753		
April	2,494	3,649	2,213	2,840	2,462	2,047	2,581	2,113	1,724	1,735	1,604	1,513	1,509		
May	3,905	4,184	2,654	3,282	2,729	2,134	1,579	2,293	2,280	1,891	1,533	1,693	1,852		
June	4,787	5,039	4,737	4,438	3,674	3,656	5,181	3,334	2,503	3,019	2,898	2,761	3,203		
July	6,359	8,796	6,117	5,910	5,424	5,931	7,398	4,704	4,551	5,005	5,004	4,810	5,345		
August	6,479	6,917	5,513	5,707	5,722	6,087	8,196	4,570	4,488	4,705	4,326	3,823	4,644		
September	3,871	4,636	4,162	4,124	4,609	3,760	4,311	2,696	3,376	3,128	3,359	2,396	2,403		
October	3,879	3,656	3,426	2,936	3,570	3,339	3,103	2,134	2,145	2,012	1,886	1,658	1,874		
November	3,082	2,698	2,599	2,749	2,260	2,912	2,892	1,670	1,901	1,309	1,114	1,325	1,475		
December	3,401	2,805	3,247	3,227	2,722	3,834	2,699	1,848	2,272	1,811	2,493	2,066	0		
<b>Totals</b>	<b>50,858</b>	<b>55,897</b>	<b>44,739</b>	<b>45,032</b>	<b>43,607</b>	<b>43,002</b>	<b>50,712</b>	<b>33,836</b>	<b>31,699</b>	<b>32,350</b>	<b>30,555</b>	<b>28,269</b>	<b>30,124</b>	<b>0</b>	

**Operations**  
2011-2013 YTD  
(Cumulative)



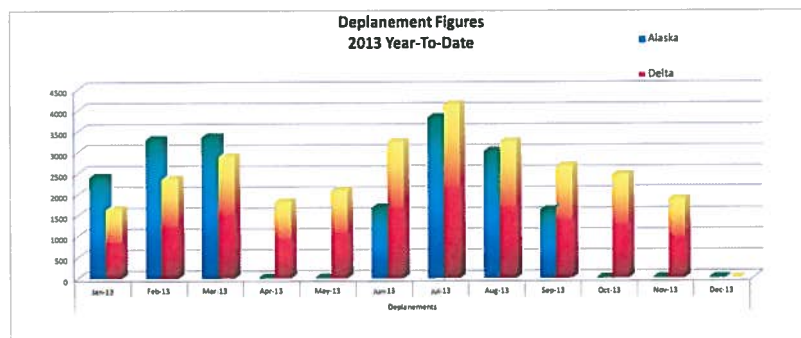
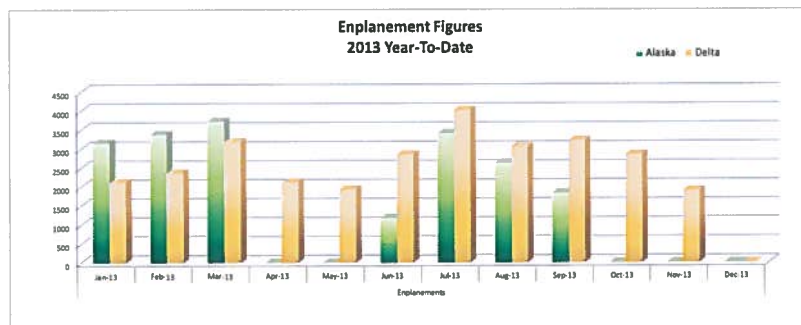
**ATCT Operations Change**  
(current month vs. same month last year)

	2013	2012	% Change
Air Taxi	383	372	3%
Air Carrier	0	0	0%
General Aviation	845	896	-6%
Military	1	9	-89%
Civil	246	48	413%
<b>Total</b>	<b>1,475</b>	<b>1,325</b>	<b>11.32%</b>

## ATTACHMENT #5

2013 Enplanements													
Date	Alaska Airlines					Delta Airlines					Current Y-T-D	Prior Y-T-D	Y-T-Y % Change
	Revenue	Non-Revenue	Total	Prior Year Month	M-T-M % Change	Revenue	Non-Revenue	Total	Prior Year Month	M-T-M % Change			
Jan-13	3,079	71	3,150	2,932	7%	2,047	66	2,113	2,395	-12%	5,263	5,327	-1.2%
Feb-13	3,307	67	3,374	2,839	19%	2,307	59	2,366	2,265	4%	11,003	10,431	5.5%
Mar-13	3,630	87	3,717	2,686	38%	3,114	71	3,185	2,827	13%	17,905	15,944	12.3%
Apr-13	0	0	0	0	0%	2,018	96	2,114	2,151	-2%	20,019	18,095	10.6%
May-13	0	0	0	0	0%	1,835	90	1,925	1,974	-2%	21,944	20,069	9.3%
Jun-13	1,132	41	1,173	1,426	-18%	2,742	105	2,847	2,558	11%	25,964	24,053	7.9%
Jul-13	3,331	74	3,405	3,563	-4%	3,893	121	4,014	3,662	10%	33,383	31,278	6.7%
Aug-13	2,545	63	2,608	3,348	-22%	2,968	94	3,062	3,984	-23%	39,053	38,610	1.1%
Sep-13	1,777	55	1,832	1,613	14%	3,086	128	3,214	3,176	1%	44,099	43,399	1.6%
Oct-13	0	0	0	0	0%	2,738	106	2,844	2,683	6%	46,943	46,082	1.9%
Nov-13	0	0	0	0	0%	1,830	62	1,892	1,804	5%	48,835	47,886	2.0%
Totals	18,801	458	19,259	18,407	4.63%	28,578	998	29,576	29,479	0.33%			
Legend for Chart:						Y-T-D = Year-To-Date					Y-T-Y = Year-To-Year		

2013 Deplanements													
Date	Alaska Airlines					Delta Airlines					Current Y-T-D	Prior Y-T-D	Y-T-Y % Change
	Revenue	Non- Revenue	Total	Prior Year Month	M-T-M % Change	Revenue	Non- Revenue	Total	Prior Year Month	M-T-M % Change			
Jan-13	2,320	78	2,398	2,259	6%	1,575	57	1,632	1,679	-3%	4,030	3,938	2.3%
Feb-13	3,226	68	3,294	3,061	8%	2,300	60	2,360	2,260	4%	9,684	9,259	4.6%
Mar-13	3,268	87	3,355	2,506	34%	2,807	84	2,891	2,404	20%	15,930	14,169	12.4%
Apr-13	0	0	0	0	0%	1,739	67	1,806	1,891	-4%	17,736	16,060	10.4%
May-13	0	0	0	0	0%	2,005	81	2,086	2,057	1%	19,822	18,117	9.4%
Jun-13	1,608	54	1,662	1,854	-10%	3,129	113	3,242	2,739	18%	24,726	22,710	8.9%
Jul-13	3,735	84	3,819	3,911	-2%	3,994	143	4,137	3,819	8%	32,682	30,440	7.4%
Aug-13	2,941	72	3,013	3,700	-19%	3,154	96	3,250	3,550	-8%	38,945	37,690	3.3%
Sep-13	1,560	51	1,611	1,236	30%	2,568	97	2,665	2,663	0%	43,221	41,589	3.9%
Oct-13	0	0	0	0	0%	2,348	110	2,458	2,378	3%	45,679	43,967	3.9%
Nov-13	0	0	0	0	0%	1,824	46	1,870	1,768	6%	47,549	45,735	4.0%
Totals	18,658	494	19,152	20,072	-4.58%	27,443	954	28,397	27,208	4.37%			
Legend for Chart:						Y-T-D = Year-To-Date					Y-T-Y = Year-To-Year		





# Friedman Memorial Airport

November 2013

## 2013 Seat Occupancy

Month	Alaska Airlines				Delta Airlines				Annual Seat Occupancy Totals Year-to-Year Comparison				Annual Seat Occupancy Percentages Year-to-Year Comparison			
	Departure Flights	Seats Available*	Seats Occupied	Percent Occupied	Departure Flights	Seats Available	Seats Occupied	Percent Occupied	Total Seats Occupied Y-T-D	Total Seats Occupied Prior Y-T-D	Y-T-Y % Change	Current Y-T-D % Occupied	Prior Y-T-D % Occupied	Y-T-Y % Change		
Jan-13	59	4,484	3,150	70%	107	3,210	2,113	66%	5,263	5,327	-1%	68.40%	70.07%	-2%		
Feb-13	55	4,180	3,374	81%	116	3,480	2,366	68%	11,003	10,431	5%	71.66%	71.95%	0%		
Mar-13	59	4,484	3,717	83%	140	4,200	3,185	76%	17,905	15,944	12%	74.49%	73.12%	2%		
Apr-13	0	0	0	0%	98	2,940	2,114	72%	20,019	18,095	11%	74.20%	73.84%	0%		
May-13	0	0	0	0%	92	2,742	1,925	70%	21,944	20,069	9.3%	73.84%	73.69%	0%		
Jun-13	27	1,836	1,173	64%	167	5,010	2,847	57%	25,964	24,053	7.9%	71.01%	71.43%	-1%		
Jul-13	61	4,148	3,405	82%	211	6,330	4,014	63%	33,383	31,278	7%	70.96%	72.05%	-2%		
Aug-13	56	3,808	2,608	68%	185	5,550	3,062	55%	39,053	38,610	1%	69.24%	73.47%	-6%		
Sep-13	41	2,788	1,832	66%	152	4,560	3,214	70%	44,099	43,399	2%	69.17%	73.99%	-7%		
Oct-13	0	0	0	0%	123	3,690	2,844	77%	46,943	46,082	2%	69.61%	74.02%	-6%		
Nov-13	0	0	0	0%	84	2,520	1,892	75%	48,835	47,886	2%	69.80%	74.03%	-6%		
Totals	358	25,728	19,259	75%	1,475	44,232	29,576	67%								

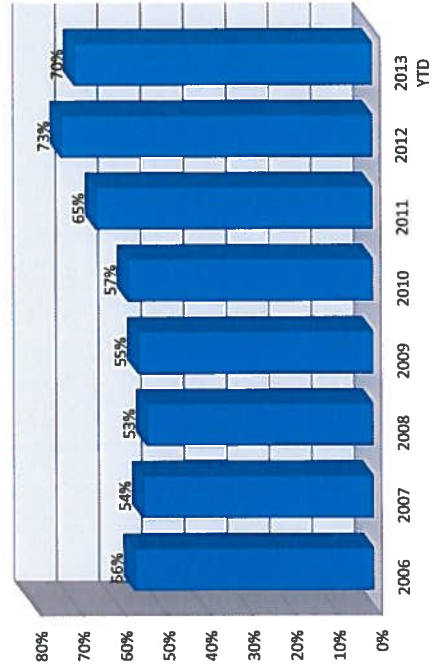
Total of 68 Seats Available on aircraft for summer months

Total of 76 Seats Available on aircraft for winter months

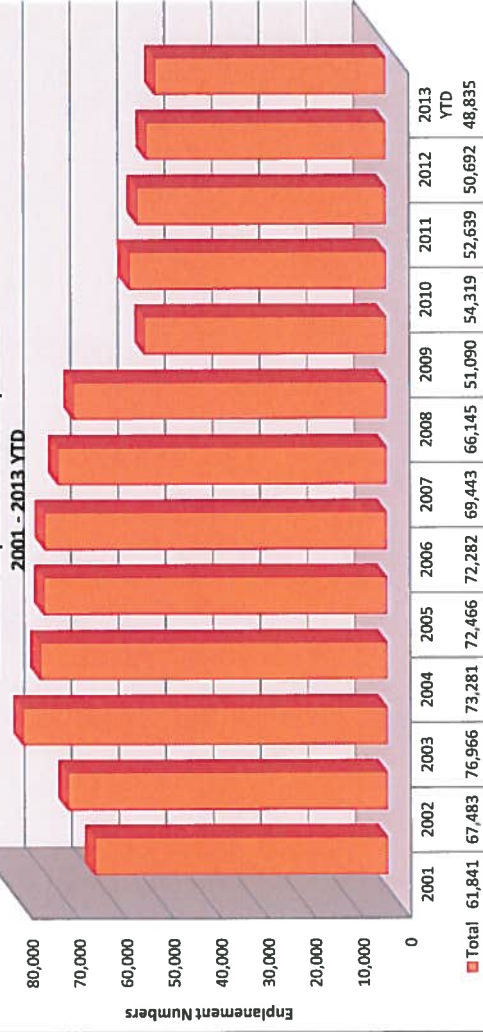
Total of 30 Seats Available on aircraft

Note: \*Seats are capped at 68 during some periods in the summer due to weight and balance requirements and other times of the year seats may be capped due to environmental conditions

Historical Seat Occupancy Comparison  
2001-2013 YTD



Historical Enplanment Comparison  
2001 - 2013 YTD





Volume 9  
November 2013

**GIT**  
EMEA Edition

**6**

# SECURITY

ATTACHMENT #6

MAGAZINE FOR SAFETY AND SECURITY

CHANGI GENIE

Airport and Air Cargo Security

Alarm Systems

Access Control

Video Surveillance

Branch Focus: Casinos

Camera Tests

**COVER: Siemens**



## AIRPORT SECURITY

# Improved Airport Security Operations

## Identity Management Software Launches at Friedman Memorial Airport



Friedman Memorial Airport (Sun), which provides air service facilities to South Central Idaho and the Sun Valley resort area, has become the first airport in the US to implement Quantum Secure's new Safe for Aviation v4.5 software suite. The physical identity and access management software solution is expected to save hundreds of man-hours for airport management by streamlining the complete lifecycle of physical identities and automating related processes.

Daily oversight of security provisions at Sun is handled by the Airport Security Department. Among their many security activities is ongoing supervision of approximately 1000 identities including airport and airline employees, in-house and external (i.e. taxi, cargo) vendors, government employees, hangar owners/associations, sublease tenants, temporary construction workers and more. Per TSA mandates, each individual must undergo a TSA-adjudicated Security Threat Assessment before Sun airport operators can issue any type of personnel identification media. Individuals must be vetted on a continual basis to allow for a comparison of new threat information.

### More Resources for Security – Less for Administration

Before Quantum Secure's Safe was implemented, Sun's approach to enacting these requirements was entirely a manual process. The labor-intensive activity involved multiple data entries of the same information into the various airport security systems: the Physical Access Control System (PACS), security check system, computer based training systems and biometric fingerprint capture system. Airport personnel were spending more than 90 minutes per person for new enrollments and more than 45 minutes per person for badge renewal procedures.

According to Ajay Jain, Quantum Secure

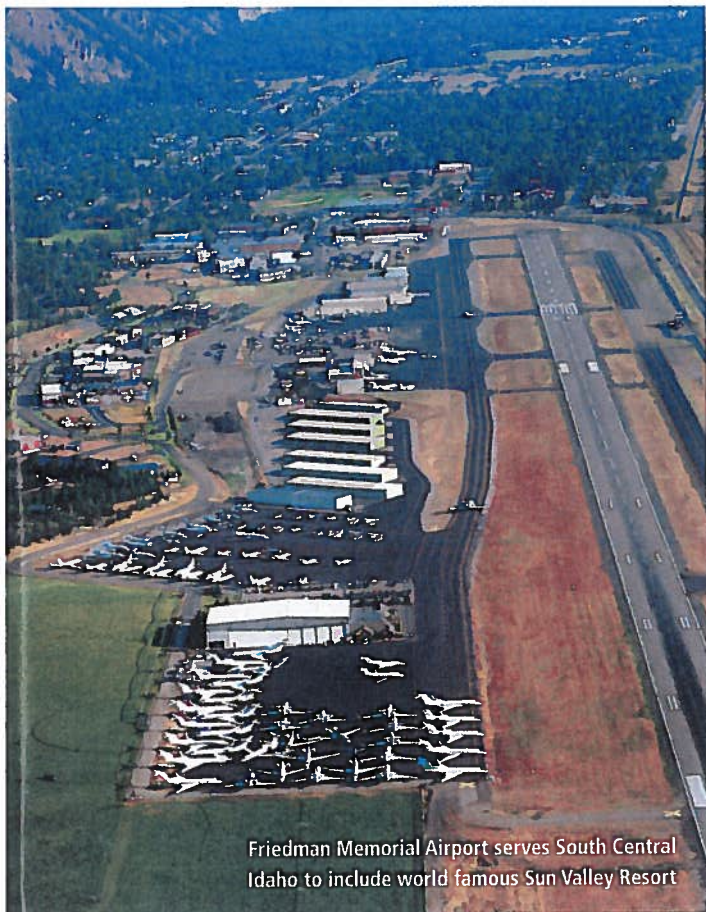
the data is entered only once and the relevant information flows through to all applicable systems and business processes. The software allows Sun operators to perform new enrollments in less than 15 minutes per person including all related processing such as document scanning and biometric registration. Safe can also perform renewals in less than 10 minutes.

"Given the complexity of security requirements in an airport environment, timely and effective identity management procedures are a necessity," said Mr. Jain. "Safe for Aviation is a holistic and judicious approach to addressing those needs."

The Safe system was also able to streamline the procedure for completing the mandatory reverse audits that were previously being completed manually through the U.S. Postal Service. Safe can automate the process, reducing the expected time for Sun staff to initiate a full or partial audit to 10 minutes. For added convenience, the audits can be scheduled to run on a quarterly or half-yearly basis.

Sun's security workflow system with which Safe is integrated includes security checks through TSA's Transportation Security Clearinghouse; SSI computer based training systems; Safran MorphoTrust biometric fingerprint platform; and automated provisioning and de-provisioning to Lenel's OnGuard PACS after security checks and training pre-requisites have been





Friedman Memorial Airport serves South Central Idaho to include world famous Sun Valley Resort

### An Investment That Pays Back

Safe for Aviation comes with pre-defined policies, workflows and procedures for issuing badge credentials, granting/revoking access to airport facilities while simplifying adherence to TSA and FAA regulations, audits and security directives, minimizing insider threats and promoting greater operational security. It automates processes for conducting background checks for new airport workers, obtaining security clearances for access to secured locations from the governing bodies like the TSA, creating flexible self-service access rights to allow approved parties to enroll their own employees and subcontractors and grant them physical access rights, and complying with and enforcing security directives like SD-1542-04-08G or SD-1542-04-08F.

"Safe is a powerful productivity investment that delivers new capabilities and value to airport operations," adds Mr. Jain. "We are confident that Sun's implementation of Safe will lead to a more secure environment."

### ► CONTACT

Quantum Secure, San Jose, CA, USA  
Tel.: +1 408 4531008  
rthompson@quantumsecure.com  
www.quantumsecure.com



Discreet and affordable PTZ surveillance for better business?  
That's easy.

Looking to improve in-store security? How about operations and profitability? Why not choose a video surveillance solution that can do both?

With the smart features in Axis' M-line pan/tilt/zoom cameras you can combat shoplifting, prevent empty store shelves and more.

The AXIS M50 Series makes it easy to keep a discreet eye on everything going on in your store.

Small camera. Big solution. Easy choice.

Get the Axis picture. Stay one step ahead.  
Visit [www.axis.com/ptz](http://www.axis.com/ptz)



AXIS M50 PTZ Dome Network Camera Series • Up to HDTV 720p video quality • Pan, tilt, zoom in an ultra-discreet design • Power over Ethernet • Built-in microphone • IP51-rated protection • MicroSD/SDHC card slot



Friedman Memorial Airport  
FILE ORIGINAL / COPY

Received: NCV 2013

RB

COPY

**BENJAMIN W. WORST, P.C.**  
**ATTORNEY AT LAW**

371-A Walnut Avenue North  
P. O. BOX 6962  
Ketchum, Idaho 83340

benworst@cox.net  
Tel. (208) 622-6699  
Fax (208) 726-8116

November 15, 2013

Richard R. Baird, Airport Manager  
Friedman Memorial Airport  
1616 Airport Way  
Hailey, Idaho 83333

**RE: Interview for legal services.**

Dear Mr. Baird:

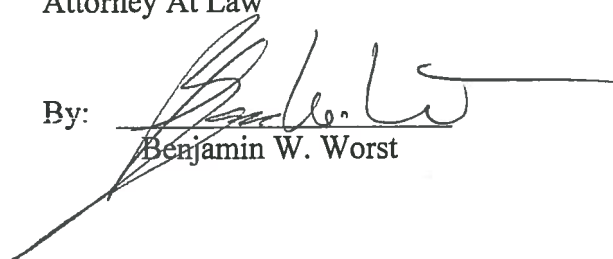
I would like to thank you and the Commissioners for granting me an interview to compete to provide legal services to the FMAA. I truly appreciate your time and consideration. If any conflicts ever arise or if you have other need for legal services that I can provide, please let me know.

Thank you.

Sincerely,

BENJAMIN W. WORST, P.C.  
Attorney At Law

By:



Benjamin W. Worst

website:bellevueidaho.us

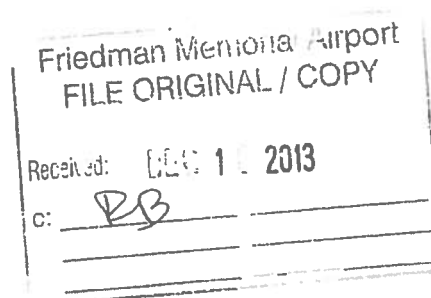


## CITY OF BELLEVUE

115 East Pine, P.O. Box 825; Bellevue, ID 83313  
208-788-5351 • 208-788-2128 • Fax 208-788-2092

November 22, 2013

To: Friedman Memorial Airport Authority  
Board of Blaine County Commissioners  
City of Hailey, Mayor and Council  
FAA ADO Office  
Dave Stelling Manager  
Steve L. Engebrecht  
2725 Skyway Dr.  
Helena, Montana 59602



From: Bellevue Mayor and Council

Re: Friedman Airport expansion outside of existing fence

The City of Bellevue held their regular Council meeting on November 18, 2013. Agenda item # 5 was an update of the Friedman Memorial Airport from Rick Baird. Mr. Baird provided a power point depicting the current status, proposed costs of the airport enhancements and also detailed three proposed options for enhancing the travel course of the planes turning at the north end.

