

## Kitsap Public Facilities District

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### Regular Meeting of the Board of Director Wednesday, June 11, 2007 KPFDF Office: 9657 Levin Road NW, Silverdale, WA 98383

**Attendance:** Linda Berry-Maraist, Chair; Warren VanZee, Vice-chair; Emily Parsons; Steve Stagner. Staff: Blair Burroughs, Legal Counsel; Anne Blair, Administrator. Guests: Arley Bright, Kitsap County Budget Manager; Chip Faver, Kitsap County Facilities, Parks and Recreation Department Director; David Trageser, US Bank Securities.

**Call to Order:** Linda Berry-Maraist, Chair convened the meeting at 6:40 PM without a quorum. She announced no action would be taken until the quorum was established.

A quorum established at 6:45 PM.

**Special Presentation:** Dave Trageser introduced himself as the County bond underwriter and consultant to the County on bond matters. He reviewed the KPFDF and County 2002 LTGO bond issuance explaining the benefits to both entities of “bundling” issuances. The call date for these bonds is 2012. Given a drop in long-term interest rates about 6 weeks ago, he advised the county to consider a one-time refinancing of those bonds to generate a savings over the life of the bond sufficient that the net gain would be worth the cost of refinancing. Last week, comments by the Federal Reserve Chair prompted a rise in long-term bond rates rose. He now recommends waiting on any refinancing plans. However, because bond rates do change quickly, he encouraged consideration of this idea and a consensus about refinancing so that, if the KPFDF wished to refinance, it could be accomplished fairly short-notice. Discussion followed. Steve requested time to review the actual numbers involved in a decision such as this. Dave agreed to forward those figures to the board.

There was additional discussion about the possibility of issuing twenty-year bonds to obtain capital for investment in community projects currently being considered by the KPFDF. The standard rule-of-thumb is that the revenue stream for debt service be 1.5 times the annual payment. Given that standard, it is not clear that the KPFDF-managed state sales tax rebate provides sufficient revenue at this time. Arley Bright agreed to work with Dave and Anne to see if a new capital bond is feasible.

### **Regional Projects**

**Fairgrounds and Special Events Center.** Chip Faver reported on the capital projects at the Fairgrounds. He explained that the capital project cost accounting update is not complete at this time, but it appears that most of the Phase II budget has been expended. The ball field netting will be installed by month’s end; the safety capping on the fences has been installed; and the portable bleachers recently approved by the KPFDF arrived unassembled and are estimated to cost \$15,000 to be assembled on-site. He is working with staff to identify the funds for this assembly and to determine the most time- and cost-effective way to have the bleachers ready for use during the summer 2007 events. He will meet with Anne to review the Phase II project priorities and budget for presentation and discussion at the next board meeting.

Currently, the 6,000 acres of County Parks are maintained with a crew of eight people. With the current County budget concerns, he is considering at least four strategies to increase revenue for the parks: 1) re-energize the search for grant funding for capital acquisitions and improvement projects to permit allocation of real estate excise taxes (REET) and impact fees to operations and on-going maintenance; 2) establish a blue-ribbon citizens’ task force to look at the department budget and recommend changes in structure, revenue sources and expense allocations; and, 3) realign the organizational structure of the Facilities, Parks and Recreation Department to match the way the money is allocated. Chip announced that as of July 9, 2007, the department would be separated so that the facilities management functions would be under the purview of the Administrative Services Department and the Parks and Recreation functions would be handled as a separate department under his leadership. The “new” Parks and Recreation Department would

relocate headquarters to the Eagle's Nest building at the Fairgrounds; there would be staff changes, including the addition of a planning director and a volunteer coordinator. He was doubtful that there were funds sufficient to hire the four staff lost when the Facilities Department and Parks Departments merged three years ago, but this would be one of the considerations addressed by the Citizens' Task Force. The relocation of the consolidated Parks Department staff at the Fairgrounds will necessitate remodeling the Eagle's Nest building, pending funding, to accommodate the entire staff.

**North Kitsap Regional Event Center.** Linda reported that the Phase I (NK Stadium Field renovation) bids were due June 21, 2007. Because the construction timeline has relaxed and at least seven contractors picked up the bid information, there is restrained optimism that this project can be completed this summer as anticipated. Following several negotiations and revisions, the Community Use ILA, including exhibits modeling the Use Scheduling process and fee schedule, being in accord with the board action last meeting, will be signed at the conclusion of tonight's board meeting.

### **New Business**

**EventFund, Round II.** Anne reviewed the decision-making process for these funds that are allocated for use by community groups to promote tournaments and events at one of the three KPFD-funded facilities. Board members received copies of the four qualifying applications by mail. Each applicant group will make a ten minute presentation at the June 25 board meeting with the funding decisions to follow immediately. Board members raised questions regarding each application and noted that these must be addressed before an informed vote can be taken. Anne will contact the applicants to alert them to have answers/responses to the concerns raised by board members.

### **Finance Report**

**April 2007 report.** Anne noted there were no unusual expenses and that revenue was in-line with the budget. The monthly rent is \$600.00. The May and June rents are included on this blanket voucher. She explained that the furniture purchases and other office relocation expenses would appear on the May and June reports. At this time, those costs are in-line with the initial budget for furnishing purchases.

**Current invoices.** In Treasurer Walt Draper's absence, Linda reviewed the invoices supporting the blanket voucher and reported these were in order.

**It was moved by Emily Parsons, seconded by Warren VanZee and voted unanimously to approve payment totaling \$2,445.85 for invoices presented on the blanket voucher.**

### **Approval of the Minutes**

**Minutes of the Board Meeting April 23, 2007.** Following extensive discussion and clarification, the Minutes were amended. The motion regarding the North Kitsap Regional Event Center was amended to include reference to the maximum (\$650,000) allocation of KPFD funds and \$150,000 and a minimum of \$150,000 allocation by NKSD to the NK Stadium project.

**It was moved by Emily Parsons, seconded by Warren VanZee and voted unanimously (Steve Stagner abstaining) to amend the motion to read, "...that funding for the Phase I NK Stadium improvements be restricted to \$650,000 from the KPFD, \$150,000 from Kitsap County and a minimum of \$150,000 from NKSD."**

**It was moved by Emily Parsons, seconded by Warren VanZee and voted unanimously (Steve Stagner abstaining) to approve the Minutes of the April 23, 2007 board meeting as amended.**

**Minutes of the Board Meeting May 23, 2007.**

**It was moved by Emily Parsons, seconded by Warren VanZee and voted unanimously (Steve Stagner abstaining) to approve the Minutes of the May 23, 2007 meeting of the board as presented.**

### **Administrator's Report**

There were no questions about the written activity update distributed in the board packet. Anne commented that the new office was working well; the meeting space and air conditioning are a real boon. She expressed appreciation for the professional support of sharing the space with another county-wide nonprofit agency director. Anne noted that beginning next meeting she will record the board meetings to provide verbatim support for the Minutes. The Minutes will not be a verbatim re-play of the meeting, but, based on the recent problem reflecting accurately a board action, real-voice certainty about action taken during the meetings must be available.

### **Public Comment**

- Helen Miller asked where the KPFD board would meet once the Eagle's Nest space was remodeled for the Parks Department offices.  
--- Linda explained that there are numerous County buildings with meeting spaces, the fire department buildings were available for public meetings, as were the libraries. A suitable location would be identified if and when the need arose.

### **Announcements**

- The next KPFD board meeting will be June 25, 2007.
- It is likely that the July 9, 2007 board meeting will be cancelled; this will be determined following the June 25 meeting.

**The meeting adjourned at 9:20 PM.**