

Kitsap Public Facilities District

Regular Meeting of the Board of Directors Monday, March 13, 2006 Eagle's Nest Conference Room, Fairgrounds and Event Center Bremerton, WA 98311

Attendance: Walt Draper, Chair; Linda Berry-Maraist, Vice-chair; Christine Rolfes, Treasurer; Rick Smith; Warren VanZee.

Call to Order: A quorum established, Chair Walt Draper called the meeting to order at 6:40 PM.

Reports on Regional Projects

Kitsap Conference Center. Bremerton Mayor Cary Bozeman and Economic Development Director Gary Sexton described on-going capital construction projects related to the Conference Center. They requested \$250,000 additional funding from the PFD to construct the event center community spaces and warming kitchen in the Conference Center annex in the renovated Building 50 adjacent to the Conference Center. This Building 50 facility will include a naval museum, display/exhibit space, small meeting rooms and a warming kitchen for catering support for people using these spaces. The additional space in Building 50 will be approximately 1,200 square feet, increasing the total publicly owned meeting/conference space at Harborside by 8,000 square feet. As with the main Conference Center, the Columbia Hospitality company is contracted to manage the facility.

The board expressed appreciation of the on-time, on-budget work done by the City on the Conference Center and noted that if the PFD did not allocate the funds for Building 50, the decision simply reflected different funding priorities at this time; it would not be any comment on the positive and successful partnership or the quality of the Conference Center project.

Discussion followed. Legal Counsel prepared a memorandum removing any concerns about the legality of using State Sales Tax rebate funds for this project. Because it is beyond the scope of the initial ILA for the Conference Center project, it would be necessary to prepare an addendum to that ILA. Parking for Building 50 will be at the Conference Center lots. Gary Sexton explained that, if necessary, the City would accept a smaller amount of money, but if a critical mass of funding is not achieved, the warming kitchen, deck/event center spaces will be eliminated from the plans.

Kitsap Fairgrounds and Event Center. Department Director Mark Mauren reviewed the County and PFD Phase II funding allocation list approved in January 2006. He updated progress on the Gordon Field parking lot project. Bret Steck is the County staff supervising/coordinating this project and it is progressing well, with weather delays he anticipates it will be completed by the end of April.

The Gordon Field renewal project has a total cost of about \$2million. District IV Youth Soccer is looking for \$600,000 in grant funding, the County is committing \$1million. Mark requested the KPFD consider shifting \$200,000 previously, but tentatively, allocated to renovation of Thunderbird Stadium as that project is not on the County facilities plan for at least ten years.

Mark explained that refurbishment of Thunderbird Stadium appeared to be in the \$4million cost range, without sound pay-back potential. The initial partnership proposal from the Sounders' ownership group is not adequate at this point, primarily because the proposal required full-service stadium services that the County does not have, nor wish to provide. Moving ahead on the Gordon Field project in Spring 2007, will require more funds from the KPF. Generally, the board was supportive of the Gordon Field project, but wants to wait until there is more information about the baseball field stadium seating costs (budgeted at \$21,000, but bid estimates show to be \$80,000), before making any decisions about shifting funding allocations.

North Kitsap Regional Event Center. Linda reported that conversations regarding funding support from the various government and school district boards continue. She reminded the board of the importance of the April 11 meeting of the Combined Boards and encouraged board members to utilize the time with the other boards to push for funding to support the implementation of the Master Plan.

Unfinished Business

Professional Soccer in Kitsap County. Anne continues to work with the Sounders' ownership group and the County regarding funding for refurbishment of Thunderbird Stadium. County Commissioners requested more details about the financial implications of such a partnership. Anne is working with Mark Mauren and Robin Waite from the Sounders to prepare that presentation.

Board Meeting Attendance Policy. There is no recommendation at this time.

Finance Report

Current invoices. Treasurer Christine Rolfes reported that she had reviewed the support materials for the invoices presented on the blanket voucher. All are in order.

It was moved by Christine Rolfes, seconded by Warren VanZee and voted unanimously to approve payment of \$29,859.14 as presented on the blanket voucher and supported by the individual invoices.

Fund #286 Update. Anne reported that this fund transfer has been reported. It does not yet appear on the accounting reports. In addition, Legal Counsel has sent a letter to the County requesting back interest earned on Fund #286 be calculated and transferred to the KPF account 96977. The County has not yet responded to this letter.

Proposed revisions to FY 2006 Annual Budget and Capital Project Funding Allocation

Requests. After reviewing the newly revised 2006 Annual Budget, the board discussed the pros and cons of the funding requests from the City of Bremerton for \$250,000 to construct the warming kitchen and exhibit space at the Conference Center/Museum annex; the \$200,000 allocation shift requested by the County to assist with putting artificial turf and lights on the Gordon Fields; and, confirmation of the board's tentative commitment of \$900,000 for the North Kitsap Regional Event Center. The board outlined the following points for their decisions on these requests:

1. Gordon Field turf and lights project probably cannot be started until winter 2007.
2. Conference Center investment was a wise one initially; this additional money may also be a good investment, but it does not have a recreational focus. Additionally, the central Kitsap area has received more than \$11.6 million already.

3. Investing in the NK REC should be a carrot for additional funds from City of Poulsbo, NKSD and County, as well as support from community user groups.

It was moved by Linda Bery-Maraist, seconded by Christine Rolfes and approved by majority vote (4 vote Yes; 1 vote No – Walt Draper casting the dissenting vote) to allocate \$900,000 during 2006 to the initial phases of construction of the North Kitsap Regional Event Center project as incentive to Kitsap County, City of Poulsbo and North Kitsap School District to match, collectively, this amount for this project. Should the match not be achieved, this allocation will be reconsidered.

Walt Draper will notify the City of Bremerton of this action. Anne will report to the County.

Approval of Minutes

It was moved by Warren VanZee, seconded by Christine Rolfes and voted unanimously to approve the Minutes of the February 27, 2006 Board of Directors' Meeting as distributed.

Administrator's Report

Anne reported that, in addition to information in her written report, the IRS is requiring that special purpose districts, such as the PFD, each have separate tax identification numbers to facilitate federal government tracking of social security and federal tax filing reports. She has obtained that identification number and will be attending training on tax filing procedures.

The Kitsap County Local Governments conference date has been changed to May 18. Board members were encouraged to attend.

Mary McClure has agreed to research and present her findings comparing and contrasting, as well as interpreting the differences among the 2000 Trust for the Public Lands survey, the 2003 survey prior to the PFD ballot measure proposing a sales tax increase and the 2005 community survey about funding sources and priorities for recreational and sports facilities. She will facilitate the board discussion of her report on Saturday, April 22. The location is to be determined.

Public Comment

Helen Miller expressed her strong support of PFD investment in the City of Bremerton development project at the Conference Center and Building 50. The Conference Center has been a genuine economic engine for the City's revitalization efforts.

Communications

1. Walt will be out of town for the March 27 meeting. Linda will preside.

The meeting adjourned at 9:10 PM.