Following Mr. Baird's update the Mayor and Council deliberated and read into the record a letter that was signed by the Bellevue Mayor and Council and sent to the above jurisdictions, regarding opposition to expansion of the airport outside the existing fenced area. (see attached letter dated 11-17-2011)

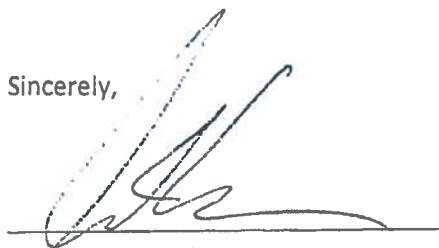
The Mayor and Council are reiterating their opposition to any expansion of the Friedman Memorial Airport as was also depicted in the Amended and Restated Joint Powers Agreement recorded on 7-26-2011, between Blaine County and the City of Hailey. (see attached JPA-pages 130-131)

The Bellevue Mayor and Council wish to express their unequivocal opposition to any expansion of the airport described in Option #1 and #2 presented by Mr. Baird on 11-18-2013. Furthermore the Bellevue Mayor and Council unanimously support Mr. Baird's option #3 which provides for an Angled Connector configuration for the north turning terminus, all of which is located within the existing fenced area. (see attached Alternative #3)

The Mayor and Council were also encouraged by the establishment of the maximum weight restriction of 95,000 lbs. which restricts larger aircraft such as a 737 from landing in conjunction with the long term plan documentation providing for the relocation of the airport from where it is currently located to an area more conducive in the County, which could support the current commercial jet traffic and larger jet traffic as the demand deems viable.

The City of Bellevue appreciates the Board, Blaine County Commissioners, City of Hailey, FAA and Mr. Baird's expertise as we are given this opportunity to express our concerns, and Council decisions. We continue to look forward to working together in the future.

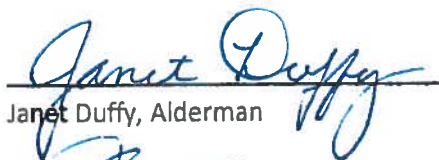
Sincerely,



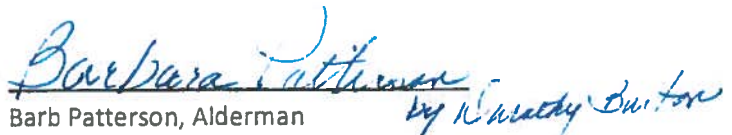
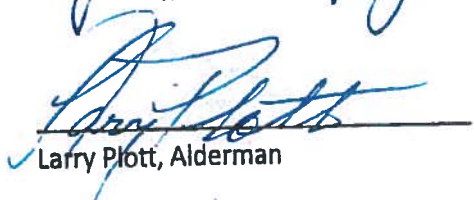
Christopher Koch, Mayor



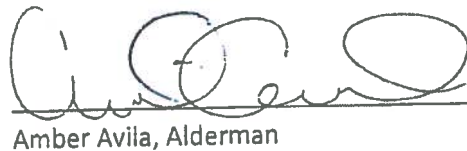
Dave Hattula, Alderman



Janet Duffy, Alderman

  
Barb Patterson, Alderman *by Kimberly Burton*

Larry Plott, Alderman



Amber Avila, Alderman

Cc: Richard R. Baird, Airport Manager  
Friedman Memorial Airport



# The 'frenemy' strikes back: Alaska Air takes on Delta

gb WfI \a g[ Xf^I ;EU\_b Z Egb WfI \a g[ Xf^I B-

Ben Mutzabaugh, USA TODAY </staff/2339/ben-mutzabaugh> 12:12 p.m. EST December 6, 2013



(Photo: Elaine Thompson, AF)

f[ TeX

D-D  
CONNECT

<https://twitter.com/intent/tweet?url=http://usat.ly/1bmBDCR&text=The%20'frenemy'%20strike>

H  
TWEET

Don't expect talk of [a feud between Alaska Airlines and Delta Air Lines](#)

<http://www.usatoday.com/story/todayinthesky/2013/11/04/delta-adds-seattle-routes-frenemies-with-alaska-air/3435235/> to die down anytime soon. Alaska Air announced this morning

[http://splash.alaskasworld.com/Newsroom/ASNews/ASstories/AS\\_20131206\\_045703.asp](http://splash.alaskasworld.com/Newsroom/ASNews/ASstories/AS_20131206_045703.asp) (Dec. 6) that it is adding four new nonstop routes from Salt Lake City, Delta's western hub.

Alaska Air's four new Salt Lake City routes – to Los Angeles, Portland (Ore.), San Diego and San Jose (Calif.) – will begin during the second week of June. Alaska Air also plans to boost capacity on its existing route between Salt Lake City and its main hub in Seattle.

**IN-DEPTH:** [Delta adds Seattle routes: 'Frenemies' with Alaska Air?](http://www.usatoday.com/story/todayinthesky/2013/11/04/delta-adds-seattle-routes-frenemies-with-alaska-air/3435235/) (<http://www.usatoday.com/story/todayinthesky/2013/11/04/delta-adds-seattle-routes-frenemies-with-alaska-air/3435235/>)

"Salt Lake City has long been a top requested market by our customers and we are pleased to add to our successful Seattle-Salt Lake City flights with additional service from four other West Coast gateways," Joe Sprague, Alaska Air's VP of marketing, says in a [release](#) ([http://splash.alaskasworld.com/Newsroom/ASNews/ASstories/AS\\_20131206\\_045703.asp](http://splash.alaskasworld.com/Newsroom/ASNews/ASstories/AS_20131206_045703.asp)). "This new service connects travelers with Alaska's strong network on the West Coast. In addition, our customers will enjoy double miles that apply toward elite status in our award-winning Mileage Plan program."

Alaska Airlines' expansion to Salt Lake City comes as Delta -- a close partner to Alaska, at least for now -- continues to expand on key routes that are crucial to Alaska Air's profitability. During the past year, Delta has announced plans to expand or add service to eight cities in the USA and Canada from Seattle -- Alaska Air's hometown and biggest hub.

Just this week, Delta unveiled [a 737 named for Seattle](#) (<http://news.delta.com/index.php?s=43&item=2195>) and announced [its two latest routes from Seattle](#) (<http://news.delta.com/index.php?s=43&item=2189>). The carrier will begin five daily round-trip Delta Connection flights to Vancouver on June 5 and will launch daily summertime service to Fairbanks, Alaska, on May 29.

The increasing competition between the current partners [led Alaska radio station KTOO of Juneau to observe](#) (<http://www.ktoo.org/2013/10/28/alaska-airlines-alliance-with-delta-evolves-into-frenemies/>) in October that "the two companies have turned into what some would call 'frenemies.' "

And about that double-mile offer: Alaska Air says that "to celebrate the new service," it is offering its frequent-fliers double "qualifying miles" on the new Salt Lake City routes through Aug. 1. Those miles count toward elite status.

**MORE:** [Frequent-flier bonanza as Delta, Alaska fight for Seattle](http://www.usatoday.com/story/todayinthesky/2013/11/13/frequent-flier-bonanza-as-delta-alaska-fight-for-seattle/3514017/) (<http://www.usatoday.com/story/todayinthesky/2013/11/13/frequent-flier-bonanza-as-delta-alaska-fight-for-seattle/3514017/>)

Alaska Air also used that double-mile promotion to tout its Mileage Plan frequent-flier program, noting that "the threshold for Alaska Airlines' Mileage Plan members to earn elite-level MVP status is only 20,000 miles — 5,000 fewer miles than most other airline frequent flier programs." Delta's SkyMiles program is among those at which elite benefits began at 25,000 miles.

The "double-mile" offer for Salt Lake City mirrors [a similar promotion that both Delta and Alaska Air have rolled out on many Seattle flights](#) (<http://www.usatoday.com/story/todayinthesky/2013/11/13/frequent-flier-bonanza-as-delta-alaska-fight-for-seattle/3514017/>) as the airlines appear to be duking it out over that market as well.

Alaska Airlines' schedule for its new Salt Lake City routes will be as follows:

- + Los Angeles: 1 daily round-trip flight on Boeing 737 aircraft, beginning June 11
- + Portland: 2 daily round-trip flights -- one on a Boeing 737 and one on a Bombardier CRJ-700 regional jet --beginning June 9.
- + San Diego: 2 daily round-trip flights -- one on a Boeing 737 and one on a Bombardier CRJ-700 regional jet --beginning June 10.

THE NEW 2014 CHEVROLET MALIBU

KEEP YOUR CONTACTS AND FAVORITE ENTERTAINMENT CLOSE WITH AVAILABLE CHEVROLET MYLINK\*



\*Important info

Explore Malibu



FIND NEW ROADS

December 11, 2013

# THE HUFFINGTON POST DESTINATIONS

## 10 U.S. Destinations You Should Visit In 2014

Posted: 12/10/2013 9:35 am

Like 61,036 people like this. Be the first of your friends.

11,005 Share

442 Tweet

278

Get Travel Newsletters:

Enter email  Subscribe

Planning a vacation in the US next year but aren't sure where to go? After all, it's a big place! For the fourth year running, our travel experts have scoured the States to make the decision a bit easier for you.

While Lonely Planet's Best in Travel 2014 covers global must-sees, including Chicago and Texas, here we delve a bit deeper and showcase the top 10 places in the US that should be on travelers' radars in the coming year. There's something for all - beachcombers, nature lovers, beer aficionados, history buffs, road trippers, dice rollers - from every corner of the land. Whether quietly emerging destinations or perennial favorites, these places have new or timely angles that make them prime for visiting in 2014. So whatever your upcoming dream vacation, we've got some U-S-of-A inspiration for you. --Emily K Wolman, Editor-at-Large, Lonely Planet

### 1. Grand Rapids & Lake Michigan's Gold Coast

Courtesy of Experience Grand Rapids

Beach bums, beer lovers, and art enthusiasts agree: there's a lot to love about western Michigan this year. Grand Rapids, Michigan's second-largest city, was voted best beer city in the US by the national Beer Examiner blog in 2012 and 2013, and its beer-tourism revolution rages on. Over 25 craft breweries pour in the area, and events like Cool Brews Hot Eats and the Winter Beer Festival (both in February), and the Summer Craft Beer Festival (August), keep the city festive year-round. Hops aside, the secret about Grand Rapids' fabulous art scene is getting out. In addition to the impressive blooms and Rodin sculptures in the Frederik Meijer Gardens, and the excellent Grand Rapids Art Museum housed in a cool LEED Gold certified building, Grand Rapids is home to the world's largest art competition, ArtPrize, in which more than 1700 creatives display their masterpieces. A mere 30 miles away sprawls Lake Michigan's Gold Coast, perhaps the USA's most unexpected beach getaway. Some argue that these shores rival Hawaii's and Southern California's. Along 300 miles of seemingly endless beaches lie sugar-white dunes, wineries, antiques, U-pick orchards and berry farms, cider houses, Hemingway haunts - you can even go surfing. In Michigan! So if you never thought you could head to the Midwest for a Cape Cod-esque beach vacation, think again.

Our (and everyone else's) top-pick alehouse is rock-n-roll Founders Brewing Company, while the lake's Oval Beach wins for smoothest sands.

Here is more information on how to explore Grand Rapids & the Gold Coast.

### 2. Yosemite National Park, CA

Courtesy of California Travel and Tourism/Christian Heeb

Much to the world's delight, after the national parks' temporary closure due to the government shutdown in 2013, Yosemite's majestic peaks, thunderous waterfalls, and flower-peppered subalpine meadows are welcoming visitors again. Relax under the gaze of the valley's monolithic El Capitan and Half Dome, or attain stunning views by climbing to Inspiration Point and Yosemite Falls (North America's tallest). The crowds thin - as does the air - as you penetrate the park's pristine backcountry, where you can hike for months. And through summer 2014, the park and gateway communities will celebrate the 150th anniversary of the Yosemite Grant, signed by President Lincoln and a precursor to the modern National Park System. This milestone act was the first time a federal government set aside a piece of land purely for preservation by and for the people. Thanks, Abe!

Haven't been to Yosemite yet? Check out our perfect trip for first-timers.

### 3. Boston, MA

Courtesy of Greater Boston Convention & Visitors Bureau.

Hot on the heels of another Red Sox World Series win, in January 2014 Boston is hosting the 100th annual US Figure Skating Championships, where the US Winter Olympics team is determined. Come spring, the gaze of international sports fans - if not the world in general - will turn to the Boston Marathon. Despite concern that the bombings in 2013 would deter entrants from the 2014 race, this will be the second-biggest Boston Marathon ever, with 36,000 runners flooding the course. And once summer hits, the city's usual festivities are in full swing: all sorts of festivals abound, beer gardens and restaurant

patios overflow, and a thriving arts and entertainment scene keep Bostonians content as the humidity yields to stunning, vibrantly colored autumn. Year-round, the past is very much alive here: follow in America's revolutionary founders' footsteps on the Freedom Trail, stopping to imbibe a bit of history at the Bell in Hand Tavern, the oldest tavern in the USA.

A favorite place to stay is the Omni Parker House, a historic hotel overlooking the Freedom Trail that has employed Malcolm X and Ho Chi Minh, and accommodated Charles Dickens and JFK.

Our resident author offers up what's new in Boston for 2014.

#### • 4. Central Coast, CA

California Travel and Tourism Commission

Often dismissed as flyover country between San Francisco and Los Angeles, this surreally scenic stretch of the Pacific coast is California at its best. Laid-back beach towns, sea-hugging Hwy 1 (one of the USA's most iconic roadways), cliff-top lookouts, hidden coves, sea lion colonies and other wildlife, fantastical Hearst Castle, Spanish missions, pleasant weather (even if it's foggy) and no crowds. Dip inland to the up-and-coming Paso Robles wine country for scenery rivaling Napa and Sonoma. Back to the coast, after gasping at the raw beauty and energy of the 100-mile stretch of craggy coastline that is Big Sur, stop at the world-renowned, eco-conscious Monterey Bay Aquarium, who celebrates their 30th birthday this year. (To beat the aquarium crowds, buy tickets in advance and arrive when the doors open. The jellyfish exhibit is otherworldly.)

Outstanding farmers markets dot the coast. Check out Santa Barbara's on Tuesday afternoons and Saturday mornings, and San Luis Obispo's, which turns into a full-on street festival every Thursday evening.

Here's our ultimate Central California Coast road trip.

#### • 5. The Jersey Shore

Getty Images

Perhaps the most famous and revered part of New Jersey is its sparkling shore. Stretching from Sandy Hook to Cape May, the coastline is studded with resort towns ranging from tacky to classy. Hurricane Sandy in 2013 and the more recent fire on the Seaside Heights boardwalk devastated the Shore; as the recovery efforts continue, the 2014 summer season will be an important one for local communities. So come embrace the kitsch and you'll discover a coastal extravaganza filled with family fun: beaches, dunes, lighthouses, amusement rides, go-karts, funnel cakes, bike trails, fishing, shopping, galleries, and more. It's mobbed in summer, but in spring and autumn you may find yourself wonderfully alone on the toe-kissing sands.

Highlights include Wildwood, a kitschy slice of 1950s Americana and home to the state's widest beach and the grand-daddy of Jersey Shore boardwalks. And of course, there's the legendary, not-exactly-Vegas-but-kinda Atlantic City, whose famous 8-mile boardwalk was the first in the world. The fun ends at southernmost Cape May, with stunning Victorian architecture, sweeping beaches, and the only place in Jersey where the sun rises and sets over the water.

Post-Sandy, Asbury Park's downtown is getting a revamped, revitalized image. The Antique Emporium of Asbury Park has two levels of amazing finds.

Here are more ideas for a summer getaway on the Jersey Shore.

(Photo by Kena Betancur/Getty Images)

#### • 6. Kansas City, MO

Courtesy of VisitKC.com

Wide open and inviting Kansas City is famed for more than its 200 fountains (on par with Rome). Over 100 barbecue joints feed the city's grateful denizens (and tourists), and the jazz and blues scenes serve as an anchor for a vibrant African American community. Kansas City's intriguing and walkable neighborhoods warrant exploration, from the 1920s shopping district of Country Club Plaza to the Crossroads Arts District, which lives up to its name, and Westport's alluring locally owned restaurants and bars.

Particularly appealing to World War I history buffs: Kansas City is home to the National WWI Museum. As 2014 marks the war's centennial, major celebrations and events will ensue, and the museum's adjacent Liberty Memorial is getting a \$5 million renovation for the festivities.

Take your appetite across the border into Kansas City, Kansas, for incredible BBQ at Oklahoma Joe's. People fly in for their 'burnt ends,' the crispy ends of smoked pork or beef brisket. Amazing.

Read more about art, jazz and BBQ in Kansas City.

#### • 7. Cumberland Island, GA

Courtesy of the National Park Service

One of the most underdeveloped places in the US, Cumberland Island is magical. Picture virgin beaches, windswept dunes, feral horses, wild turkeys, tiny fiddler crabs, beautiful butterflies, skittering armadillos, mossy old oaks, breathtaking sunrises... that's Cumberland. Most of this unspoiled paradise, the largest of the Sea Islands in terms of continuously exposed land, is national seashore. On the ocean side are 18 miles of pristine sandy beach you'll have all to yourself. The rest is maritime forest, marsh, mudflats, tidal creeks, and astounding ruins of the Dungeness mansion, once owned by the Carnegies. The whole lot is laden with hiking trails – 50 miles of 'em – and backcountry camping is permitted.

St. Mary's is the island's gateway, and where the mainland facilities and ferry terminal are located. Stafford Beach has some of the best sands in the South (excluding Florida, of course), and the magnificent old Greyfield Inn houses non-campers and the only restaurant on the island.

#### • 8. Las Vegas

Brian Jones/Las Vegas News Bureau

It's always happening in Vegas, baby. But this year there's more to discover than how much your savings have been depleted, especially as this dazzling rhinestone of a city attempts to draw more lower-rolling tourists in 2014 (per-person gaming revenue has dropped by 30% since 2006). Fremont East and the Arts District near downtown are blossoming into vibrant neighborhoods in their own right; the former has recently developed into an artsy hub – this is where the locals come to eat and drink. Lots of hip new bars, cafes and galleries – not to mention the Burlesque Hall of Fame – give revelers excellent reason to venture off the Strip. For the Strip-bound, the world's tallest observation wheel (aptly named the High Roller), part of Caesars' new \$550 million LINQ 'district,' is slated to open center-Strip in mid-2014.

For high-octane thrills, find time between Blackjack hands for Vegas Indoor Skydiving, go-karting at Fast Lap, or ziplining with Flightlinez.

Read our tips for how to live it up in Vegas on a low-rollers budget.

#### • 9. Sun Valley, ID

Courtesy of Visit Sun Valley

Sun Valley is the perfect alternative to Colorado's ritzy resort areas, especially in summer when costs and visitor numbers are smaller. Camping, hiking, mountain biking, fly fishing, cultural events, and great food abound. In winter, world-class skiing can be had at the first purpose-built ski resort in the US, and you can ride the lifts with swanky Hollywoodsters in a refined and pretty place, sans fast-food joints and condo sprawl. Also absent: crowds and lift lines!

The stunning location is as impressive as the snow, and nearby Ketchum retains its authenticity and rustic beauty despite the seasonal deluges. A bit further on, Stanley – which might be the most scenic town in the US – is nestled on the crook of the Salmon River, thus a perfect launch site for killer rafting with the aptly named Sawtooth Mountains providing a dramatic backdrop.

Ernest Hemingway, who is buried here, had a deep affection for Sun Valley, and allegedly completed *For Whom the Bell Tolls* in the Sun Valley Lodge's room 206 in between fishing and hunting excursions with buds Gary Cooper and Clark Gable.

Want more inspiration for year-round summer fun in Sun Valley?

#### • 10. Lana'i, HI

Hawaii Tourism Authority/Dana Edmunds

This unique speck of paradise boasts empty beaches, snorkeling and diving, shipwrecks, petroglyphs (!), otherworldly rock formations, red-dirt roads, rugged hiking (or 4WD) trails, and one of our favorite poke (raw fish salad) markets in the state. Lana'i's candy-colored plantation-style homes and teeny town center – yes, there's only one town – offer a sense of isolation and small-island charm. It's also about to undergo some serious change – and many say for the better.

The smallest of the visitable Hawaiian Islands is currently a mix of Hawaiian and Asian cultures, ritzy pools and rugged shores, and luxury and down-home travel experiences. Oracle billionaire Larry Ellison purchased 98% of the island in 2012, and his plans for Lana'i are reputedly going to honor these distinctions while opening more high-end resorts and doubling the population. While some fear Lana'i will become a playground for the wealthy, at least the playground will be, as Ellison puts it, 'a laboratory for sustainability' – and parts will still be accessible to budget-minded travelers, even if only by day-trip from Maui. Many feel this is all good, some not so much – it remains to be seen, but either way, see it now before it morphs.

Don't worry, all the care goes into the food, not the décor, at the bare-bones Blue Ginger Café. Muffins hot from the oven are a must.

