

Kitsap Public Facilities District

Minutes of the Board of Directors Regular Meeting

Monday, February 24, 2014

Silverdale Beach Hotel Cove Room, 3073 NW Bucklin Hill Rd, Silverdale, WA

Attendance: Teresa Osinski, Chair, Rick Smith, Patrick Hatchel & Jeff Braden.

Staff: Mike Walton, Executive Director

Absent: Roy Runyon, Vice-Chair; Anne Blair, Treasurer; and Russ Shiplet

1. **Call to Order:** A quorum being present, the Chair called the meeting to order at 5:33 PM.
2. **Meeting Minutes:**– Minutes from the Regular Meeting on the 27th of January were distributed electronically before the meeting. The minutes were submitted by the ED.
A motion was made by Jeff Braden to approve the Minutes of the January 27th Meeting as submitted. The motion was seconded by Patrick Hatchel and passed unanimously.
3. **Finance Reports:**
 - A. **Monthly Financial Reports – January**

The ED summarized from the January report. Revenue from November sales tax was \$93.2K, up 6% and highest since 2008 for the seventh month in a row. Expenses were low at \$5.1K and the net was \$18K addition to cash. \$20K was transferred to the 96968 account.
 - B. **Sales Tax Rebate Revenue by Month Report** – The report for Feb was available and showed revenue at \$119.3K, a continuing increase – up 4% over last year’s amount.
 - C. **Current Invoices** – In the absence of the Treasurer, the ED submitted a small general Blanket Voucher request of \$2,726.20 of normal expenses to the Chair for approval by the Board members. The largest expense was marketing consulting services to the VKP of \$1250 followed by expense for legal services to Socius (the last one) of \$495 and the new legal firm of JBSL for \$275.
Rick Smith moved to approve the Blanket Voucher for payment of \$2726.20 as submitted. Jeff Braden seconded and the motion passed unanimously.
 - D. **KCC Expansion Blanket Voucher – Presentation by Chal Martin, Public Works Director, City of Bremerton.** The project is progressing as planned, on budget and only a couple of weeks behind original estimated completion date. Payments to the contractor to date have been made by the City from their allocated funds. This is the second request for PFD funds. There was some discussion about Furnishings and other equipment (FFE) not included in the budget. Arne will prepare a list and costs for these items for next meeting.
Jeff Braden moved to approve the KCC Blanket Voucher for payment of \$153,764.47 as submitted. Patrick Hatchel seconded and the motion was passed unanimously.
NOTE: The Chair also made a comment about the City Council of Bremerton, a partner in the KCC and its expansion, pulling money for support of the Tourism marketing organization, Visit Kitsap Peninsula, out of their 2014 budget, which would have gone to promote the new expanded KCC. Since the KPFD also provides money for VKP to market the KCC, she felt it was a counter productive and short sighted decision.
4. **Regional Project Reports:**
 - A. **Conference Center Report** –Arne Bakker was present to give a year-end wrap up report.. December showed substantial revenue over forecast, due to special promotional offers made in advance of the new space being available, but January and February revenue will be significantly down due to seasonal and other effects.
 - B. **Kitsap Fairgrounds and Event Center – Billie Schmidt was present to report**
Billie clarified some of the questions the Board had about forecasts and results that seemed dramatically out of line – when forecasts were prepared, some items that should have been deleted weren’t. The Board also clarified what they would like to see in the future reports.

The ED stated that he and Bror met with Billie about the second project and made several suggestions about what needs to be done to move it forward. The most significant was to consult a landscape or other architect to provide better documentation and improve and successful bid and construction of the project.

5. Ongoing Business:

- A. **NKREC ILA progress** – Russ was not present to report, so the Chair summarized his comments to her, suggesting that a draft of the results was to be presented in April.
- B. **EventFund information update** – This item had been tabled from last year and the update was submitted to the Board prior to the meeting. There was some discussion about the wording of the stipulation to use the VKP services for some part of the marketing expense, perhaps not limiting it to a 25% maximum amount. It was agreed that it should be “...10% or more, unless otherwise allowed by the PFD Board, ...”.

Rick Smith moved that the EventFund Guidelines be approved as amended. Jeff Braden seconded and the motion passed unanimously.

6. New Business:

- A. **New Legal Services Contract – JBSL PLLC, new firm of Brian Lawler.**

The new contract was provided to the Board members to review before the meeting. Our corporate attorney was moving to a new firm and wished to continue to represent us there.

Patrick Hatchell moved to approve the new agreement as presented. The motion was seconded by Jeff Braden and passed unanimously.

- 7. Executive Director’s Report:** submitted electronically by the ED prior to the meeting.

The ED covered some of his activities and also gave accounts of the delivery of checks to Parks (\$30K for press box reimbursement) and to Bremerton (\$148K for KCC expansion) for their project activity from the June 2013 approved projects list. The KCC Funding ILA was also finally signed off by both parties & attorneys, so is completed.

- 8. Public Comment:** None

9. Announcements:

- ED made Annual Report from Enduris available to the Board members, and he reminded them about the PFD Conference at Ocean Shores on April 28th. (This occurs on the same day as our regular April meeting in the evening.)

The next Regular Meeting of the Board will be on March 24th at 5:30 pm in the Cove Room at the Silverdale Beach Hotel. This will be the permanent location for meeting in 2014.

NOTE: This is the fourth Monday of a five Monday month.

Meeting was adjourned at 7:25 pm