

Kitsap Public Facilities District

Minutes of the Board of Directors Regular Meeting

Monday, December 3, 2012

PFD Conference Room, 9481 Silverdale Way NW, Suite 265, Silverdale, WA

Attendance: Roy Runyon, Vice-Chair; Anne Blair, Treasurer; Russ Shippet, Patrick Hatchel & Jeff Braden.

Staff: Mike Walton, Executive Director

Absent: Teresa Osinski, Chair; Rick Smith.

1. **Call to Order:** A quorum being present, the Vice-Chair called the meeting to order at 5:33 PM.

2. **Meeting Minutes:**– Minutes from the Regular Meeting on the 22nd of October were distributed electronically before the meeting and were submitted by the ED.

A motion was made by Anne Blair to approve the Minutes of the October 22nd meeting. The motion was seconded by Jeff Braden and passed unanimously.

3. **Regional Project Reports:**

A. Conference Center Report – Ken Milsap

Ken reported briefly on the Conference Center performance, but made a longer presentation about the available space in the Kitsap Transit building where the Conference Center is located. This is 7000 sq feet of space on the third floor in two approx 3500 sq ft spaces. One could be 2-3 breakout rooms and the other a premium event space for weddings, reunions or small conferences. Kitsap Transit owns the building and is willing to give 1-1.5 years of free rent for a long term lease. It is unfinished space so initial estimate of tenant improvements (TI) is \$200-250K. Ken presented an estimate from Rice Fergus for \$7500 to do the architectural drawings and full estimate of TIs. Ken was requesting that the PFD approve that amount to go forward. The Board chose to postpone the decision until the other potentially competing proposals could be considered at one time and some additional information about reserve limit from County was available.

B. **Kitsap Fairgrounds and Event Center** –Reports were submitted for review, and Billie Schmidt gave a year-end summary report. She commented on problems on reseeding Gordon Field #2, the grass area beyond the new turf field. The discussion also included possible use of turf carpet stripped from The Zone to alleviate some of the drainage issues. She also mentioned the learning curve to use the new reservation software purchased with 386 fund dollars. She also presented several new marketing pieces they prepared – Patty & the VCB was unaware of these pieces and had not assisted Parks with any of the preparation, which they had been directed to do.

C. **NKREC** – No Steering Committee meeting this month. The proposal for some kind of building at the Strawberry Field location by NK Soccer was one of the potential projects to be considered for funding. Terry Cullen was asked at the last meeting to refine the proposal to something more concrete with some estimates of possible cost and bring that info back to the Committee.

4. **Special Report** – VCB, Patty Graf-Hoke

Patty demonstrated the progress to date on the Facilities Database programming and her continued efforts to promote the PFD supported facilities and other venues in the County. It shows a lot of promise but is not yet complete enough to fully demonstrate the capability and value. She will give other updates at completion of the project

5. **Finance Reports:**

A. **October Report** – Reflecting August retail sales, the revenue of \$96.1K was up 9% from the previous year, and also above both 2009 and 2010. Some of this increase is due to the

additional \$750K+ of sales from the Babe Ruth World series in August. With moderate expenses of \$7.2K, the results showed an healthy increase in cash position of approx \$23K, up to \$862K.

B. **Sales Tax Rebate Revenue by Month Report** – The results through November were available and the report showed \$997.5K, an average of \$90.7K per month, up 3% over 2011. Conservative estimate of projected revenue of \$1,082K or about 3% over 2011.

C. **Current Invoices** – a Blanket Voucher request of \$3181.72 was submitted by the ED to the Treasurer for approval by the Board members. The Treasurer noted a couple of typos on the BV cover and suggested corrections. One of the items was increased dues invoice of \$750 by the WA PFD Association. After some discussion, it was deleted from the BV and the amount adjusted to \$2,472.72. The largest item was VCB contract payment of \$1000, but there was also \$579.68 in advertising cost for the legal services RFQ process.

Anne Blair moved that the blanket voucher in the amount of \$2472.72 be approved for payment. Jeff Braden seconded and the motion was passed unanimously.

D. **Advertising costs in 2012** – Because the advertising for the RFQ was not in the 2012 budget, and the ED was suggesting additional Promotion and Marketing funds to cover advertising costs in December for the January *EventFund* awards, it was suggested to add some money to that line item in the budget for that expense.

Anne Blair made a motion to allocate \$2000 from the cash reserve to the 2012 budget for Publicity and Marketing. It was seconded by Jeff Braden and passed unanimously.

6. Ongoing Business:

A. **Legal Services RFQ** – The eleven responses were reviewed and reduced to the top four. The top four were interviewed and evaluated. All were excellent candidates, but the decision of the review committee was to retain the existing legal counsel, Socius Law Group and Brian Lawler as the lead attorney. It was the consensus of the Board to accept the recommendation and retain Socius Law Group.

The Board thanked the ED and RFQ review committee for all their work to successfully conclude this task and tasked the ED to get a new contract in place for approval at the January meeting.

7. New Business:

A. **2013 Final Budget** - The final recommended budget (attached) was prepared by the Treasurer and the ED for consideration by the Board. It proposes a \$152.3K operating budget with several increases, including a new line item of \$10K for the 2013 PFD conference to be held in Kitsap. After a brief discussion about membership; the increase in WA PFD dues, and a possible increase in the KEDA dues - if it increases visibility of PFD as Economic Development engine - a recommendation was made to increase the line item for Memberships from \$1500 to \$2500.

A motion was made by Jeff Braden to adopt the 2013 budget, as amended. It was seconded by Russ Shiplet and passed unanimously.

B. **2013 Retreat Planning** – It was suggested that a retreat be planned for early next year, perhaps before the January meeting or perhaps on a Saturday in January or early February. The primary topic was to define the criteria for up to four possible project proposals, similar to what we do for *EventFund* requests. Other additional topics might be best practices management training and capital improvement project evaluation.

8. Executive Director's Report: (A report was submitted electronically before the meeting.)

Russ and the ED both commented o the PFD conference in Longview (Cowlitz County PFD), that Russ volunteered to be on the expanded Board of directors and that Kitsap had volunteered to host the conference in 2013.

9. Public Comment: None

10. Announcements:

The first Regular Meeting of the Board in 2013 will be on January 28th at 5:30 pm in the PFD conference room.

Meeting was adjourned at 9:25 pm