Here's an expert's view on how to find your center in Lana'i.

Follow Lonely Planet on Twitter: [www.twitter.com/lonelyplanet](http://www.twitter.com/lonelyplanet)

Find Your Hotel

Hotel Flight Vacations Car Cruise

Where City name or airport

Check In mm/dd/yy

Check Out mm/dd/yy

POWERED BY

Search

27 people are discussing this article with 29 comments

Start a conversation...

250  
words

Preview

Submit



**Rick Baird**

---

**From:** Spencer Dickerson <Spencer.Dickerson@aaae.org>  
**Sent:** Thursday, December 12, 2013 6:04 PM  
**To:** Spencer Dickerson  
**Subject:** Contract Tower Funding Update  
**Attachments:** ContractTowerLettertoFY14AppropsConferees.doc  
  
**Importance:** High

## **TO: All 251 Airports with FAA Contract Towers and ATC Contractors**

As the AAAE Legislative Staff has reported, House and Senate negotiators have reached an agreement on a budget package that would “buy down” some \$45 billion in sequestration cuts scheduled to become effective early next year. The bill was passed overwhelmingly the House tonight and the Senate is expected to pass the legislation next week.

The deal gives the appropriators a “top line” number of \$1.012 trillion as opposed to the \$967 billion overall limit under current law – a fact that many expect to clear the way for passage of pending FY 2014 appropriations measures (including the DOT/FAA spending bill) in advance of the January 15 date after which federal funding is currently scheduled to expire.

So, what does this mean for contract tower funding? The answer is that we won’t know for certain until Congress passes a bill to fund DOT/FAA after January 15. The process for developing that legislation will play out over the next several weeks, led by the same appropriations leaders in the House and Senate we have been working with over the past year on contract tower funding. As you will recall, both the House and Senate versions of the FY 2014 DOT/FAA spending bills include \$140 million in dedicated funding for the Contract Tower Program and the cost-share program, so those involved with the decision-making are obviously very supportive.

The pending House FY 2014 DOT/FAA spending measure includes “bill language” that essentially requires FAA to fund the program while the Senate version includes “report language,” that directs the agency to do so. In our view, the House language is stronger, and we have asked the negotiators to ensure a final FAA funding bill for FY 2014 – in whatever form that may take – includes the bill language guaranteeing funding for the program and cost-share program. The AAAE staff recently met with key appropriations committee staff to make a similar request.

In terms of our strategy moving forward, it is rather fluid at the moment. We are confident based on our discussions with our friends on the Hill that folks are lined up to be supportive for ensuring that the program is funded from January 15 throughout the fiscal year that ends on October 1, 2014. We don’t see a reason to launch an all-out effort to remind our friends on Capitol Hill on where we stand at this point, but we are prepared to jump into action at a moment’s notice if circumstances change.

The bottom line is that things remain uncertain at the moment, but the passage of the budget package will undoubtedly help us secure dedicated funding for the remainder of FY 2014. We are monitoring the situation daily and will get back to you with further updates and potential calls to action.

Finally, attached is another copy of the October 28 industry letter regarding contract tower funding sent to the House and Senate appropriations committee leaders signed by 12 organizations, including the U.S. Conference of Mayors.

Stay tuned, and thank you for your continued support!

Spencer Dickerson  
AAAE  
601 Madison St., 4th Floor  
Alexandria, VA 22314  
phone 703/824-0500, ext. 130  
[sdickerson@aaae.org](mailto:sdickerson@aaae.org)

## Rick Baird

**From:** Steve Guthrie  
**Sent:** Thursday, December 12, 2013 5:03 PM  
**To:** Rick Baird  
**Subject:** FW: TSA Directed to Keep Staffing Exit Lanes  
**Attachments:** Steve Guthrie.vcf  
  
**Importance:** High

## F.Y.I.



### Steve Guthrie

Friedman Memorial Airport  
Airport Security Coordinator  
(208) 788-4956 ext. 104 Work  
(208) 720-4192 Mobile  
steve@flyfma.com  
P.O. Box 929  
Hailey, ID 83333

---

**From:** Lorena de Rodriguez [mailto:lorena@ssinstruction.com]  
**Sent:** Thursday, December 12, 2013 4:53 PM  
**To:** 'Chris Pheasant'  
**Subject:** TSA Directed to Keep Staffing Exit Lanes

While many of you may already have heard, this announcement will be very welcomed to many airports.  
Happy Holidays!

**Lorena de Rodriguez** • President • Office / Direct # 480.699.3743 x1



safety & security instruction

profile

Please consider the environment before printing this e-mail. This email and its attachments may be confidential and are intended solely for the use of the individual to whom it is addressed. If you are not the intended recipient of this email and its attachments, you must take no action based upon them, nor must you copy or show them to anyone. Please contact the sender if you believe you have received this email in error.

---

**From:** ACI-NA PS&S [mailto:publicsafety&security@aci-na.org]  
**Sent:** Thursday, December 12, 2013 4:35 PM  
**Subject:** House Approves Budget Deal Directing TSA to Keep Staffing Exit Lanes



AIRPORTS COUNCIL INTERNATIONAL | NORTH AMERICA  
**COMMITTEE BRIEFS**  
The Voice of Airports®



**ACI-NA Security Notice**

**December 12, 2013**

## Public Safety & Security Committee

*Enhancing the safety and security of airports.*

- [News](#)
- [Leadership](#)
- [Meetings & Events](#)
- [Discussion Forums](#)

ACI-NA received information that Federal Security Directors (FSDs) are contacting member airports to indicate that the deadlines stipulated in the Exit Lane Access Control Amendment no longer apply, given the language in the Congressional budget proposal directing TSA to continue to monitor exit lanes at the airports where it currently does so. ACI-NA encourages its member airports to consult with their FSD for further guidance.

### **House Approves Budget Deal That Includes ACI-NA Priorities of Directing TSA to Keep Staffing Exit Lanes and Protecting AIP – Bill Now Moves to Senate**

Late Thursday, the House of Representatives by a vote of 332-94 approved the Bipartisan Budget Act of 2013, the two-year budget agreement announced earlier this week by Senate Budget Chair Patty Murray (D-WA) and House Budget Chair Paul Ryan (R-WI). The bill now moves to the Senate, where we expect for it to be voted on early next week, for its consideration before going to the President for signature into law.

Thanks to all for the Congressional engagement on behalf of ACI-NA member airports on the Exit Lane Staffing issue. Your collective efforts over the course of this year to educate members of Congress about this issue and keep the drumbeat going, even when litigation seemed like the only option, truly did lay the foundation to make this legislative victory in the House possible. On to the Senate!

### **Highlights of the Budget Deal**

The Bipartisan Budget Act of 2013 sets overall discretionary spending for the current fiscal year at \$1.012 trillion – and provides \$63 billion in sequester relief over two years split evenly between defense and non-defense programs, fully offset by savings elsewhere in the budget.


#### **The agreement includes two major wins for airports:**

- **It specifically directs TSA to continue to staff exit lanes at the airports where it currently does, effectively voiding the ASP that those airports recently received.**
- **It largely mitigates sequestration cuts at the FAA, including AIP, for the next two fiscal years.**

Since the current continuing resolution for FY14 expires on January 15, 2014, we expect House and Senate Appropriators to begin working immediately on some type of omnibus appropriations package for FY14.

### **Reminder on Agreement's Impact on Exit Lane Litigation**

Until this legislation is signed into law, it will have no impact on the pending petition for review – although the fact that Congress may soon solve the problem would be another good reason for the Court to stay implementation of TSA's rule. (We will make this point to the Court if the legislation has not been enacted by the time TSA replies to our motion for a stay, which we expect to happen next week.) If the bill passes, it will presumably "moot" our case. If our case becomes moot, it will be dismissed and the Court will never be called upon to take any action.



issue, this experience has shown that America's airports must remain vigilant when TSA or any agency imposes new rules on our industry without engaging in proper public notice and comment rulemaking. ACI-NA will provide additional information as it becomes available.

If you have any questions or comments, please contact [Christopher R. Bidwell](#), Vice President, Security and Facilitation, at (202) 861-8081 or [Lydia T. Beairsto](#), Director, Public Safety and Security, at (202) 861-8082.



## Rick Baird

---

**From:** Steve Guthrie  
**Sent:** Tuesday, December 31, 2013 12:06 PM  
**To:** Rick Baird  
**Subject:** FW: AAAE Security Policy Alert: Exit Lane Litigation Ended and ASP Amendment Rescinded  
**Attachments:** Steve Guthrie.vcf

F.Y.I.

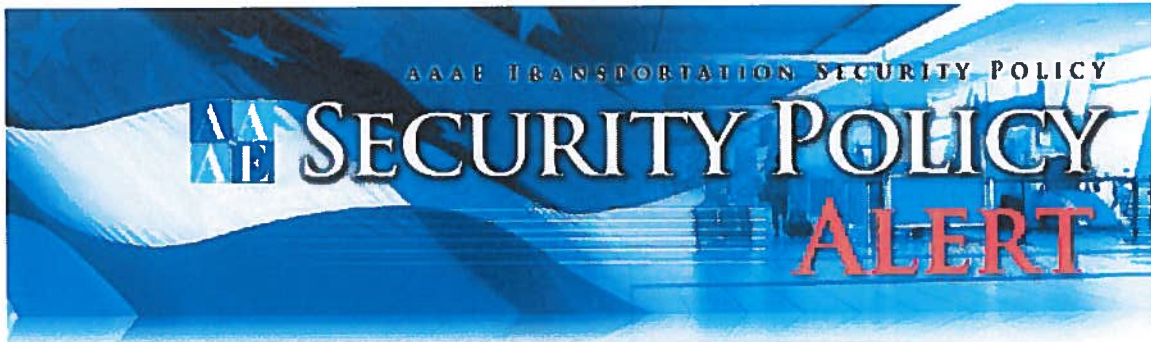


**Steve Guthrie**

Friedman Memorial Airport  
Airport Security Coordinator  
(208) 788-4956 ext. 104 Work  
(208) 720-4192 Mobile  
steve@flyfma.com  
P.O. Box 929  
Hailey, ID 83333

---

**From:** colleen.chamberlain@aaaae.org [mailto:colleen.chamberlain@aaaae.org]  
**Sent:** Tuesday, December 31, 2013 12:05 PM  
**To:** Steve Guthrie  
**Subject:** AAAE Security Policy Alert: Exit Lane Litigation Ended and ASP Amendment Rescinded



**Exit Lane Litigation Ended and ASP Amendment Rescinded**

**December 31, 2013**

This morning, the U.S. Court of Appeals granted TSA's unopposed motion to dismiss as moot the Petition for Review of TSA's Exit Lane Amendment filed by AAAE, ACI-NA, and 18 individually-named airport petitioners. Accordingly, the Court of Appeals ordered the dismissal of the cases.

Although Congress ultimately directed TSA to permanently continue to monitor exit lanes where it already provided such monitoring, there is no doubt that the resolve shown by the airport industry in mounting a court challenge to TSA's misguided Exit Lane Amendment contributed significantly to the successful outcome.

Now that the law directs TSA to permanently continue to monitor exit lanes at the 155 airports affected by the Airport Security Program Amendment, AAAE and ACI-NA have received information indicating that FSDs are issuing letters rescinding the Amendment at the affected airports.



[Colleen Chamberlain](#), Vice President  
[Sarah Pilli](#), Director

[Forward email](#)



This email was sent to [steve@flyfma.com](mailto:steve@flyfma.com) by [colleen.chamberlain@aaaae.org](mailto:colleen.chamberlain@aaaae.org) |  
[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).  
AAAE | 601 Madison Street, Suite 400 | Alexandria | VA | 22314

ATTACHMENT #7

Friedman Memorial A  
Draft Capital Improvement Prog

Calendar Year	Project	Total Cost
2014	Hangar Taxilane Relocation (Match Only - AIP is from 2013)	\$62,500
2014	South RSA Grading/Relocate Taxiway B	\$9,051,000
2014	Terminal Apron Reconstruction	\$1,523,000
2014	North Hangar Taxilane	\$890,000
2014	Hangar Acquisitions	\$2,200,000
2014	SRE/ARFF Shop, Phase 1	\$2,792,667
2014	Terminal Reconfiguration, Phase 1 (AIP Eligible Portion)	\$2,850,000
2014	Master Plan Update	\$275,000
Subtotal, 2014		\$19,644,167
2015	Terminal Reconfiguration, Phase 2 (AIP Eligible Portion)	\$2,850,000
2015	Terminal Reconfiguration (Bag Screen and Outbound Bag)	\$390,000
2015	Terminal Reconfiguration (TSA and Airlines)	\$419,250
2015	Terminal Reconfiguration (Ineligible)	\$181,500
2015	Acquire SRE	\$500,000
2015	Master Plan Update	\$275,000
2015	SRE/ARFF Shop, Phase 2	\$873,333
2015	Airport Admin Office	\$401,000
2015	North RSA Grading/Relocate Taxiway B	\$2,238,000
2015	Central Bypass Apron	\$186,000
2015	Air Cargo Ramp/North Bypass	\$2,133,000
2015	Demo Hangars	\$428,000
2015	Rehabilitate Runway	\$200,000
2015	Rehabilitate Terminal Parking Lot	\$200,000
Subtotal, 2015		\$11,275,083
2016	Land Acquisition (Alternative 7)	\$3,750,000
Subtotal, 2016		\$3,750,000
2017	Construct Aprons (Alternative 7)	\$1,066,667
2017	Terminal Improvements	\$100,000
Subtotal, 2017		\$1,166,667
2018	Snow Removal Equipment Storage Building	\$1,066,667
2018	Terminal Improvements	\$100,000
Subtotal, 2018		\$1,166,667
TOTAL		\$37,002,584

\* Airport costs are costs that can not be reimbursed by PFCs.



airport  
program, 2014-2018

FAA		Match/Local Share		
Entitlements	Discretionary	PFC	Airport*	Total
\$0	\$0	\$62,500	\$0	\$62,500
\$1,000,001	\$7,485,312	\$565,689	\$0	\$565,688
\$0	\$1,427,813	\$95,188	\$0	\$95,188
\$0	\$834,375	\$55,625	\$0	\$55,625
\$0	\$2,062,500	\$137,500	\$0	\$137,500
\$0	\$2,618,125	\$174,542	\$0	\$174,542
\$0	\$2,671,875	\$178,124	\$0	\$178,125
\$0	\$0	\$275,000	\$0	\$275,000
\$1,000,001	\$17,099,999	\$1,544,168	\$0	\$1,544,167
\$1,000,000	\$1,671,875	\$178,125	\$0	\$178,125
\$0	\$0	\$390,000	\$0	\$390,000
\$0	\$0	\$0	\$0	\$419,250
\$0	\$0	\$0	\$181,500	\$181,500
\$0	\$0	\$500,000	\$0	\$500,000
\$0	\$0	\$275,000	\$0	\$275,000
\$0	\$818,750	\$54,583	\$0	\$54,583
\$0	\$0	\$0	\$401,000	\$401,000
\$0	\$2,098,125	\$139,875	\$0	\$139,875
\$0	\$174,375	\$11,625	\$0	\$11,625
\$0	\$1,999,688	\$133,313	\$0	\$133,313
\$0	\$401,250	\$26,750	\$0	\$26,750
\$0	\$0	\$0	\$200,000	\$200,000
\$0	\$0	\$0	\$200,000	\$200,000
\$1,000,000	\$7,164,062	\$1,709,271	\$982,500	\$3,111,021
\$1,000,000	\$2,515,625	\$234,375	\$0	\$234,375
\$1,000,000	\$2,515,625	\$234,375	\$0	\$234,375
\$1,000,000	\$0	\$66,667	\$0	\$66,667
\$0	\$0	\$0	\$100,000	\$100,000
\$1,000,000	\$0	\$66,667	\$100,000	\$166,667
\$1,000,000	\$0	\$66,667	\$0	\$66,667
\$0	\$0	\$0	\$100,000	\$100,000
\$1,000,000	\$0	\$66,667	\$100,000	\$166,667
\$5,000,001	\$26,779,687	\$3,621,148	\$1,182,500	\$5,222,896

December 31, 2013

## **WORK ORDER 14-03 EXHIBIT A – Scope of Work Friedman Memorial Airport (SUN) Hailey, Idaho**

### **RSA Improvements – Project 3**

#### **Terminal Reconfiguration**

This Scope of Work describes professional services to be provided in support of a project that will reconfigure the terminal at Friedman Memorial Airport (SUN), to include an addition on the north end of the building and various improvements to the existing portions of the terminal building. The primary purpose of this reconfiguration is to relocate the passenger screening and arrival/departure areas from the south end of the facility to the north end. A detailed description of the project and this scope of work is provided below.

#### **INTRODUCTION**

The Friedman Memorial Airport is located in Hailey, Idaho. This airport serves the Wood River Valley region of Idaho, including the Sun Valley resort area. The Airport is currently served by two commercial service air carriers (SkyWest and Horizon Air), with service by United scheduled to begin in December 2013. A large number of corporate jets and other general aviation aircraft also use the airfield for business, recreation and travel to and from the large number of second homes in the area. The Friedman Memorial Airport Authority (FMAA) governs and manages the airport under a joint powers agreement between the City of Hailey and Blaine County, who co-sponsor the airport.

The airport does not meet current FAA design standards in several critical areas. Traffic by aircraft such as the Bombardier Q400, operated by Horizon Air, and several models of large GA aircraft (e.g., Gulfstream G-V and Bombardier Global Express) dictates that the Runway Design Code for the airport is C-III. Due to the geometry and spatial limitations of the existing site, the airport does not meet standards for many criteria, most critically the Runway Safety Area (RSA).

Until recently, the planned solution was to relocate the airport to a new site south of the existing airport and away from the valley cities. The FAA was conducting an Environmental Impact Statement (EIS) study for a new location until the decision was made to suspend the study in August 2011, due to financial and environmental concerns.

At the direction of the FAA, FMAA recently completed a Technical Analysis of available alternatives for improving the airport to meet standards where practical and to identify required Modifications of Standards, where standards cannot be met. This Analysis identified seven alternative airport configurations and the costs and possible environmental impacts associated with each. Upon review of the Analysis, the conclusion of the community and the FAA was that Alternative 6 would be pursued, with additional future planning to consider elements of Alternative 7 that are necessary to accommodate airport uses displaced by construction of Alternative 6. A graphic of Alternative 6 is attached.



Alternative 6 identifies projects within the existing perimeter fence at SUN that will accomplish the following:

1. Full compliance with C-III RSA dimensions.
2. Minimum runway to parallel taxiway separation of 320'.
3. All aircraft parking outside of the Runway OFA.

In order to accomplish this, a large amount of construction must be done, including relocation and extension of the primary parallel taxiway on the west side of Runway 13/31 (Taxiway B), removal of a secondary parallel taxiway on the east side of the runway (Taxiway A), relocation of multiple hangars and various other improvements. One of the key improvements is relocating the terminal aircraft parking from the east side of the terminal (currently in the Runway OFA and in the location of the relocated parallel taxiway) to the north side of the building. With this relocation, a reconfiguration of the terminal will be necessary to safely move passengers to and from aircraft.

All of the improvements identified in Alternative 6 must be completed prior to December 31, 2015. By Congressional mandate, all commercial service airports must have compliant Runway Safety Areas by that date. Following selection of the alternative, the Airport Authority proceeded with a Formulation Study to refine it and determine how the proposed projects would be completed. This study included analysis of options for the terminal reconfiguration and this analysis is available to assist with the design.

## **PROJECT APPROACH**

This project is completely driven by the need for Runway Safety Area improvements at the airport. In order to provide a compliant Runway Safety Area, Taxiway B must be relocated. In order to relocate Taxiway B, terminal aircraft parking must be relocated. In order to safely get passengers to and from the new terminal aircraft parking location, the building must be reconfigured. This Terminal Reconfiguration project will therefore be a multiple component project to update the existing terminal building to accomplish this goal.

During the Formulation project, three options were explored to relocate aircraft parking positions and adjust terminal functionality accordingly. Of the options presented, Option 3 (Exhibits attached) was selected as the preferred option with the facility expansion to the north, east and west to support the operation. Planning level opinions of probable costs were generated for each of the three options.

Pre-design drawings for the Project, developed during the Formulation project as well, will be utilized as a starting point in developing the architectural design of the project. The pre-design was limited to preliminary block plan diagrams and does not include building elevations, building sections, mechanical, electrical and plumbing building system descriptions or site plan development, all of which will need to be developed during initial programming and design phases of the project. Facility sizing was contemplated based upon scheduled service anticipated for FY 2014.

In the preferred option, the building will be expanded north and west to accommodate a pre-screening waiting area, passenger security screening, secure hold room, concessions and restroom. The building will also be expanded east of the ticket counters to accommodate reconfigured airline ticketing and offices, TSA checked baggage screening and outbound baggage room requirements. (Note: some of the improvements in the ticketing and outbound baggage screening areas may not be AIP eligible. An element of this project will be to determine facility needs in these areas and the eligibility of the desired





improvements.) The departures hall and baggage claim area will be updated only to maintain consistent architectural finishes in the public spaces and provide signage and other guidance to passengers.

Key components of the project include the following renovation and/or additions to the existing building as appropriate:

- Airline ticketing, offices, baggage check-in and screening are expanded into the existing airline ticket office and passenger hold room space and new construction east of the airlines' space.
- Outbound baggage make-up is housed in a new addition to the east of the existing building.
- Security Checkpoint layout will be designed in accordance to the 2012 TSA Checkpoint Design Guidelines.
- TSA offices and break room (if included in the design) will be located in the general area of the existing holdroom and concession areas.
- Existing concessions will be relocated to the secure holdroom.
- Existing baggage claim hall architectural finishes will be updated to match the remaining facility.
- Rental car counters will be reconfigured to open up circulation from the baggage claim hall to the west terminal area expansion and, if possible, to provide additional rental car space.
- Relocated circulation/greeting space will be located at former storage space next to the mechanical room.
- Expansion to the north and west will house a waiting area, security screening and a secure hold room.
- Site improvements will be limited to grading and paving improvements necessary adjacent to the building, as well as minimal reconfiguration of the terminal parking lot to accommodate the new building space.
- The preferred alternative will be evaluated for Federal eligibility and stakeholder/tenant leasing scenarios.

The project will be designed as one building to be delivered through a design/bid/build methodology.

Lease spaces such as retail, concessions, and car rental will be designed as a "white box" to be finished by others under separate contract. A "white box" is defined as having unpainted gypsum board walls with outlets roughed-in, a concrete floor, no fixed lighting and no finished ceiling.

Other tenant lease spaces, specifically, airline and TSA operations spaces, will be designed to a thirty percent (30%) design level (Schematic Design) at which time the tenants will be engaged by the airport and design team in a process to determine their requirements and whether they support funding expansion necessary for outbound baggage operations and TSA ancillary operations at the airport (Exhibit attached showing planned airline and TSA lease spaces). Subsequent design work will be



determined by the scope of the airlines and TSA space requirements and will constitute additional services to the design contract. If the tenants determine that their spaces are sufficient to meet their requirements, the design contract will be amended to show that no additional services are required for these lease spaces.

For the purpose of this proposal, Mead & Hunt will develop exterior improvements in the immediate area surrounding the terminal to the curb line adjacent to the building. Building utility lines will be designed to extend five feet (5') out from the building line to be coordinated with site improvements. In support of T-O Engineers, a code review will be provided for T-O Engineer's developed drawings, reviewing grading, drainage, NFPA, and other relevant code requirements both landside and airside.

It is assumed the building site has no environmental issues and that adequately sized utilities are adjacent to the project site, including electric power, water, sewer, gas, and data/communication. If not so, these issues would be addressed by T-O Engineers or others under a separate contract.

Architectural and engineering professional services will be provided through the Bidding Phase of the project. Once the design is finalized and a Construction Administration level of services has been determined, Mead & Hunt will submit a scope and fee for that effort, to be provided under a separate agreement.

## PROJECT SCHEDULE

From the date of Owner's notice to proceed, the design and construction document phases for the entire project will be completed as follows:

Programming	8 weeks
Schematic Design	8 weeks
Design Development	10 weeks
Construction Documents	12 weeks
Bidding and Award	6 weeks

The FAA and the Owner desire that the construction of the project is structured so that access to the new aircraft parking area is available by June 2015. Additional work on the project may take place after that point, but all work will be complete by December 31, 2015.

## ANTICIPATED STAFFING

T-O Engineers is the prime consultant for this project and will provide contract management, coordination and all other project management services. These services will primarily be provided by a Principal in the firm, in order to provide the experience and leadership necessary to complete the project on an aggressive schedule. T-O will also provide civil site design services.

All architectural elements of the project, including architectural, structural, mechanical, plumbing, electrical and security design will be completed by qualified architectural consultants. Mead & Hunt will serve as the primary architectural consultant, with assistance from Ruscitto/Latham/Blanton, who will provide local knowledge and coordination for the project.



#### **AVAILABLE INFORMATION:**

- Previous Airport Layout Plan (ALP) drawings, most recently updated by T-O Engineers in 2010.
- Drawings from previous terminal projects completed at the airport.
- 2012 Technical Analysis, prepared by T-O Engineers.
- Analysis completed under a separate Project Formulation effort, including an abbreviated update to the ALP to reflect the projects identified in Alternative 6.

DRAFT



ITEM	DESCRIPTION
6-1	RELOCATE AIRCRAFT PARKING/HANGARS, RECONSTRUCT BUS ROUTE ACCESS ROAD, CLOSE WINTER BUS ROUTE
6-2	REMOVE HANGARS, RELOCATE ELECTRICAL VAULT
6-3	TERMINAL AIRCRAFT PARKING
6-4	RELOCATE AIRPORT OFFICES, AND HANGAR
6-5	REMOVE HANGARS, RELOCATE DE-CONFLUION
6-6	RELOCATE AIR TRAFFIC CONTROL TOWER
6-7	NEW TAXILANE TO ACCESS T-HANGARS
6-8	RELOCATE TAXIWAY B

ITEM	DESCRIPTION
6-9	RELOCATE EXISTING FBO FENCE AND PORTION OF PARKING LOT OUTSIDE OF TAXIWAY OFA
6-10	LOSS OF PARKING DURING HIGH DEMAND: 70,000 SF
6-11	EXTEND TAXIWAY B
6-12	RELOCATE AWOS
6-13	REMOVE PAVEMENT AND GRADE RSA
6-14	HIGHWAY 75 ALIGNMENT REMAINS THE SAME

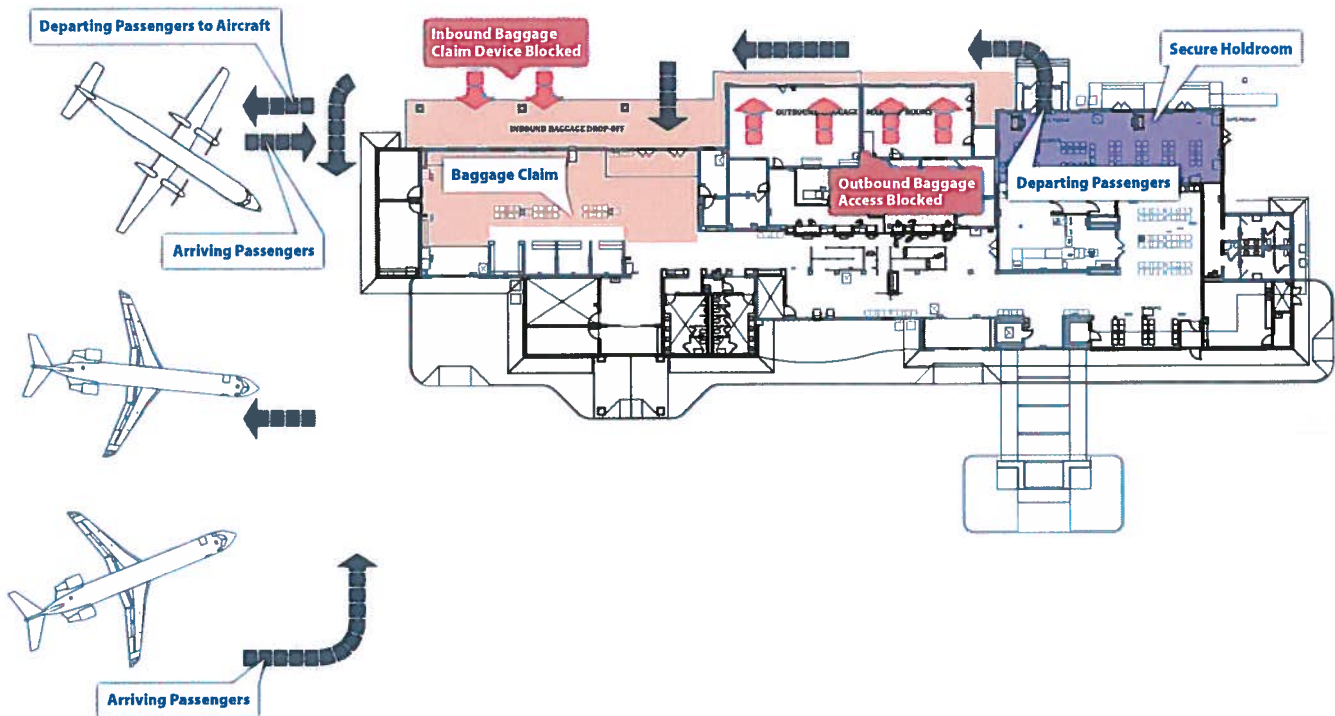
AIRCRAFT PARKING IMPACTS	
FBO:	-30,000 SF
GENERAL AVIATION:	-95,000 SF
TERMINAL APRON:	+41,200 SF
AIR CARGO APRON:	-88,500 SF
NET DIFFERENCE:	-181,300 SF

POTENTIAL MODIFICATIONS REQUIRED		
AIRPORT DESIGN STANDARD	STANDARD DIMENSIONS	POTENTIAL MODIFICATIONS REQUIRED AS SHOWN
RUNWAY TO PARALLEL TAXIWAY SEPARATION	400'	320'
RUNWAY TO AIRCRAFT PARKING	500'	400'
RUNWAY OFA GRADING	10:1	4:1
RUNWAY OFA CLEARING	NO FIXED OBJECTS	HWY 75/BUILDINGS AT NE CORNER
TAXIWAY OBJECT FREE AREA	186'	180'

LEGEND	
6-1	KEY NUMBER
[Blue outline]	NEW AIRFIELD PAVEMENT
[Dark blue fill]	NEW BUILDING / HANGAR / STRUCTURE AREA
[Red outline]	BUILDING / HANGAR / STRUCTURE REMOVAL
[Orange outline]	PAVEMENT REMOVAL

- NOTES**
- THIS ALTERNATIVE RESULTS IN A NET LOSS OF 2 HANGARS.
  - OPERATIONAL CHALLENGES (SHOW REMOVAL/DISPOSAL, ETC.) WILL BE CREATED BY THIS ALTERNATIVE.
  - EXISTING STORM DRAINAGE DISPOSAL SYSTEM WILL REQUIRE EXTENSIVE MODIFICATION.



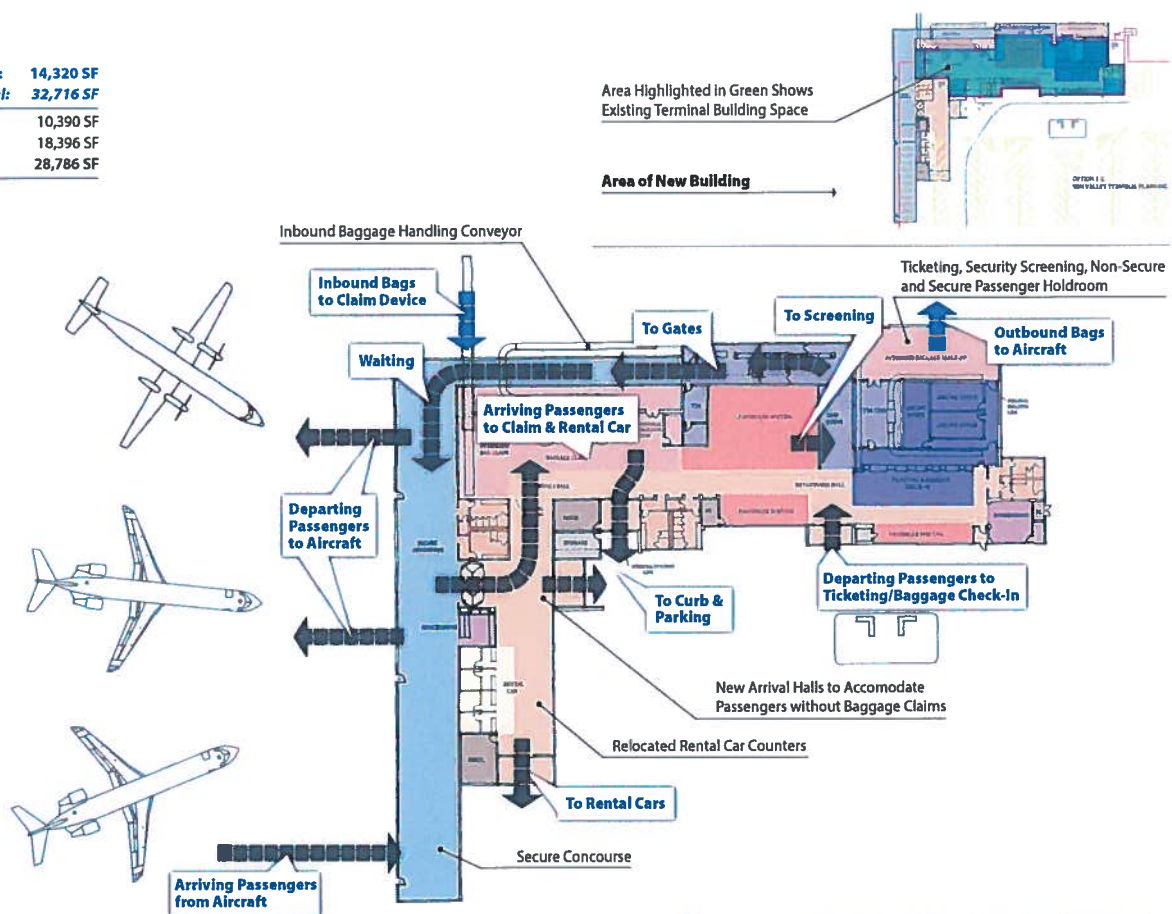


#### ■ Option 1: Covered Walkway

Exterior Covered Walkway to Aircraft on North Side of Terminal



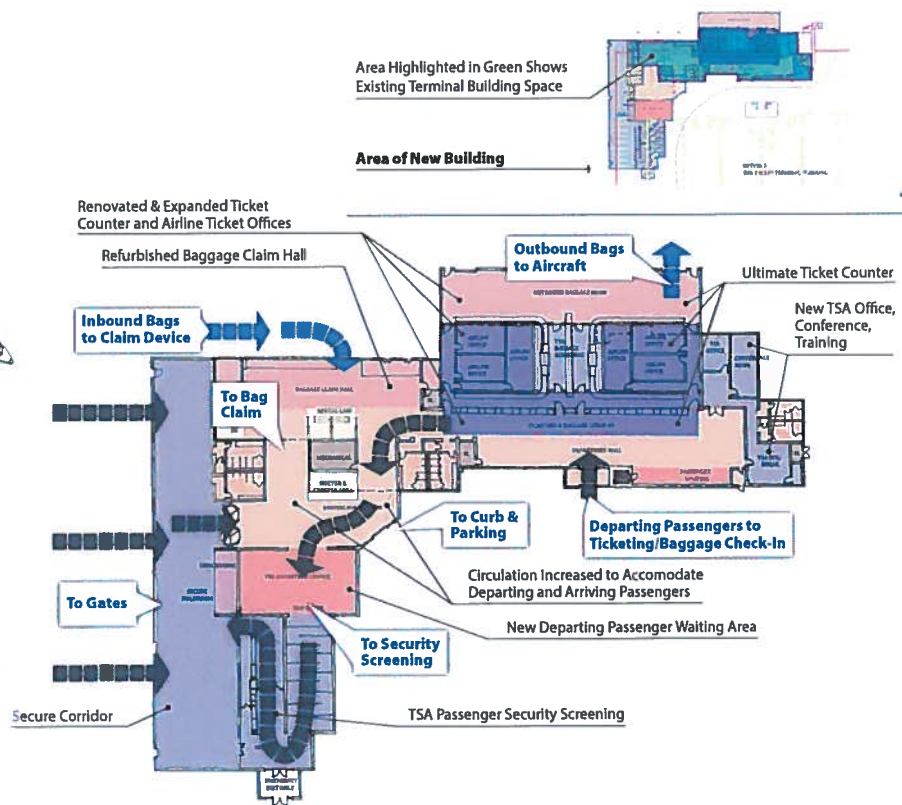
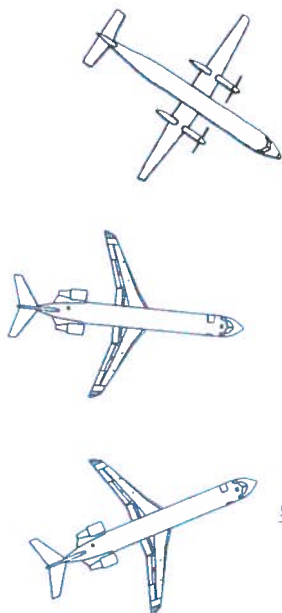
Existing Terminal:	14,320 SF
Proposed Terminal:	32,716 SF
Renovation	10,390 SF
New Construction	18,396 SF
Total Construction	28,786 SF



#### Option 2: Covered Walkway Revised Concept

Eliminate Conflicts Between Inbound & Outbound Baggage Handling Operations

Existing Terminal:	14,320 SF
Proposed Terminal:	28,273 SF
Renovation	6,994 SF
New Construction	13,953 SF
Total	20,947 SF



**Option 3: Preferred Alternative**  
Simplified Terminal Building Addition



## SCOPE OF SERVICES

The Consultant will be responsible for providing architectural and engineering design services for Civil, Structural, Architectural, Interior Design (to include standard furniture, fixtures and equipment (FF&E)), Mechanical, Electrical, Plumbing and Fire Protection, Fire alarm, Audio/visual, Cable television, Telecommunications, Sound/intercom and Security systems (MEP/FACTSS) as outlined in the following tasks.

Listings of attendees at meetings in the following scope of services shall be designated as follows: Principal (PR), Project Manager (PM), Design Architect (DA), Project Architect (PA), Master Planner (MP), Aviation Planner (AP), Civil Engineer (T-O) (CE), Interior Designer (ID), Local Architect Representative (LA), Structural Engineer (SE), Mechanical Engineer (ME), Electrical Engineer (EE), Plumbing Engineer (PE) and Special Systems Specialist (SS). Based on the compressed nature of review periods necessary to meet requested timelines, in-person meetings are proposed to efficiently resolve design issues at various stages throughout the process.

### Task 1 Project Management

This task provides project administration and coordination throughout the course of this project and will involve communicating project progress and issues with the Owner, coordinating with the team's activities, coordinating the design with the Owner, providing oversight and quality control, checking documents, organizing project information, administering invoices, and managing the project budget. Coordination with ongoing Master Planning and related facility design efforts are also contemplated with this effort.

### Task 2 Programming

Upon notice to proceed, the Programming Task will establish the overall goals of the project and develop and verify the building requirements. This task will provide the further development of the building program and Furniture, Fixtures and Equipment (FF&E) requirements for the project initially developed in the Formulation study. This will include the following items:

#### **General Tasks**

- Review and confirmation of anticipated peak hour enplanements based on current and future potential aircraft mix scenario(s) for planning and terminal design
- Facility program development and summary of individual space requirements and five-year growth space projections
- Evaluation of design for the preferred option developed during the pre-design study
- Quality and image goals
- Photographing existing building conditions
- FF&E requirements



- Building utility system (mechanical, electrical, plumbing) requirements and energy and sustainable design goals
- Project budget and scope of work
- Project schedule for completion of the design phases
- Initial regulatory requirements review
- Initial contact with relevant governmental regulatory agencies (i.e.: Hailey Building & Safety, Federal Aviation Administration, etc., as required)
- Coordination with the FAA regional representative if requested for eligibility determinations
- Site reconnaissance to evaluate existing building conditions based on available as-built drawings provided by the Owner
- Eligibility calculations for funding and calculations for leasing
- Eligibility Plan consistent with the new AIP Handbook and preliminary opinion of probable construction cost
- Meeting minute documentation of site visits and internal team meetings

### **Meetings**

- Two (2) meetings via conference call with FAA, Owner and other project team members as appropriate to confirm project justification and preliminary major scope elements. Attendees: PR, PM, DA, PA
- One (1) one-day meeting at the Airport with the Owner and FAA to discuss project scope and budget. This will include attendance of a board meeting concurrently. Attendees: PR, PM, DA, PA
- One (1) two-day work session at the Airport with the Owner to kick-off the project and develop the building program and the FF&E requirements, confirm space needs, design standards, building quality, building system requirements, building equipment list, sustainable design goals and budget goals. Attendees: PR, PM, PA, DA, MP, ID, CE, LA
- On-site reconnaissance by the design team to evaluate and document existing building conditions. Attendees: PM, DA, ID, PA
- One (1) follow-up conference call meeting with the Owner to review the Programming/FF&E draft submittal. Attendees: PR, PM, DA, PA, MP, ID
- At the completion of the phase, two (2) meetings via conference call with FAA, Owner and other project team members to validate project direction. Attendees: PR, PM, DA, PA

### **Deliverables**

Programming/FF&E Summary deliverables will be submitted for Owner review and approval to include the following:

- Project justification documentation consisting of three exhibits along with bullet points for FAA coordination
- Draft program requirements summary
- Final program requirements summary
- Building area tabulations
- AIP eligibility calculations and plan
- Preliminary regulatory requirements





- Sustainable design goals
- Building quality and image goals and expectations
- Preliminary FF&E Scope Summary
- Airport facility program and operations requirements brief

Owner's review comments will be incorporated into the Programming documents. Object Free Areas, building setbacks, and overall facility height for Part 77 penetrations will be determined by T-O Engineers. Owner changes affecting project scope, schedule or budget will be reviewed with Consultant regarding potential contract modifications.

### **Task 3      Schematic Design**

Upon completion of the Programming Phase and written notice to proceed, the Schematic Design phase will determine the general scope, basis of design, scale and the interfacing of the various structural, mechanical, plumbing, and electrical components of the project. The primary objective is to develop a clearly defined design with a comprehensive scope, building image, preliminary budget and schedule. This Task will include the following elements:

#### **General Tasks**

- Review site survey for coordination with the design
- Conduct a preliminary review of regulatory requirements for the project (architectural, structural, mechanical, electrical and plumbing) applying building code and ADA requirements to plans to verify new and existing conditions, building classification, and other life-safety requirements
- Complete a shadow study analysis per FAA requirements
- Develop preliminary building plans, building elevations, and Sketch-Up 3-D drawings
- Develop preliminary site plan, utility design and vehicle parking plan
- Prepare presentation level site plan, floor plans and elevations as required for Owner review and planning department reviews with the city
- Review airport program requirements and coordinate with the building design
- Review the geotechnical report (prepared by others) and develop preliminary foundation, slab and structural frame criteria
- Develop preliminary structural plans
- Select primary interior and exterior finishes
- Develop typical plan layouts of major spaces showing typical furniture, fixtures and equipment.
- Provide schematic development of the MEP/FACTSS building systems
  - Schematic layout of building utility systems
  - Preliminary selection of major equipment
  - Preliminary layouts for equipment rooms
  - Inventory and coordination of existing equipment with the building system design
- Preliminary code review of exterior facility requirements between building exterior and approximately 50' from structure
- Prepare outline specifications



- Develop a preliminary opinion of probable construction cost for the project
- Prepare meeting minute documentation of site visits and internal team meetings

### **Meetings**

- One (1) meeting for on-site reconnaissance to verify and document as-built building systems conditions. Attendees: PA, SE, ME, EE, PE, SS
- One (1) design progress meeting to review architecture and MEP/FACTSS building systems and initial FF&E and make presentation to the Owner. Attendees: PR, PM, DA, MP, ID, LA, CE, SE, ME, EE, PE, SS
- One (1) meeting each with Airlines, TSA, and car rental companies to determine facility program needs. Meetings to occur same day as design progress meeting. Attendees: PR, PM, DA, PA
- One (1) schematic design presentation meeting to the Owner at the Airport for review and sign-off on the design. Attendees: PR, PM, DA, PA, MP, LA
- One (1) meeting to initiate the pre-application review process for site development and building approval with City of Hailey Building & Safety Department and other city regulatory agencies. Attendees: PM, PA, LA

### **Deliverables**

Schematic Design deliverables will be submitted for T-O Engineers and Owner review and approval to include the following:

- Updated facility program area take-offs
- Building/zoning code review
- Site civil engineering code review within 50' of structure of proposed facilities by T-O Engineers (FAA criteria primarily by others).
- Schematic Design level architectural floor plans and building elevations. The project electronic drawings will be Revit format version 2013
- Schematic Design level structural framing and foundations
- Outline specifications – Architectural and structural
- MEP/FACTSS building utility systems narratives
- Visualization drawings
- Updated preliminary opinion of probable construction cost

Deliverables to the Owner will include two (2) half-size sets of drawings and 3D visualization drawings.

Owner's review comments will be incorporated into the Design Development documents. Owner changes affecting project scope, schedule or budget will be reviewed with Consultant regarding potential contract modifications.

## **Task 4 Design Development Phase**

Upon completion of Schematic Design Phase and authorization to proceed, the Design Development phase will include design work for further development of the approved architectural design along with associated structural and MEP/FACTSS building systems and cross-discipline coordination. This phase



will include the following elements:

### **General Tasks**

- Complete the architectural design including typical exterior details, primary interior elevations, finishes and typical details, coordination of final lighting design, and schedules
- Complete the civil site design
- Finalize the project phasing for the development of the building design and building systems and incorporate into the drawings
- Determine extent of demolition
- Complete the structural design including plans, schedules, and typical details
- Complete the FF&E package
- Complete the MEP/FACTSS building systems design including calculations, plans, partial sections showing system designs, typical details, schedules and one-line diagrams
- Prepare design development presentation level site plan, floor plans and elevations as required for Owner review
- Develop draft specifications
- Develop preliminary FAA Engineers report in coordination with civil elements to meet FAA NWMR Regional guidance
- Update the opinion of probable construction cost for the project. Advise Owner of market changes
- Update eligibility calculations and meet with FAA to review
- Prepare meeting minute documentation of site visits and internal team meetings

### **Meetings**

- One (1) in-progress design presentation meeting with the Owner at the Airport to review the development of the design. Attendees: PR, PM, DA, LA, ID, ME, EE, PE, SE, SS, CE
- One (1) in-progress eligibility meeting with the FAA at the FAA Regional office. Attendees: PR, AP, PA
- One (1) follow-up meeting each with Airlines, TSA, and car rental companies. Meetings to occur same day as design presentation meeting. Attendees: PR, PM, DA
- One (1) final design meeting to review the development of the project with the Owner. Attendees: PR, PM, DA, LA, CE

### **Deliverables**

Design Development deliverables will be submitted for Owner review and approval to include the following:

- Code analysis on drawings
- Review of civil plans within 50' of structure for facility code compliance (FAA criteria primarily by others)
- Demolition plans
- Phasing plans



- Design Development level architectural floor plans; finish plans, roof plan, reflected ceiling plans, building elevations, interior elevations and wall sections
- Preliminary interior and exterior details and schedules
- Furniture, fixtures and equipment (FF&E) selection, plans
- Design development level calculations for building systems
- Building systems (MEP/FACTSS) plans, sections, details and schedules developed to show proposed systems
- Draft copy of specifications
- Preliminary FAA Engineer's report for building related elements
- Updated opinion of probable construction cost

Owner's review comments will be incorporated into the Construction Documents. Owner changes affecting project scope, schedule or budget will be reviewed with Consultant regarding potential contract modifications.

Deliverables to the Owner will include two (2) half-size of drawings.

## **Task 5 Construction Documents Phase**

Subject to approval of the Design Development phase and notice to proceed, construction document drawings and specifications will be generated for bidding purposes. The deliverables provided at the conclusion of the Construction Documents phase will be bid plans and specifications and updated construction cost information. The following Construction Documents services will be provided:

### **General Tasks**

- Finalize construction documents for architectural, structural, mechanical, plumbing, fire protection, electrical and data/communication components of the project
- Finalize specifications to include general trade sections and front-end (Division 1)
- Update opinion of probable construction costs to be of adequate detail to be used to compare eligibility percentages after the project designed is finalized. Advise Owner of market changes
- Submit 90% complete pre-final construction documents to Owner for review and approval. Incorporate Owner comments into documents
- Prepare meeting minute documentation of site visits and internal team meetings
- At the completion of the Construction Document phase, deliver four (4) copies of the 100% complete plans, specifications, and opinion of probable construction cost (incorporating review comments) to Owner
- Submit plans/specifications to applicable governmental agencies for review and approval
- Develop final FAA Engineers Report to meet FAA NWMR Regional guidance
- Plan distribution – prior to bidding phase, deliver an electronic copy of the bid documents to commercial printer for printing and distribution. Consultant will pass the cost of printing plan sets onto the contractor as a nonrefundable fee per construction document

### **Meetings**





- One (1) Construction Documents phase 50% complete review meeting with the Owner at the Airport to provide final detailed review of the drawings and project phasing and obtain Owner input.  
Attendees: PR, PM, PA, ME, EE, PE, CE, SS
- One (1) conference call meeting at 95% completion to solicit final Owner review comments prior to issuing documents for bidding. Attendees: PR, PM, PA, SE, ME, EE, PE, SS

### ***Deliverables***

Contract Documents will be submitted for "Issue for Bids" to include:

- Architectural, structural and MEP/FACTSS Construction Drawings and Project Manual (specifications)
- Building Permit package - Three (3) signed and sealed copies of the contract documents for the building permit submittal
- Final FAA Engineer's report for building related elements
- Furniture, fixtures and equipment (FF&E) selection and specifications
- Revised opinion of probable construction cost

Deliverables to the Owner will include a CD and two (2) full-size sets and two (2) half-size of drawings.

## **Task 6 Permit Processing**

The Consultant will assemble construction documents and assist Owner in completing forms for the applicable regulatory agencies at the City of Hailey for review and permit approval for building and immediate site. This phase will include:

### ***General Tasks***

- Coordinate permit process for obtaining building permits.
- Address questions from the Building Official and revise Consultant drawings accordingly to facilitate the issuance of a building permit with up to two (2) revision resubmittals of the plans to the appropriate agencies.

## **Task 7 Bidding**

Subject to approval of the construction documents and authorization to proceed with Bidding, Consultant will distribute bidding documents to interested bidders and plan houses and assist the Owner in obtaining bids. The following services will be provided during bidding:

### ***General Tasks***

- Conduct one (1) scheduled pre-bid meeting at the project site and prepare/distribute meeting minutes. Attendees: PR, PA, LA
- Answer questions from contractors and provide clarifications of the bidding documents
- Review requests for substitutions of specified materials and advise Owner as to acceptability of substituted materials/equipment
- If required, prepare and distribute addenda to plan holders



- Attend one (1) bid opening and assist Owner in tabulating bids and identifying the apparent low bid.  
Attendees: PA, LA
- Update eligibility calculations and review with FAA

## **Task 8 Additional Services**

This task includes "additional services" not directly related to the design and bidding of the project. These services include the following:

### **General Tasks**

- Grant administration, to include assistance to Airport Staff with reimbursement requests and reporting, as necessary. The grant application relative to this project will be submitted under a separate agreement.
- Assist the Owner with Disadvantaged Business Enterprise (DBE) reporting. Development of DBE goals are not necessary for this project, as the airport completed three-year goals in 2013. DBE services to be provided shall include annual reporting for FY 2014 only.
- Utility Coordination: Coordinate with Idaho Power, CenturyLink, Intermountain Gas and City of Hailey regarding utility relocations and additional services that may be required to accommodate the modifications to the terminal.
- Prepare a Storm Water Pollution Prevention Plan (SWPPP) for the project and assist the Owner with preparation of a Notice of Intent to be filed before construction. The Contractor will be responsible to file a separate Notice of Intent and implement the SWPPP.
- Prepare and submit an FAA Form 7460-1 for the project, to reflect the proposed building addition(s).

## **RESPONSIBILITIES OF OWNER**

Consultant's Scope of Services and Compensation are based on the Owner performing or providing the following:

- A designated representative with complete authority to transmit instructions and information, receive information, interpret policy, and define decisions
- Access to the project site
- Available data, drawings, and information related to the project including as-built drawings of the existing facility
- Owner's building equipment list (IT, security, phone systems, copiers, etc.)
- Review of draft plans and specifications within two weeks of receipt
- Protection of Consultant-supplied digital information or data, if any, from contamination, misuse, or changes

## **WORK NOT INCLUDED IN THE SCOPE OF SERVICES**

The following items are excluded from this agreement and will be provided by the Owner or provided by the Consultant as an Additional Service only as authorized by the Owner:

- Site survey (previously completed)



- Geotechnical investigation (previously completed)
- Landscape design, beyond basic exterior plantings to meet City of Hailey requirements. Plantings/design will be a non-federal component of the project.
- Fire protection reservoir design and engineering
- Environmental assessments (previously completed)
- Hazardous materials investigation or mitigation efforts. If hazardous materials are found in the work, the Owner shall contract separately to mitigate and/or have them removed
- Planning and Building Department review meetings beyond those indicated in scope of services
- Inventory of Owner's existing furniture, fixtures and equipment
- Preparation of updates to ALP
- Fees related to Building permits
- Supplemental information documents for unknown existing conditions, field changes, Owner design changes
- Custom furniture and fixtures
- Construction Administration and Construction Observation services
- Planning and design of airline, TSA and rental car/concessions spaces beyond thirty percent (30%) (Schematic design). These will be provided under separate scope, should Owner wish to proceed.
- Baggage handling systems and CBIS planning and design. These will be provided under separate scope should Owner wish to proceed.

Additional Meetings - Meetings in addition to those indicated within the basic scope of services will be provided on an as-needed basis as authorized by the Owner and will be provided at actual cost per the fee spreadsheet.



---

**FMA Airport Operations Building**

**DESIGN GOALS**

December 23, 2013

1. Design a single building on one level to take advantage of construction and building system efficiencies.
2. Orient the building to take advantage of solar exposure for the large equipment bay doors and adjacent aprons.
3. Position the building on the existing site to minimize costs associated with engineered structural fill. A geotechnical soils investigation is pending.
4. Provide reasonable maneuvering clearances adjacent to existing buildings for airport operations, A.R.F.F. apparatus, snow removal equipment, and other vehicles.
5. Position the building to provide direct A.R.F.F. apparatus access to the runway areas.
6. Retain as much area as possible for rental car storage and operations.
7. Provide adequate circulation for fuel equipment operations.
8. Position the structure to provide the administrative staff with as much visible access as possible to the runway and Terminal parking areas.
9. Maintain existing Cold Storage building and open air canopy storage structure.
10. Position the building to accommodate potential expansion of aircraft operation and parking to the south of the terminal.
11. Provide public access and parking to the administration portions of the building.







## **WORK ORDER 14-04**

### **EXHIBIT A – Scope of Work**

### **Friedman Memorial Airport (SUN)**

### **Hailey, Idaho**

#### **RSA Improvements – Project 4**

#### **Airport Operations Building**

This Scope of Work describes professional services to be provided in support of a project that will relocate the following functions at Friedman Memorial Airport (SUN): Airport Rescue Firefighting (ARFF) equipment storage, maintenance and training; Snow Removal Equipment (SRE) storage and maintenance; and Airport Administration. These functions are currently housed in two separate buildings but will be combined into one facility under this project. The existing facilities will be demolished under a separate project, after construction of the new facility.

#### **INTRODUCTION**

The Friedman Memorial Airport is located in Hailey, Idaho. This airport serves the Wood River Valley region of Idaho, including the Sun Valley resort area. The Airport is currently served by two commercial service air carriers (SkyWest and Horizon Air), with service by United scheduled to begin in December 2013. A large number of corporate jets and other general aviation aircraft also use the airfield for business, recreation and travel to and from the large number of second homes in the area. The Friedman Memorial Airport Authority (FMAA) governs and manages the airport under a joint powers agreement between the City of Hailey and Blaine County, who co-sponsor the airport.

The airport does not meet current FAA design standards in several critical areas. Traffic by aircraft such as the Bombardier Q400, operated by Horizon Air, and several models of large GA aircraft (e.g., Gulfstream G-V and Bombardier Global Express) dictates that the Runway Design Code for the airport is C-III. Due to the geometry and spatial limitations of the existing site, the airport does not meet standards for many criteria, most critically the Runway Safety Area (RSA).

Until recently, the planned solution was to relocate the airport to a new site south of the existing airport and away from the valley cities. The FAA was conducting an Environmental Impact Statement (EIS) study for a new location until the decision was made to suspend the study in August 2011, due to financial and environmental concerns.

At the direction of the FAA, FMAA recently completed a Technical Analysis of available alternatives for improving the airport to meet standards where practical and to identify required Modifications of Standards, where standards cannot be met. This Analysis identified seven alternative airport configurations and the costs and possible environmental impacts associated with each. Upon review of the Analysis, the conclusion of the community and the FAA was that Alternative 6 would be pursued, with additional future planning to consider elements of Alternative 7 that are necessary to accommodate airport uses displaced by construction of Alternative 6. A graphic of Alternative 6 is attached.





Alternative 6 identifies projects within the existing perimeter fence at SUN that will accomplish the following:

1. Full compliance with C-III RSA dimensions.
2. Minimum runway to parallel taxiway separation of 320'.
3. All aircraft parking outside of the Runway OFA.

In order to accomplish this, a large amount of construction must be done, including relocation and extension of the primary parallel taxiway on the west side of Runway 13/31 (Taxiway B), removal of a secondary parallel taxiway on the east side of the runway (Taxiway A), relocation of multiple hangars and various other improvements. One of the key improvements is relocating the ARFF, SRE and airport administration functions in order to accommodate the relocated south bypass taxilane.

All of the improvements identified in Alternative 6 must be completed prior to December 31, 2015. By Congressional mandate, all commercial service airports must have compliant Runway Safety Areas by that date. Following selection of the alternative, the Airport Authority proceeded with a Formulation Study to refine it and determine how the proposed projects would be completed. This study included analysis of options for the ARFF/SRE building and office and this analysis is available to assist with the design.

## PROJECT APPROACH

This project is completely driven by the need for Runway Safety Area improvements at the airport. In order to provide a compliant Runway Safety Area, Taxiway B must be relocated. In order to relocate Taxiway B, the south bypass taxilane must be relocated. In order to relocate this taxilane, the existing ARFF/SRE building and administration office must be removed. This project therefore includes construction of a new facility for these functions.

During the Formulation Study, more than 10 schemes for a new facility were explored. Of the schemes considered, one was selected as the preferred option, which constructs the new facility to the west of the existing buildings. This scheme is shown on the attached Site Study.

The proposed facility includes space for equipment storage and maintenance, a training room that will primarily be used for ARFF and SRE training and administrative office space. Extensive site grading will be necessary to construct the building in this location, due to site topography, but this configuration is deemed to best meet the needs for the facility without limiting future options for this area of the airport.

Design goals/parameters identified for this facility include the following:

- Design a single building on one level to take advantage of construction and building system efficiencies. Consideration will also be given to a second floor administration area, to improve visibility of the airfield and terminal area from the administrative offices.
- Orient the building to take advantage of solar exposure for the large equipment bay doors and adjacent aprons.
- Position the building on the existing site to minimize costs associated with engineered structural fill. A geotechnical soils investigation is pending.
- Provide reasonable maneuvering clearances adjacent to existing buildings for airport operations, ARFF apparatus, snow removal equipment, and other vehicles.
- Position the building to provide direct ARFF apparatus access to the runway areas.



- Retain as much area as possible for rental car storage and operations.
- Provide adequate circulation for fuel equipment operations.
- Position the structure to provide the administrative staff with as much visible access as possible to the runway and Terminal parking areas.
- Maintain existing Cold Storage building and open air canopy storage structure.
- Position the building to accommodate potential expansion of aircraft operation and parking to the south of the terminal.
- Provide public access and parking to the administration portions of the building.
- SRE storage and maintenance areas will not be designed to accommodate all equipment as authorized by FAA for this airport. If space for all of the equipment owned by the airport is programmed, adequate space is not available on the site for a building this large. Consideration of an additional facility will be given during the Airport's ongoing Master Plan process.
- Demolition of existing facilities is not included in this project. This will be completed under a separate effort.

## PROJECT SCHEDULE

From the date of Owner's notice to proceed, the design and construction document phases for the entire project will be completed as follows:

Programming	4 weeks
Schematic Design	4 weeks
Design Development	10 weeks
Construction Documents	12 weeks
Bidding and Award	6 weeks

The FAA and the Owner desire that the construction of the project is structured so that the existing facilities can be vacated by June 2015. Additional work on the project may take place after that point, but all work will be complete by December 31, 2015.

## ANTICIPATED STAFFING

T-O Engineers is the prime consultant for this project and will provide contract management, coordination and all other project management services. These services will primarily be provided by a Principal in the firm, in order to provide the experience and leadership necessary to complete the project on an aggressive schedule. T-O will also provide civil site design services.

All architectural elements of the project, including architectural, structural, mechanical, plumbing, electrical and security design will be completed by qualified architectural consultants. Ruscitto/Latham/Blanton will serve as the primary architectural consultant, with assistance from Mead & Hunt, who will provide assistance with certain elements of the project.

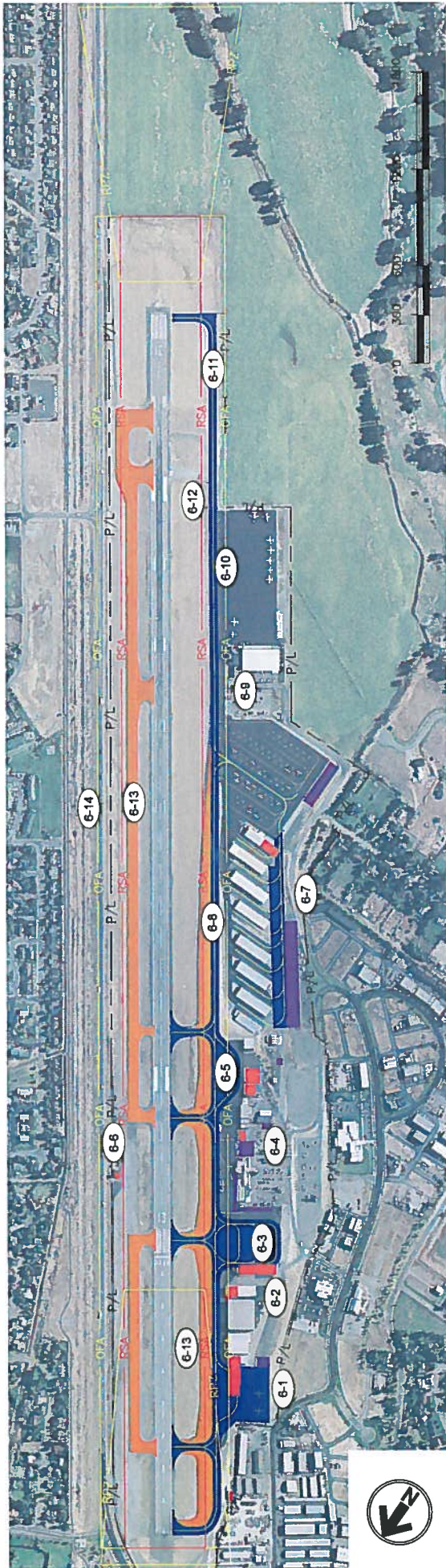




#### **AVAILABLE INFORMATION:**

- Previous Airport Layout Plan (ALP) drawings, most recently updated by T-O Engineers in 2010.
- Drawings from previous terminal projects completed at the airport.
- 2012 Technical Analysis, prepared by T-O Engineers.
- Analysis completed under a separate Project Formulation effort, including an abbreviated update to the ALP to reflect the projects identified in Alternative 6.

DRAFT



## ITEM DESCRIPTION

- 6-1 RELOCATE AIRCRAFT PARKING HANGARS, RECONSTRUCT BUS ROUTE ACCESS ROAD, CLOSE WINTER BUS ROUTE
- 6-2 REMOVE HANGARS, RELOCATE ELECTRICAL VAULT
- 6-3 TERMINAL AIRCRAFT PARKING
- 6-4 RELOCATE AIRPORT OFFICES, AND HANGAR
- 6-5 REMOVE HANGARS, RELOCATE DE-CONFLUENCE
- 6-6 RELOCATE AIR TRAFFIC CONTROL TOWER
- 6-7 NEW TAXILANE TO ACCESS T-HANGARS
- 6-8 RELOCATE TAXIWAY B

## ITEM DESCRIPTION

- 6-9 RELOCATE EXISTING FBO FENCE AND PORTION OF PARKING LOT OUTSIDE OF TAXIWAY OFA
- 6-10 LOSS OF PARKING DURING HIGH DEMAND: 79,000 SF
- 6-11 EXTEND TAXIWAY B
- 6-12 RELOCATE AWOS
- 6-13 REMOVE PAVEMENT AND GRADE RSA
- 6-14 HIGHWAY 75 ALIGNMENT REMAINS THE SAME

## AIRCRAFT PARKING IMPACTS

FBO: -39,000 SF  
GENERAL AVIATION: -95,000 SF  
TERMINAL APRON: +41,200 SF  
AIR CARGO APRON: -88,500 SF  
NET DIFFERENCE: -181,300 SF

## LEGEND

- 6-1 KEY NUMBER
- NEW AIRFIELD PAVEMENT
- NEW BUILDING / HANGAR / STRUCTURE AREA
- BUILDING / HANGAR / STRUCTURE REMOVAL
- PAVEMENT REMOVAL

## POTENTIAL MODIFICATIONS REQUIRED

AIRCRAFT DESIGN STANDARD	STANDARD DIMENSIONS	POTENTIAL MODIFICATIONS REQUIRED AS SHOWN
RUNWAY TO PARALLEL TAXIWAY SEPARATION	400'	320'
RUNWAY TO AIRCRAFT PARKING	500'	400'
RUNWAY OFA GRADING	10:1	4:1
RUNWAY OFA CLEARING	NO FIXED OBJECTS	HWY 75 BUILDINGS AT NE CORNER
TAXIWAY OBJECT FREE AREA	186'	160'

## NOTES

- THIS ALTERNATIVE RESULTS IN A NET LOSS OF 2 HANGARS, OPERATIONAL CHALLENGES (SNOW REMOVAL/DISPOSAL, ETC.) WILL BE CREATED BY THIS ALTERNATIVE
- EXISTING STORM DRAINAGE DISPOSAL SYSTEM WILL REQUIRE EXTENSIVE MODIFICATION.



## SCOPE OF SERVICES

The Consultant will be responsible for providing architectural and engineering design services for Civil, Structural, Architectural, Interior Design (to include standard furniture, fixtures and equipment (FF&E)), Mechanical, Electrical, Plumbing and Fire Protection, Fire alarm, Audio/visual, Cable television, Telecommunications, Sound/intercom and Security systems (MEP/FACTSS) as outlined in the following tasks.

### Task 1 Project Management

This task provides project administration and coordination throughout the course of this project and will involve communicating project progress and issues with the Owner, coordinating with the team's activities, coordinating the design with the Owner, providing oversight and quality control, checking documents, organizing project information, administering invoices, and managing the project budget. Coordination with ongoing Master Planning and related facility design efforts are also contemplated with this effort.

### Task 2 Schematic Design

The Consultant shall review the program and other information furnished by the Owner, and shall review the codes, regulations, and FAA Advisory Circulars applicable. Schematic Design will include the following:

#### General Tasks

- Programming of space requirements.
- Conceptual site planning.
- Conceptual building planning.
- Schematic design (floor plans, sections, elevations).
- Owner/Board/Administration Staff meetings.
- FAA review documents and required clarifications and/or revisions.
- Design team coordination meeting.
- Geotechnical report (by others) review.
- FMAA board meeting and presentation. Two (2) are anticipated.
- Meeting with City of Hailey Community Development, Fire, and Building Departments.
- City of Hailey Design Review application package.
- City of Hailey Design Review meeting and presentation.
- Identify and review with the Owner, portions of the work that by be eligible for FAA funding.

### Task 3 Design Development

Prepare Design Development Documents for the Owner's approval and illustrate and describe the development of the approved Schematic Design Documents. Design Development will include the following:

#### General Tasks

- Drawings including plans, sections, elevations, typical construction details to describe the general size and character of the project.
- Diagrammatic layouts of building systems including structural, mechanical and electrical systems, and such other elements that may be appropriate.





- Site and utility plans.
- Prepare preliminary opinion of probable construction costs.

## **Task 4 Construction Documents**

Assist the Owner in the development and preparation of construction documents. The Construction Documents Phase will include the following:

### **General Tasks**

- Development and preparation of public works bidding and procurement information that describes the time, place and conditions of bidding, including bidding or proposal forms.
- Development and preparation of the form of agreement between the Owner and Contractor.
- Development and preparation of the Conditions of the Contract for Construction (General, Supplementary and other Conditions).
- Compile a Project Manual that includes the Conditions of the Contract for Construction and Specifications and may include bidding requirements and sample forms.
- Illustrate and describe the further development of the approved Design Development Documents consisting of Drawings and Specifications setting forth in detail the quality levels of materials and systems and other requirements for the construction of the Work.
- Incorporate into the Construction Documents the design requirements of governmental authorities having jurisdiction over the Project.
- Develop opinion of probable construction cost for the project.
- Develop final FAA Engineers Report to meet FAA Northwest Mountain Regional guidance.

## **Task 5 Bidding**

Assist the Owner in the bidding of the project, including the following:

### **General Tasks**

- Assist the Owner in distributing the Bidding Documents to prospective bidders.
- Assist the Owner to organize and conduct a pre-bid conference for prospective bidders.
- Prepare responses to questions from prospective bidders and provide clarifications and interpretations of the Bidding Documents to all prospective bidders in the form of addenda.
- Assist the Owner to organize and conduct the opening of the bids, and subsequently documenting and distribution the bidding results as directed by the Owner.
- Consider requests for substitutions, if the Bidding Documents permit substitutions, and prepare and distribute addenda identifying approved substitutions to all prospective bidders.

## **Task 6 Construction**

Advise and consult with the Owner during the Construction Phase. Consultant shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall the Consultant be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract documents. The Construction Phase will include the following:



### **General Tasks**

- Visit the site at intervals appropriate to the stage of construction to become generally familiar with the progress and quality of the portion of the Work completed.
- Attend weekly construction meetings onsite.
- Review of the contractor's Certificates of Payment.
- Maintain a record of Applications and Certificates for Payment.
- Review submittals and samples required by the Contract Documents.
- Maintain a record of submittals and copies of submittals supplied by the Contractor.
- Review and respond to requests for information (RFI's) about the Contract Documents.
- Conduct reviews and punchlists of the completed work to determine the date or dates of Substantial Completion and the date of final completion.
- Issue Certificates of Substantial Completion.
- Issue a final Certificate for Payment based upon a final inspection indicating the Work complies with the requirements of the Contract documents.
- Provide reports to the FMAA Board on the general progress of the project during construction.

## **Task 7 Additional Services**

This task includes "additional services" not directly related to the design and bidding of the project. These services include the following:

### **General Tasks**

- Grant administration, to include assistance to Airport Staff with reimbursement requests and reporting, as necessary. The grant application relative to this project will be submitted under a separate agreement.
- Assist the Owner with Disadvantaged Business Enterprise (DBE) reporting. Development of DBE goals are not necessary for this project, as the airport completed three-year goals in 2013. DBE services to be provided shall include annual reporting for FY 2014 only.
- Utility Coordination: Coordinate with Idaho Power, CenturyLink, Intermountain Gas and City of Hailey regarding utility relocations and additional services that may be required to accommodate the modifications to the terminal.
- Prepare a Storm Water Pollution Prevention Plan (SWPPP) for the project and assist the Owner with preparation of a Notice of Intent to be filed before construction. The Contractor will be responsible to file a separate Notice of Intent and implement the SWPPP.
- Prepare and submit an FAA Form 7460-1 for the project, to reflect the proposed building.

## **Responsibilities of Owner**

Consultant's Scope of Services and Compensation are based on the Owner performing or providing the following:

- A designated representative with complete authority to transmit instructions and information, receive information, interpret policy, and define decisions
- Access to the project site
- Available data, drawings, and information related to the project including as-built drawings of the



existing facility

- Owner's building equipment list (IT, security, phone systems, copiers, etc.)
- Review of draft plans and specifications within two weeks of receipt
- Protection of Consultant-supplied digital information or data, if any, from contamination, misuse, or changes

## Excluded Items

The following items are specifically excluded from this Scope of Work:

- Contractor pre-qualification services and meetings.
- Geotechnical engineering report services.
- Landscape design services, beyond basic planting to comply with City of Hailey requirements.
- Special inspections and testing.
- Special consultant services not normal to this type of project.
- Special site retaining and soils conditions and associated engineering specific to this site.
- Special structure engineering not normal to this type of project (i.e. piling design and engineering).
- Coordination of documents and associated environmental testing of existing structures for mitigation or removal of hazardous materials (i.e. asbestos).
- As-constructed record drawings.

Professional Services Agreement, Work Order 14-02  
Hangar Acquisitions Assistance  
December 31, 2013



## **Work Order 14-02**

### **Friedman Memorial Airport (SUN)**

### **Hailey, Idaho**

### **Hangar Acquisitions Assistance**

This Work Order shall be attached to, made a part of, and incorporated by reference into a Master Professional Services Agreement between the Friedman Memorial Airport Authority and T-O Engineers, Inc., dated October 14, 2013.

## **SCOPE OF WORK**

The Friedman Memorial Airport Authority is undertaking a multi-phase effort to improve the Friedman Memorial Airport to meet Federal Aviation Administration (FAA) standards to the extent practical before the end of calendar year 2015. This effort requires relocation of Taxiway B and a number of other improvements that in turn require the relocation or removal of several existing hangars and other facilities on the airport. The facilities to be acquired are identified on the attached exhibit and include up to seven hangars, along with the existing U.S. Forest Service helicopter facility at the north end of the airfield.

These facilities will be purchased with the assistance of FAA Airport Improvement Program (AIP) funds; therefore the acquisition process must follow FAA guidelines. These guidelines include the requirement for independent appraisals of the properties by a licensed appraiser, review appraisals by a second appraiser and other elements as described in FAA Advisory Circular 150/5100-17 - *Land Acquisition and Relocation Assistance for Airport Improvement Program Assisted Projects*. Services provided under this work order include the appraisals of the identified properties, along with other coordination and assistance required during the acquisition process. All appraisals will be completed by qualified subconsultants. Valbridge Property Advisors/Mountain States Appraisal and Consulting, Inc. of Boise, Idaho will complete the primary appraisals and Blaine County Appraisal of Ketchum will complete the review appraisals.

This scope of work will include the following tasks.

### **TASK 1 - ADMINISTRATION**

This task will initiate services under this Work Order and administer those services through the course of the project. Services include developing a scope of work and other contracting tasks; general coordination and billing.

#### **1.1 Scope of Work/Fee**

This subtask includes the following:

- Develop a draft Work Order, including Scope of Work and proposed Fee.
- Submit the draft Work Order to FMAA and FAA for review and comments.
- Revise the Work Order, based on comments received from FMAA and FAA.





- Regular communication with FMAA Staff during the Scope development process.

#### **Deliverables:**

- Electronic files of the draft and final Work Order.
- One (1) paper copy of the executed Work Order for Airport records and one electronic copy for FAA records.

#### **Cost Assumptions:**

- Regular coordination with FMAA and FAA staff during Work Order development via telephone and email is included.

### **1.2 Project Management/Administration**

Provide management and administration services necessary to complete the project efficiently and effectively, including the following:

- Coordinate with Airport Staff and FAA throughout the course of the project.
- Coordinate with subconsultants to develop appraisals and review appraisals.
- Develop and monitor project schedule.
- Monthly cost accounting and budget analysis, invoicing and monitoring of project progress.

#### **Deliverables:**

- Monthly invoices.

#### **Cost Assumptions:**

- Regular individual coordination with FMAA and FAA staff via telephone and email is included.

## **TASK 2 – APPRAISALS**

Appraisals will be prepared by independent firms, licensed and certified to complete appraisals under federal guidelines. Elements of this task include:

- Visit the airport to meet with Airport Staff and inspect the facilities.
- Complete appraisals of the identified properties.
- Complete review appraisals.
- Coordinate with appraiser and review appraiser as needed during the appraisal process to provide additional information, answer questions, etc.
- Review appraisals prepared by both appraisal firms and provide comments to appraisers and to Airport Staff.
- Coordinate with Airport Staff to discuss the appraisals and otherwise as needed during the appraisal process.

#### **Deliverables:**

- Appraisals.





- Review appraisals.

#### **Cost Assumptions:**

- On-site coordination by Engineer will take place in conjunction with other visits to the airport. (Additional travel will not be necessary.)
- Appraisal reports will be provided in electronic and hard copy formats.

### **TASK 3 – NEGOTIATION**

Provide assistance during the negotiation process, as needed. It is assumed that FMAA's legal counsel will prepare all purchase agreements and other legal documents. Services provided under this task will include the following:

- Provide graphics, descriptions, etc., as necessary to assist with development of agreements.
- Coordinate with Staff and legal counsel to develop a strategy for acquisitions, considering lease terms, valuation of facilities, etc.

#### **Deliverables:**

- Graphics.
- Descriptions

#### **Cost Assumptions:**

- Graphics and descriptions will be provided in electronic format only.
- Coordination with Staff and legal counsel will take place via telephone or email only.

### **FEES**

Fees for services provided under this Work Order will be determined and billed on a Time and Materials basis, as described in the Agreement.

The not-to exceed amount of this Work Order is: **\$49,025.**

Fees have been calculated using Consultant's current Fee Schedule. A detailed Fee Proposal, dated December 31, 2013 is attached as Exhibit A.



IN WITNESS WHEREOF, Client and Consultant have made and executed this WORK ORDER 14-02 to the AGREEMENT the day and year first above written.

FOR: FRIEDMAN MEMORIAL AIRPORT AUTHORITY

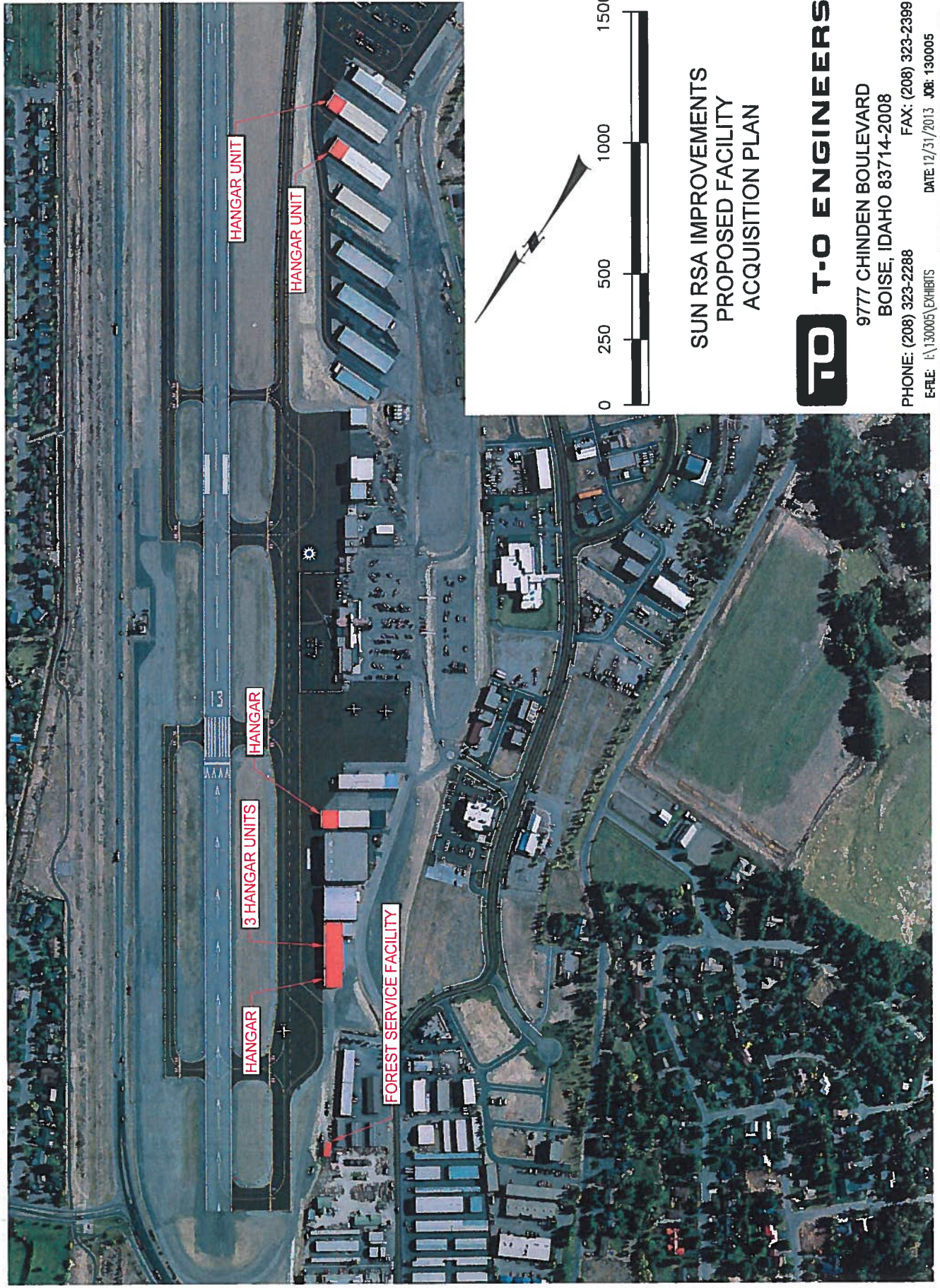
By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

FOR: T-O ENGINEERS, INC.

By: David A. Mitchell, P.E.  
Title: Aviation Services Manager/Vice President  
Date: \_\_\_\_\_



© 2013 T-O ENGINEERS. THIS INSTRUMENT IS THE PROPERTY OF T-O ENGINEERS. ANY REPRODUCTION, REUSE OR MODIFICATION OF THIS INSTRUMENT WITHOUT SPECIFIC WRITTEN PERMISSION OF T-O ENGINEERS IS STRICTLY PROHIBIT



SUN RSA IMPROVEMENTS  
PROPOSED FACILITY  
ACQUISITION PLAN



9777 CHINDEN BOULEVARD  
BOISE, IDAHO 83714-2008  
PHONE: (208) 323-2288  
FAX: (208) 323-2399  
E-FILE: I:\130005\EXHIBITS  
DATE: 12/31/2013 JOB: 130005



# EXHIBIT A

Friedman Memorial Airport (SUN)												
Work Order 14-02 - Facility Acquisitions Assistance												
Fee Estimate (Time and Materials Basis)												
December 31, 2013												
Task	Description	Personnel Hours						Labor Fee	Appraisers		TOTAL FEE	
		Principal	Project Manager	Project Engineer	Engineer In Training	Admin. Assistant	Total Hours		Mountain States	Blaine County Appraisal		
Task 1 - Administration												
1.1	Scope of Work/Fee	3					3	\$465			\$465	
1.2	Project Management/Administration	4				4	8	\$780			\$780	
Subtotal, Task 1		7	0	0	0	4	11	\$1,245	\$0	\$0	\$1,245	
Task 2 - Appraisals												
	Appraisal Services	16					16	\$2,480	\$28,000	\$14,000	\$44,480	
Subtotal, Task 2		16	0	0	0	0	16	\$2,480	\$28,000	\$14,000	\$44,480	
Task 3 - Negotiation												
	Negotiation Assistance	16	2		8		26	\$3,300			\$3,300	
Subtotal, Task 3		16	2	0	8	0	26	\$3,300	\$0	\$0	\$3,300	
Remimbursable Expenses Allowance											\$200	
TOTALS		39	2	0	8	4	53	\$7,025	\$28,000	\$14,000	\$49,025	

## **Master Plan Update Scope of Services Summary**

Friedman Memorial Airport  
Hailey, Idaho

### **Master Plan Areas of Emphasis:**

- Dual path approach – utilization of existing airport site for the near-term, identification of "most technically feasible" relocation sites for the long-term
- Update of forecasts of aviation activity in consideration of constraints associated with existing airport site.
- Define ultimate airside configuration for SUN, using Airport Alternatives Technical Analysis Alternative 6 as a basis.
- Define landside configuration for SUN, using Airport Alternatives Technical Analysis Alternative 7 as a basis.
- Identification of an ultimate concept for the layout of passenger terminal area for SUN, including space reservation for terminal building and support facilities.
- Identification of site for relocated airport traffic control tower for SUN, including initial coordination with FAA.
- Identification of land acquisition priorities for SUN in consideration of City of Hailey and Blaine County established strategic guidance.
- Identification of potential improvements related to SUN's instrument approach capabilities from available data.
- Provide guidance on requirements for future environmental studies required to implement improvement recommendations.
- Summary of previously prepared documents related to new airport site and recommendations on most feasible sites to "protect".

### **Project Elements Tied to Project Schedule (following)**

The following bullet points and schedule describe the project scope elements for this master planning effort:

- Inventory

In addition to the traditional airport master plan inventory tasks (existing on-airport facilities, surrounding land use, airspace considerations, etc.) this element will include a review of Blaine County and City of Hailey established strategic guidance, along with a summary review of the planning and environmental documentation which has been completed for the replacement airport.

- Projections of Aviation Demand

Projections of aviation demand will be established for the 5-year, 10-year and 20-year planning horizons. Projections will take into consideration the physical constraints associated with the existing airport site and related aircraft use restrictions. In addition, to the establishment of a recommended forecast, a low forecast scenario will be established to use in testing to assure that financial recommendations are fiscally judicious and a high forecast will be established to use in testing for the adequateness of programmed facility improvements in accommodating demand that is beyond the recommended forecast.

- Facility Requirements

In consideration of the capacity of existing airport facilities to accommodate aircraft operations, passenger activity, landside access, aircraft parking/storage etc. and the current FAA standards related to the physical layout of airport facilities, recommendation will be made with regard to improvements that will be necessary to adequately accommodate future demand. In addition, circumstances that would "trigger" the need for the airport to be relocated from its existing location to a less constrained site will be identified.

- Alternatives and Improvement Program for Friedman Memorial Airport

Using Technical Analysis Alternatives 6 and 7 as a starting point, and in consideration of anticipated facility needs, improvement alternatives will be formulated which will allow SUN to best accommodate forecast demand and best meet FAA facility layout standards. In addition, this element will include a recommended improvement program with planning-level cost estimates for capital improvement projects, preliminary phasing recommendations for capital projects and a preliminary financial feasibility review.

- Siting Evaluation and Improvement Program for Replacement Airport

Using the documentation previously prepared, replacement airport sites will be evaluated and, with a focus on technical considerations, the most favorable potential sites will be identified along with validating the minimum acceptable criteria required for each site. A "generic" improvement program for the replacement airport will be prepared in consideration of previously identified "triggers" along with planning level project costs and phasing to show initial opening requirements and subsequent phases. The element will also include a preliminary financial feasibility review that focuses on the initial replacement airport costs.

This element will also include recommendations for the process and timing of the site selection and environmental documentation that will be required for the

development of the replacement airport. In addition, recommendations will be provided with regard to the steps which can be taken to protect the most favorable sites to enable future development.

- Environmental Review

In consideration of the programmed improvements identified for both the existing and relocated airport sites, potential environmental concerns will be identified, along with the likely extent and cost of environmental documentation which will be required before improvement programs can be implemented.

- Financial Implementation Analysis

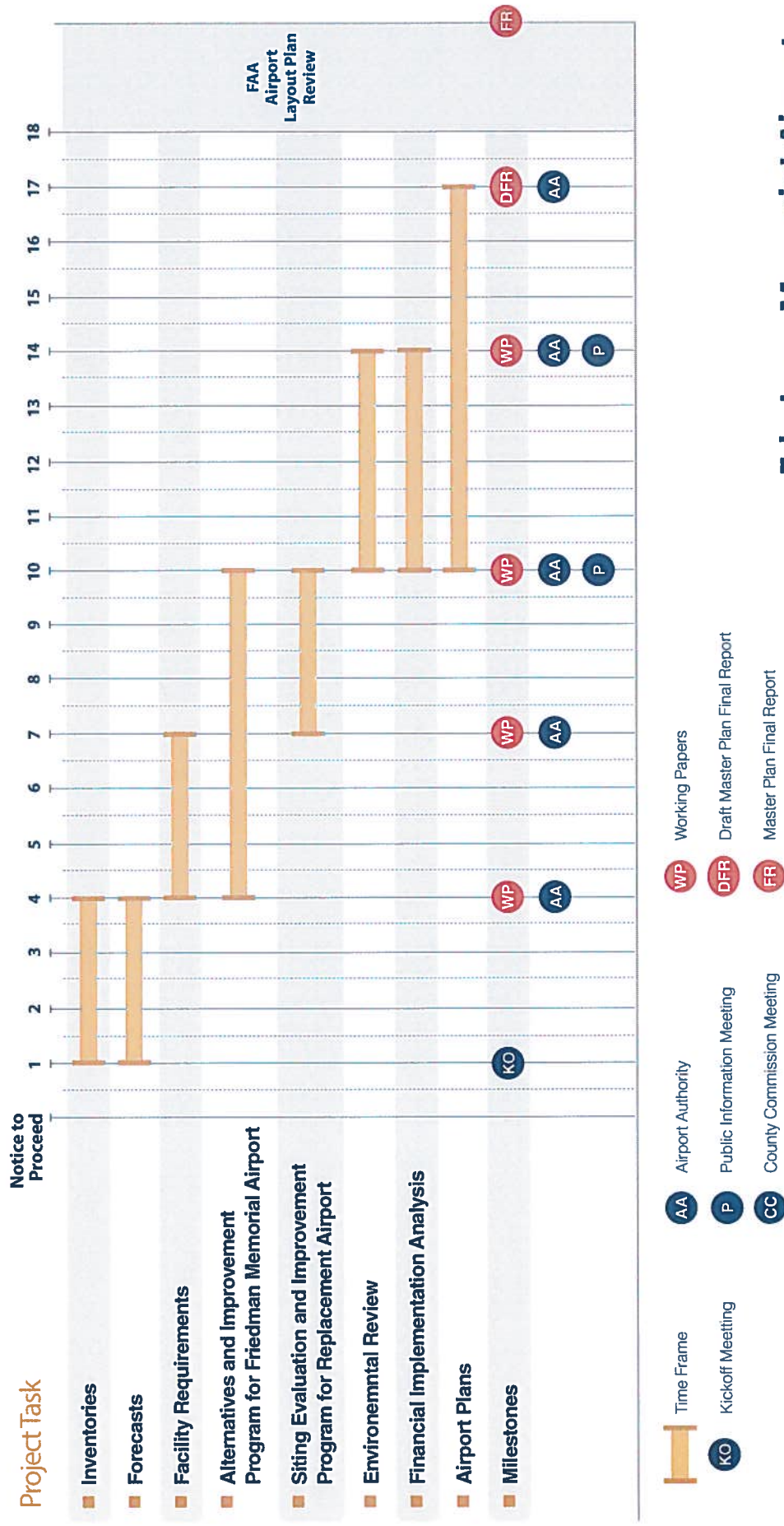
A detailed financial analysis will be prepared which will examine the fiscal reasonableness of the proposed improvement program (for both the existing and the relocated airport sites). The financial implementation analysis will consider project costs, proposed timing (phasing) of improvements and funding sources. As a result of this analysis, the recommended phasing of projects will be refined to achieve fiscal goals of the Airport Authority.

- Airport Plans

In consideration of current FAA guidance and standards an Airport Layout Plan (ALP) drawing set will be prepared.



# PRELIMINARY Project Schedule



## Friedman Memorial Airport Master Plan Update



## FLY SUN VALLEY ALLIANCE BOARD MEETING MINUTES

Thursday, November 20, 2013 8:00am, Friedman Memorial Airport

**Board Members Present:** Eric Seder, Dick Fenton, Jack Sibbach, Tim Silva, Arlene Schieven, Peter Scheurmier, Rick Baird, Wally Huffman, Michelle Griffith, Martha Burke, Deb Fox, Lisa Horowitz **Staff:** Carol Waller.

**Board Members Absent:** Jacob Greenberg, Maurice Charlat, Patrick Buchanan

**Special Guest:** Ketchum City Council President Baird Gourlay

### TOPIC DISCUSSED:

#### Consent Items:

- **Oct Minutes:** Jack moved to approve, Peter seconded VOTE: All in favor
- **Oct FY13 YTD Financials & Payables:** Peter moved to approve, Jack seconded VOTE: All in favor
- **Change in FSVA Bylaws, Board of Directors section:** Tim moved to approve, Jack seconded VOTE: All in favor

### Reports:

#### Funding

- **FSVA City/County Updates:**  
Blaine County & City of Ketchum have approved FSVA FY14 contract for services, City of Sun Valley will consider soon.
- **1% LOT Update:**
  - **SUCCESS! 1% LOT approved in Ketchum (64%) & Hailey (66%) on Nov 5, 2013.** Carol provided analysis of voting #s by city in 2013 vs. 2012; Rick thanked all for collective team effort, with special recognition to FSVA's Eric Seder and Sun Valley Resort for their overall leadership and to Carol for her volunteer work on Hailey campaign and informational support for Ketchum campaign.
  - **Projected 1% LOT timeline:** Draft was provided for review, Cities/County will all likely appoint an elected official to serve on the Air Service Board (ASB) at least for first year. Appointments are expected to be made in Dec for Hailey, and in January for Ketchum and Sun Valley. Carol will draft a "job description" for ASB members to provide clear expectation on their roles vs roles of board members on other organizations such as FSVA and SVMA. This will be shared with all cities/county and FSVA for review. The hope is that ASB will be officially formed in January, get their operational structure in place so that presentations for FY14 contracts for air service and air service marketing can be made to them in February or March.
  - **1% LOT FY 14 Projections/Draft Budget:** Carol provided a projected revenue analysis based on FY13 actual collections. 1% LOT funds will be collected starting Jan 1 but will not start flowing to ASB via cities until at least March 1. FSVA executive committee worked on initial draft of potential FY14 budget for air service/marketing for March-Sept 2014 based on anticipated FY 1% revenues accrued Jan-Sept 2014. Some modifications were suggested and will be incorporated, and multiple drafts are expected as new information is incorporated.

#### Programs/Fundraising

- **Realtors for Air:** 15 offices have signed on as 100% offices with \$52,200 committed to date. Carol is discussing future opportunities for the program with SVBR.
- **2013.14 Air Support Business Ski Pass Program:** \$155K in passes sold, budget was \$140K, last year was \$137K
- **Ski for Air Service Day:** Date is set for Sunday, January 26, \$40 lift tickets will be sold by FSVA courtesy of Sun Valley Resort, as a fundraiser for FSVA. Carol has begun working on event organization, promotion to launch in early Jan.

#### Air Service Initiatives/Research/Promotions:

##### Booking Reports/Update:

- Summer 2013 Alaska final booking & MRG report was reviewed. August & Sept had big negative impact due to fires, we ended hitting summer MRG cap. ( Losses actually exceeded cap).
- Winter booking update on LAX, SEA, SFO: Overall Alaska bookings higher than last year as of Nov 18 except LAX in Feb. United bookings to date are not as strong as expected, lower than LAX bookings in Dec, and trailing our competitors overall. The need to continued strong marketing push was discussed to ensure this first season of United flights is successful. FSVA and FMA both doing promotion in local market on flights, while SVMA and SVR are focused on external marketing. Airport and FSVA will meet to better coordinate local marketing for short term, FMA should be involved in development of overall air service marketing plan as local marketing also needs to be part of it.

- **New UA SFO-SUN flight:** Dec 12 (1:22pm) Inaugural celebration planning underway; all board members should attend
- **New UA Local Discount Program:** Carol working on this with United; hopefully to be launched in early Dec.
- **Winter Diversion Bussing update:** Carol has met with SkyWest SUN station manager – she confirmed that the diversion bussing for both Delta and United flights will be handled similar to Delta/Skywest flights in past, and that Sun Valley Express has been contracted to provide the bussing to/from TWF for diverted flights. She asked for help to notify passengers on diversion bussing, so Carol created information and fact sheets for both carriers which is now posted on FSVA website, and will be posted on FMA website as well. Carol still waiting to hear back from Alaska/Horizon SUN station manager. FSVA Bussing subcommittee will meet to discuss possible enhancements to customer experience.

**\$550K USDOT SCASDP:** FSVA/FMA should receive proposal from United about 2014 service this week or next. Rick expects to see grant confirmation/materials soon as well.

**SUN Airport Update:** FMAA is working ahead on its airport improvement program, estimated at \$35M, which will primarily be paid by FAA. Phase I is being implemented, Phase II will begin in April/May, airport will need to be closed for this work.

**Research:**

- Summer air passenger survey report will be received next week, full 2012.13 survey report will be presented to FMA and FSVA in Dec. Carol finalizing modifications for 2013.14 winter survey.

**Air Service Marketing Update:** SVC and SVMA have winter marketing planning underway ,major efforts started this month. SVC has been on sales calls, ski shows, etc in SFO bay area this fall.

**Monthly Directors Report:** Provided for review.

**2013 YTD SUN Enplanements & Seat Occupancy Reports:** Provided for review

*Respectfully Submitted, Carol Waller, FSVA Director*

## 2014 FLY SUN VALLEY BOARD OF DIRECTORS LIST

Term Expires	NAME	BUSINESS/AFFILIATION	Joined	Email Address
2014	<b>Maurice Charlat</b>	Consultant - AT LARGE	2008	<a href="mailto:mmcmec@cox.net">mmcmec@cox.net</a>
2014	Jacob Greenberg	Blaine County Commission Rep	2012	<a href="mailto:jgreenberg@co.blaine.id.us">jgreenberg@co.blaine.id.us</a>
2014	Lisa Horowitz	City of Ketchum Rep	2010	<a href="mailto:lhowitz@ketchumidaho.org">lhowitz@ketchumidaho.org</a>
2014	<b>Peter Schuermier</b>	Avis/Transportation - AT LARGE	2010	<a href="mailto:petersunvalley@gmail.com">petersunvalley@gmail.com</a>
2014	<b>Arlene Schieven</b>	SV Marketing Alliance Rep	2011	<a href="mailto:arlene@visitsunvalley.com">arlene@visitsunvalley.com</a>
2015	<b>Eric Seder</b>	SV Shutters&Shades/WREP - AT LARGE	2010	<a href="mailto:svshutters@cox-internet.com">svshutters@cox-internet.com</a>
2015	<b>Jack Sibbach</b>	Sun Valley Resort Rep	2008	<a href="mailto:jsibbach@sunvalley.com">jsibbach@sunvalley.com</a>
2015	Martha Burke	City of Hailey Council/FMAA Board	2010	<a href="mailto:burkefamily203@cox.net">burkefamily203@cox.net</a>
2015	Rick Baird	FMAA Rep	2008	<a href="mailto:rick@flyfma.com">rick@flyfma.com</a>
2015	<b>Tim Silva</b>	Sun Valley Resort - AT LARGE	2012	<a href="mailto:tsilva@sunvalley.com">tsilva@sunvalley.com</a>
2016	<b>Deb Fox</b>	ResortQuest/Lodging - AT LARGE	2008	<a href="mailto:dsfox@resortquest.com">dsfox@resortquest.com</a>
2016	<b>Dick Fenton</b>	MDF Realtors/Real Estate - AT LARGE	2008	<a href="mailto:dfenton@mdfrealtors.com">dfenton@mdfrealtors.com</a>
2016	<b>Patrick Buchanan</b>	State Farm Ins/Hailey Chamber Rep	2011	<a href="mailto:patrick@5binsurance.com">patrick@5binsurance.com</a>
2016	Michelle Griffith	City of Sun Valley Councilmember	2012	<a href="mailto:svmichelleski@gmail.com">svmichelleski@gmail.com</a>
2016	<b>Wally Huffman</b>	Consultant to SV Resort - AT LARGE	2012	<a href="mailto:wallyhuffman@sunvalley.com">wallyhuffman@sunvalley.com</a>
2016	<b>Walt Denekas</b>	Marketron - AT LARGE	2014	<a href="mailto:wdenekas@marketron.com">wdenekas@marketron.com</a>
	<b>BOARD MEMBERS = 16; 10 VOTING, 5 EX-OFFICIO</b>			
	<b>BLUE/BOLD INDICATES VOTING MEMBER</b>			
	<b>Executive Committee 2014</b>			
	<b>NAME</b>	<b>OFFICE HELD</b>		
	Eric Seder	President		
	Jack Sibbach	Vice-President		
	Dick Fenton	Treasurer/Secretary		
	<b>STAFF</b>			
	Carol Waller	Director		<a href="mailto:carol@flysunvalleyalliance.com">carol@flysunvalleyalliance.com</a>

note: FSVA incorporated on 8-22-2007 so full year board terms began in 2008.

# SUN VALLEY AIR SERVICE BOARD - OVERVIEW

## THE JOINT POWERS "SUN VALLEY AIR SERVICE BOARD" CREATION

The cities of Hailey, Ketchum, Sun Valley and Blaine County all signed a Joint Power Agreement in 2012 and 2013 which established the "Sun Valley Air Service Board" (Air Service Board).

## MEMBERSHIP OF AIR SERVICE BOARD

- ❖ 1 VOTING MEMBER FROM CITIES OF KETCHUM, SUN VALLEY, HAILEY
- ❖ 1 NONVOTING MEMBER FROM BLAINE COUNTY
- ❖ TERM OF OFFICE IS 1 YEAR, effective Jan 1, 2014
  - Each of the Parties shall establish its own Board member qualification criteria
  - Employees, directors, shareholders, partners, owners and others with financial interests in any business, company or entity which the Board has employed or contracted with to provide equipment or services shall not be appointed or remain members of the Board.
  - Members of the Board shall be appointed without respect to political affiliation or religious denomination. Any person over the age of eighteen (18) may be eligible for appointment.
  - Members of the Board shall serve without compensation.

## ORGANIZATION & ADMINISTRATION OF AIR SERVICE BOARD

- ❖ The purpose of the Board is to establish, implement, maintain and fund a program to retain, improve and develop commercial air service to Friedman Memorial Airport.
- ❖ It is anticipated that the Board will have no employees and that, except for the holding, distribution and oversight of the monetary contributions and entering into Contracts for Services, the Board will have a very limited scope of operation.
- ❖ So as to minimize Board expenses, all City Parties may agree to share in the administrative tasks of the Board through pro-rata contribution of their City staff time to perform such tasks.
- ❖ The Board will have power to carry out the duties as described and contemplated by the Ballot Questions, including entering into Contracts for Services with such entities as the Board may select, subject to the specific LOT allocations of the City Parties.

## ORGANIZATIONAL CHECKLIST FOR ESTABLISHMENT OF AIR SERVICE BOARD

**January – March 2014:** Air Service Board members are appointed by City/County Parties by January 15, 2014

**Air Service Board then works to:**

- ✓ Create organizational Bylaws specifying the procedural method and manner by which it will conduct its affairs; utilize legal services contributed in-kind by all City Parties or contract for independently.
- ✓ Set up independent bank account, PO Box; create org documents, public meeting notice procedure, minutes recording/distribution, etc.
- ✓ Determine with City Parties what administrative tasks each can contribute in-kind to the Air Service Board.
- ✓ Establish FY14 revenues available based on projected Jan-September accrual of 1% LOT funds, less the direct costs to each city to collect and enforce the tax, including administrative and legal fees.
- ✓ Receive, review and approve FY14 contracts with independent parties for air service development; air service marketing services.

## RESPONSIBILITIES OF AIR SERVICE BOARD MEMBERS

- Adhere to and operate legally as a public board under the Idaho Open Meetings Law rules (statute?)
- Exercise fiduciary responsibility for proper financial management of public funds according to City Party directives within the context of the allowed uses of the 1% LOT as outlined in the Ballot Measure.
- Acquire and maintain requisite knowledge on air service and related marketing economic issues and impacts, strategic opportunities and challenges
- Review and approve Contracts for Services, including Scope of Work, performance metrics and reporting requirements, with independent parties to provide strategic air service development and air service marketing services. (e.g. *Fly Sun Valley Alliance for air service development/air service contracting and Sun Valley Marketing Alliance for air service marketing*)
- Review periodic (quarterly/biannually) progress reports from contractors regarding contract execution and performance results.



# FLY SUN VALLEY ALLIANCE - SUN VALLEY MARKETING ALLIANCE ORGANIZATIONAL OVERVIEW

## FLY SUN VALLEY ALLIANCE & SUN VALLEY MARKETING ALLIANCE BOARD MEMBER RESPONSIBILITIES

- The role of these Boards of Directors is to oversee the development and implementation/execution of the strategic air service development & air service marketing plans as outlined in the Contracts for Services Scope of Work.
- This role includes policy, oversight, staffing and budgeting for all activities as outlined in Contract for Services Scope of Work
- This role includes contracting with any third-parties for services necessary for successful implementation of the strategic plan/Scope of Work such as airline contracts, advertising agency contracts, research and consulting contracts, etc.

---

## FLY SUN VALLEY ALLIANCE

### MISSION

*The mission of Fly Sun Valley Alliance is to retain, develop and improve air service access to the Wood River Valley.*

Fly Sun Valley Alliance is an Idaho non-profit 501c(6) corporation. The 15 member volunteer board of directors is made up of private sector business and organization members, as well as public sector representatives from Friedman Memorial Airport, the cities of Hailey, Ketchum, Sun Valley and Blaine County. FSVA has one contract staff, an Executive Director, responsible for managing the organization and developing/ implementing its strategic plan and scope of work.

### FUNCTIONAL AREAS – SCOPE OF WORK

#### AIR SERVICE DEVELOPMENT

Work with consultants, airlines and other partners to:

- Negotiate air service contracts with airlines - monitor/evaluate/track bookings, fares, P&L, to ensure best success
- Support coordination of start-up effort for new carriers (e.g., United SFO in 2013); research and pursue new/expanded service opportunities
- Coordinate marketing of the air service with all partners via promotions, fare sales, campaigns, etc.  
(Partners include Sun Valley Resort, SVMA, local lodging properties and businesses, Idaho Tourism, FMA and Delta, Alaska, United airlines)
- Work with airlines and contract weather-related diversion bussing providers as needed to help improve experience for passengers
- Support Friedman Memorial Airport efforts to improve airport infrastructure, reliability, operations and services
- Maintain strong relationships with key industry contacts: airlines, consultants, state and local officials, other air service program directors, etc.

#### RESEARCH

- Develop and implement air passenger surveys at SUN to determine travel trends, economic impact and other relevant data
- Monitor/ track other air service related data (flights, seats, enplanements, fares, etc.) within our competitive set.
- Monitor monthly/YTD SUN flight and passenger data and other air service related information (passenger leakage, etc.).

#### FUNDRAISING

- Manage/promote fundraising programs: Air Support Business Ski Passes, Realtors for Air, Ski for Air Service Day; pursue other fundraising opportunities/revenue sources as feasible. (e.g., federal grants, etc.)

#### COMMUNITY OUTREACH/EDUCATION

- Provide information and outreach to all key stakeholders and public on importance of regular commercial air service that ensure we continue to retain/improve Sun Valley's air service access. Coordinate communication efforts with Friedman Memorial Airport on air service issues.

---

## SUN VALLEY MARKETING ALLIANCE (Visit Sun Valley)

### MISSION, VISION, GOALS

*The mission of Visit Sun Valley is to raise awareness of Sun Valley and increase visitor traffic from our target markets.* The vision of the organization is to achieve recognition for Sun Valley as a leader in mountain resort living and recreation. Key goals include increasing brand awareness and engagement, broadening the current age demographic of visitors and increasing visitation, particularly in the winter. Visit Sun Valley is an Idaho non-profit 501c(6) corporation. There is a five member volunteer board of directors, as well as five full-time equivalent staff – a President/CMO; a Director of PR and Social Media; a Finance Manager; a part-time Member and Visitor Services Coordinator, and part-time Visitor Agents. Funding for the organization comes from the City of Ketchum, The Idaho Travel Council, The City of Sun Valley and member businesses.

### FUNCTIONAL AREAS – SCOPE OF WORK

#### STRATEGIC MARKETING:

- The majority of Visit Sun Valley's resources are dedicated to external marketing in a few key target markets that mirror the markets with air service contracts. Visit Sun Valley works to increase demand in these markets so that the flight contracts are viable well into the future. Strategic marketing includes: advertising, partnerships and promotions, public relations, events, customer relationship management (CRM), social media, research and tracking. Marketing efforts drive to the official website for the area: [www.visitsunvalley.com](http://www.visitsunvalley.com).

#### MEMBERSHIP

- Visit Sun Valley is a member-based organization working on behalf of more than 300 businesses and stakeholders from the Sun Valley area.

#### VISITOR SERVICES

- In addition to strategic marketing, Visit Sun Valley also operates the Sun Valley Visitor Center 365 days per year



## **FSVA 1% LOT ACTION PLAN/TIMELINE**

### **November**

Cities/County start discussing Air Service Board formation  
Meet with SVC re: FSVA fundraising programs  
Draft FY14 1% LOT budget (Air service & marketing)  
FSVA FY 14 City of Ketchum contract for services (6 month) approved

### **December**

Develop FY15 strategic plan/budget (air service & marketing)  
Ketchum, Hailey, Blaine County appoint Air Service Board rep  
Receive/review UA Proposal for summer 2014 DEN flight/cost (SCASDP grant)  
Analysis of key markets to target for DEN connection service  
Develop FY14 Air Service marketing plan (FSVA/SVMA/SVR/FMA/AIRLINES)

### **Jan-14**

FSVA FY 14 City of SV contract for services (6 month) approved  
Sun Valley appoints Air Service Board rep (Jan 9)  
Air Service board starts meeting, gets organized  
Present FY14 strategic plan/budget to FSVA Board (air service & marketing)  
Develop air service/mktg strategic plan (2-5 years)

### **Feb-14**

Present FY14 plan/budget to Air Service Board (air service & marketing)  
Continue to develop FY15 strategic plan/budget (air service & marketing)  
Present FY15 strategic plan/budget to FSVA Board (air service & marketing)

### **Mar-14**

FY14 FSVA/SVMA Contract for Services (April-Sept) approved by Air Service Board  
Present FY15 strategic plan/budget to Air Service Board (air service & marketing)

### **Apr-14**

FY15 strategic plan & budget Contract for Services proposal to Air Service Board

### **May-14**

Finalize FY15 Air Service contracts with airlines  
Update FY14 & FY15 Budgets based on winter actuals (MRG costs & LOT revenues)

## SUN Air Service Development & Air Service Marketing Annual Timeline

**DEC/JAN** Formulate strategic air service development/air service marketing plan for next FY  
*Includes review and analysis of markets, service dates, schedule based on prior year costs/seats/loads/revenue and future potential,*

*SUN passenger & visitor research/leakage, competitive analysis re: air service markets/seats/loads/avg fare*

Hold preliminary strategy discussions with airlines regarding next year service - starting following Dec

**FEB** Initiate negotiations with airlines for next year air service contracts

Present next year FY air service plan & budget to FSVA & SVMA boards for approval

**MARCH** Present next year FY air service plan & budget to Air Service Board

Finalize next year FY Contract for Services (FSVA air service & SVMA marketing) with Air Service Board

Continue negotiations with airlines for next year air service contracts *(includes meetings with airline officials)*

**APRIL** Finalize next year air service contracts w/ airlines (FSVA); Finalize next year marketing plan w/ SVR + other partners (SVMA)

*Air service contracts with airlines negotiated on annual basis - winter + summer - see timeline below*

*Jan-April: Review/analyze/negotiate contract for next year service beginning Dec*

*May: Finalize air service contracts*

*June: Fares/schedules for next year (beginning Dec) are loaded and marketing is initiated*

**MAY** Progress Report to Air Service Board; adjust current year budget as appropriate based on winter actuals (MRG costs/LOT revenues)

Adjust next year FY budget based on winter actuals (MRG costs/LOT revenues)

**NOV** Progress Report to Air Service Board; with final # from prior year winter + summer

Adjust next year FY budget based on annual actuals (MRG costs/LOT revenues)

**NOTE:** Research analysis, proforma development and airline contacting for new market air service done on ongoing basis

**Weekly/monthly** air service monitoring/tracking/research- and marketing - is ongoing



## FRIEDMAN MEMORIAL AIRPORT (SUN) SURVEY WINTER 2013/14

Administered by Fly Sun Valley Alliance

As a traveler using Friedman Memorial Airport (SUN), we would appreciate it if you would take a few minutes to complete the following survey. The survey is completely confidential and is being conducted for research purposes only. Upon completion, please return the questionnaire to the survey attendant.

Your responses will help us better serve our airport users and visitors. We greatly appreciate your time and participation.

1. On which flight are you departing from this airport today?

- ☐ Delta via Salt Lake City
- ☐ Alaska/Horizon to Los Angeles
- ☐ Alaska/Horizon to Seattle
- ☐ United via San Francisco

2. Today's date: Month \_\_\_\_\_ Day \_\_\_\_\_

3. Did you consider other airports for your flight to/from the Sun Valley area?

- ☐ No
- ☐ Yes - which airport(s)? \_\_\_\_\_

4. (IF YOU CONSIDERED OTHER AIRPORTS FOR YOUR TRIP)  
Why did you choose Friedman Memorial Airport? (MARK ALL THAT APPLY)

- ☐ Convenience of location
- ☐ Availability/selection of flights
- ☐ Price
- ☐ Other: \_\_\_\_\_

5. With whom are you traveling today? (MARK ALL THAT APPLY)

- ☐ No one, traveling alone
- ☐ Business associates
- ☐ Spouse/significant other
- ☐ Friend(s)
- ☐ Child(ren) aged 13 to 17
- ☐ Group/club/organization
- ☐ Child(ren) aged 12 and under
- ☐ Other: \_\_\_\_\_
- ☐ Other family/relatives

6. INCLUDING YOURSELF, how many people are in your travel party? (Exclude tour group members unless you knew them and planned to travel with them prior to booking the tour.)

\_\_\_\_\_ Total number of people in party including yourself

7. a) When did you begin to consider taking this trip?  
b) And when did you book your flight to/from Sun Valley?

CONSIDERED	BOOKED	CONSIDERED	BOOKED
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

8. Are you a local resident of the area, or a visitor?

- ☐ Full-time local resident (reside in the Sun Valley area >6 mo./yr.)
- ☐ Part-time resident (reside in Sun Valley area <6 mo./yr.)
- ☐ Visitor

GO TO Q. 11

LOCAL RESIDENTS ONLY:

9. What is the MAIN purpose of your trip? (MARK ONE ONLY)

- ☐ Leisure/recreation/holiday
- ☐ Business/professional
- ☐ Visit friends/relatives
- ☐ Combined business/pleasure
- ☐ Other: \_\_\_\_\_

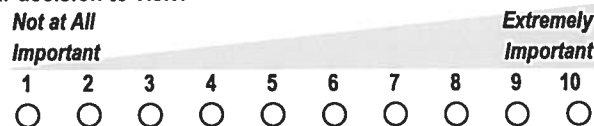
10. Including this flight, how many times have you flown out of this airport in the past 12 months?

Enter 01 if this is the only time

GO TO Q. 23 WHEN DONE

VISITORS AND PART-TIME RESIDENTS ONLY

11. How important was the availability of flights to this airport in your decision to visit?



12. What was the MAIN purpose of your visit to the Sun Valley area this trip? (MARK ONE ONLY)

- ☐ Downhill skiing/snowboarding
- ☐ Nordic skiing
- ☐ Visit friends/relatives
- ☐ Special event: \_\_\_\_\_
- ☐ Other leisure/recreation/holiday: \_\_\_\_\_
- ☐ Business/professional
- ☐ Combined business/pleasure
- ☐ Other: \_\_\_\_\_

13. What was the date of your arrival in the Sun Valley area?

Month: \_\_\_\_\_ Day (1-31): \_\_\_\_\_

14. In total, how many previous winter visits have you made to the Sun Valley area in the past 5 years?

- ☐ None, first visit
- ☐ 2-4
- ☐ 11-20
- ☐ One
- ☐ 5-10
- ☐ 21 or more

(IF FIRST VISIT) Of all the places you could have gone, what most influenced you to select Sun Valley this trip? Please be specific.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

15. How likely are you to visit the Sun Valley area next winter?

And within the next three winters?

NEXT WINTER IN NEXT 3 WINTERS

- ☐ ☐ 100%-definitely  
☐ ☐ 75%-probably  
☐ ☐ 50%-maybe  
☐ ☐ 25%-unlikely  
☐ ☐ 0%-will not return within this time

(IF 50% OR LESS LIKELY IN 3 WINTERS) What is the primary reason you would not make a return trip?

16. In total, how many previous summer visits have you made to the Sun Valley area in the past 5 years?

- ☐ None ☐ 2-4 ☐ 11-20  
☐ One ☐ 5-10 ☐ 21 or more

17. In what type of accommodations did you/your group stay this trip?

- ☐ Rented accommodations (hotel, motel, condo, house)  
 Name of property: \_\_\_\_\_ Nightly rate: \$ \_\_\_\_\_  
☐ Own my own accommodations (whole ownership)  
☐ Own a timeshare/fractional unit  
☐ Stayed in vacation unit owned by friends/relatives  
☐ Stayed with friends/relatives who live in the area  
☐ Other: \_\_\_\_\_

18. (IF RENTAL ACCOMMODATIONS) How did you book your lodging?

- ☐ Direct to property (via web, phone, or other)  
☐ Online travel agency (e.g., Expedia, Travelocity, Hotels.com, etc.)  
☐ Private party ad/website (e.g., VRBO.com, Craigslist, etc.)  
☐ Travel agent  
☐ Ski club/travel group  
☐ Walk in - no advance reservations  
☐ Other: \_\_\_\_\_  
☐ Don't know/arranged by someone else

19. Including yourself, how many people stayed in your accommodations unit? \_\_\_\_\_

20. Location of your accommodations this trip:

- ☐ Sun Valley ☐ Between Hailey & Ketchum  
☐ Ketchum ☐ Bellevue  
☐ Hailey ☐ Other: \_\_\_\_\_

21. How much did you and your immediate travel party spend PER PERSON, PER DAY (on average) for the following items this trip? At Ski Area(s)

\$ \_\_\_\_\_ Lift tickets  
 \$ \_\_\_\_\_ On-mountain restaurants  
 \$ \_\_\_\_\_ Lessons/equipment rentals/day care  
 \$ \_\_\_\_\_ Other (retail items, incidentals, tips, sundries)

In Town/Other

\$ \_\_\_\_\_ Restaurants/food and beverage  
 \$ \_\_\_\_\_ Shopping/retail purchases (ski equipment, apparel, gifts, souvenirs, etc.)  
 \$ \_\_\_\_\_ Entertainment and recreation (concerts, movies, sports activities, events)  
 \$ \_\_\_\_\_ Local transportation (taxi, bus, car rental, etc.)  
 \$ \_\_\_\_\_ Other (incidentals, tips, sundries)

22. How likely would you be to recommend the Sun Valley area as a travel destination to a friend or relative?

Extremely Unlikely 0 1 2 3 4 5 6 7 8 9 10 Neutral Extremely Likely  
☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

What other mountain resort(s) (if any) have you visited for overnight trips in the past three winters?

Relative to those resorts, what would you consider to be the Sun Valley area's greatest strength?

.....and the Sun Valley area's greatest weakness?

23. Please rate your satisfaction with the following:

Extremely Dissatisfied 1 2 3 4 5 6 7 8 9 10 Extremely Satisfied

Overall experience with Friedman Memorial Airport ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐  
 Overall satisfaction with flight service to the Sun Valley area ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

24. Do you have any suggestions for improvement regarding: Friedman Memorial Airport (SUN):

Flight service to SUN: \_\_\_\_\_

Finally, the following questions are for classification purposes only.

I am: ☐ Male ☐ Female Year born: 19 \_\_\_\_\_

Annual household income (before taxes):

- ☐ \$0-24,999 ☐ \$100-149,999  
☐ \$25-49,999 ☐ \$150-199,999  
☐ \$50-74,999 ☐ \$200-249,999  
☐ \$75-99,999 ☐ \$250,000 or more

Zip code (if U.S.):

--	--	--	--	--	--

Country of residence (if not U.S.): \_\_\_\_\_

Family status:

- ☐ Single, no children ☐ Household with children  
☐ Couple, no children ☐ Empty-nester (children grown)

**THANK YOU FOR YOUR PARTICIPATION!**

Please add me to the Fly Sun Valley Alliance email list for updates on SUN flights, deals and news:

EMAIL \_\_\_\_\_

ZIP CODE \_\_\_\_\_

**Please return survey to the survey administrator.**

Survey preparation/analysis done on behalf of Fly Sun Valley Alliance by:  
 RRC Associates, 4940 Pearl East Circle, Suite 103, Boulder, CO 80301



## Monthly Report November 2013

### 1. AIR SERVICE

#### AIR SERVICE RETENTION, IMPROVEMENT, DEVELOPMENT

- Received/reviewed Alaska Airlines booking reports and MRG final report for YTD summer 2013
- Monitored weekly booking reports for AS and UA winter flights; DL connectivity analysis, fare analysis, etc
- Promoted new air service/airport improvements/airfare deals via press release, social media, enews, local ads (*Featured editorial/advertorial in winter issues of SV Source, SV Property News, pitched SF Chronicle, etc*)
- Participated in reviewing marketing opportunities with airline partners and United Ski Vacations for upcoming winter season; followed up as needed. Coordinated planning for UA Inaugural flight on Dec 12.
- Worked with UA on setting up "United Locals Only Fare Discount" program, which will be administered by FSVA
- Met with SkyWest re: winter diversion bussing, drafted bussing information for FSVA and FMA websites for UA, DL
- Ongoing communication/work with airlines, M&H consultant, FMA, other partners
- Attended various meetings/sent correspondence on air service with local officials, FMAA, local business, etc.
- Provided information via FSVA Enews and ongoing social media postings; updated website content as needed

### 2. FUNDING

#### REALTORS FOR AIR PROGRAM

Continued implementation of RFA FY14 which included: new materials, recognition ads, meetings, tracking of commitments and benefits follow-up, etc. **Have 15 offices as 100% offices; \$52,000 committed**

#### BUSINESS SUPPORT SKI PASS PROGRAM 2013.14

Results: **\$150,204 in passes sold through Sept 30. 8% higher than projected budget; 11% higher than FY13.**

**1% LOT:** Served as information resource to campaign teams and candidates. Coordinated collection of final signed JPA and distribution to all parties. Met with city/county parties on Air Service Board creation, etc. Created cash flow projection for 1% LOT Jan-Sept 2014 for analysis and reference. Drafted proposed Air Service Board Job Description at request of cities.

#### ▪ **BOARD/ADMIN BUSINESS**

- Developed/compiled/distributed all materials for monthly Board Packets; prepared minutes from meeting(s) Prepared Monthly Report. Reviewed Financials, approved invoices/signed & processed checks, reviewed payables list, presented to Board for review/approval. Made deposits as needed.
- Began working on revision to FY14 budget, with 1% LOT additional income projections

### 4. RESEARCH/OTHER

- Worked on revisions to winter 2013.14 survey form – will have final report for 2012.13 survey by late Nov
- Continued work on compiling/tracking relevant comparative data and information of air service

### FY14 KEY PERFORMANCE METRICS PROGRESS

- **RETAIN/EXPAND CURRENT AIR SERVICE:**
  - Retain contracted nonstop SEA, LAX, and new SFO flights; **DONE**
  - Expand seats by 10% (2,500) for SEA and LAX flights in 2014 calendar year, by extending flights in spring and fall. **DONE**
  - **Total 2014 air service improvements YTD: 30% increase in seats with new seasonal daily nonstop flight SFO-SUN, and daily year-round RJ service via Delta. Awarded \$500K USDOT grant to pursue additional service in 2014 from eastern hub.**
- **MINIMIZE AIR SERVICE CONTRACT COSTS:** Work with airlines & marketing partners to increase load factors & minimize air service contract costs. (2012 average annual load factors; Alaska 78%; SkyWest 71%)
- **NEW AIR SERVICE:** Pursue at least one new non-stop market flight for 2014.15
- **RESEARCH:** Conduct 1000+ air passenger surveys at SUN; continue with competitive analysis, economic impact and air service ROI research.
- **FUNDRAISING:** Raise at least \$250K in private sector funding for air service contract expense by 9/30/14.
  - **Raised \$214,000 (cash and commitments) as of 11/30/13.**





## FLY SUN VALLEY ALLIANCE BOARD OF DIRECTORS MEETING

Thursday, Dec 19, 8:00am – 10:00am

**SUN VALLEY LODGE – SAGE ROOM**

### **AGENDA: WELCOME UNITED AIRLINES!**

#### **1. Consent Items:**

- Review/approval of November Meeting Minutes *(attached)*
- Review/approval of November financials & payables *(attached)*
- Review/approval of FSVA Board of Directors & Officers slate for 2014 *(attached)*

#### **2. Program Reports:**

##### **Funding**

- FY14 Budget update – FSVA city contracts for service
- 1% LOT:
  - Air Service Board appointments:  
Ketchum – Nina Jonas, Hailey – Fritz Haemmerle, Blaine County – Larry Schoen, Sun Valley – TBD Jan 9
  - Air Service Board Draft Job Description *(attached)*
  - Projected timeline *(attached)*
  - FY14 & FY15 Draft 1% LOT budgets *(attached)*
- Realtors for Air: **\$52,000 committed to date**, 100% offices=15
- Air Support Business Ski Pass program: **\$162,000 sold YTD!** Budget was \$140K, last year was \$137K
- Ski for Air Service Day: Sunday, January 26, 2014 *(attached)*

#### **3. Air Service Initiatives/Research/Promotion**

- **Successful United Inaugural Flight!**
- Advance Winter Booking report summary for AS and UA flights *(attached)*; recent AS fare sale did great!
- UA Local Discount Program – Carol **(50 requests handled this past week!)**
- Winter diversion bussing update - Carol
- SCASDP GRANT update – Rick
- Air Service Marketing update – Jack/Arlene
- Airport update – Rick
- Research – winter air passenger survey to start Jan 1 *(survey attached)*
- Other

##### **Other attachments:**

- November FSVA Report
- 2013 YTD SUN Enplanement & Seat Occupancy Report



**Friedman Memorial Airport Authority  
Air Carrier Incentive Policy**

**Whereas**, the Air Carrier Incentive Program Guidebook published by the FAA Office of Airports in October 2010 defines how airports can use funds to create an air carrier incentive program.

**Whereas**, Friedman Memorial Airport (SUN) wishes to establish a program to support and promote air service growth for the region.

**Whereas**, the Friedman Memorial Airport Authority (FMAA) approves the following incentives for qualified air service to SUN:

**Now, Therefore**, The Authority adopts the following policy:

- FMAA will waive landing fees for up to 180 days during the first 12 months of nonstop service to a new destination not currently served from SUN. This incentive is available for all carriers to markets not served in the prior 12 month period.
- FMAA will fund up to \$50,000 terminal operation improvements at SUN when appropriate. Improvements may include IT installation and other leased space improvements. Ownership of improvements will remain with the FMAA.

Friedman Memorial Airport Authority retains the right to modify these incentives at any time and without notice.

PASSED AND ADOPTED BY THE FRIEDMAN MEMORIAL AIRPORT AUTHORITY  
this \_\_\_\_ day of \_\_\_\_\_, 2014.

FRIEDMAN MEMORIAL AIRPORT AUTHORITY

\_\_\_\_\_  
By: Ron Fairfax, Chairman