

Kitsap Public Facilities District

Minutes of the Virtual Board of Directors Meeting

Monday, February 22nd, 2021

Attending: Daron Jagodzinske, Chair; Patrick Hatchel, Vice-Chair; Walt Draper, Treasurer; Erin Leedham; Phil Havers, Tom Bullock and John Morrissey.

Staff: Mike Walton, Executive Director; Brian Lawler, Attorney; Shannon Thompson, Construction Consultant.

Absent: None

1. **Call to Order:** The Chair called the meeting to order at 5:30 PM. His question for the Board was “Who do you admire in the Pandemic?”
2. **Meeting Minutes:** The ED presented the Minutes of the January 25th meeting
Tom Bullock moved to approve the January 25th Minutes as submitted and Erin Leedham seconded. The motion passed unanimously.
3. **Public Comment:** (Limited to 3 minutes, otherwise not on Agenda) **None presented.**
4. **Regional Project Status Reports:**
 - A. **Port Gamble Forest Heritage Park (PGFHP) - Eric Baker of Kitsap County**

Eric provided a PowerPoint presentation of the progress to date on the three portions of the PGFHP project – the Ride Park, the STO Trail and the Master Plan. The effects of the Pandemic have led to rescheduling the execution of some of the tasks, as reflected in the Timeline shown. The County will submit an ILA revision for approval at the next meeting. Eric also noted that the funding committed by the KPFD has enabled the county to negotiate an additional \$2 million in funding toward the completion of the STO Trail.

The overall Project Manager selected for this Stage was OAC Services, with the various sections led by STA (Ride Park), Parametrix (STO) and Fisher Boma (Master Plan). Since there are regular progress meetings, it was suggested that Board Member Pat Hatchel be added to the committee with occasional attendance from the ED and the Construction Consultant as required.
5. **New Business (cont.)**
 - A. **Port of Bremerton ILA Discussion/Approval**

The revised ILA was provided to all of the Directors prior to the meeting to review the latest update. Daron asked the ED to summarize the changes to where the ILA is today. The ED summarized the issues in section 5.2 – Manner & Timing of Payment – stating the repayment of the bond principal by the KPFD was modified to over a 10-year period. There was also a provision to repay sooner if funds became available. Representatives from the Port also contributed to the discussion where several questions were asked and answered. Phil Havers asked about uses of intellectual property developed from the funding by the KPFD and it was agreed by a consensus of the Board that a letter of agreement would be worked out by the Port & KPFD to be added to the ILA after the fact. After the motion was made, the Chair passed the gavel to the Vice-Chair, and stated his objections to approving the ILA. The Chair regained the gavel and following this the vote was taken.

Walt Draper moved to approve the ILA with the changes to section 5.2 to repay the amount of \$1.439 million over 10 years with 0% interest. Erin Leedham seconded the motion, and the motion passed 6-1.
6. **Financial Reports:**
 - A. **Monthly Financials & Tax Rebate Summary** – the ED reported on results from January data. The KPFD received \$158.8K in tax rebate revenue, up 5.6% over 2019, and the highest

ever received in January to date. The amount of <\$70 K> was transferred to 286 for Debt Service; and there were <\$10.2K> in Expenses. The result was a Net to Cash of \$78.7K. The ED also briefly reviewed the monthly financial reports and noted that the balance of the 96977 Fund grew to almost \$3.7 million,

At the last meeting Erin pointed out a discrepancy in the Performance against Budget report - a large expense that led to a negative balance versus budget, The ED reviewed this with the accountant and reported that it was an item that the accountant had been removing and restating in another report because of deficiencies in the County accounting structure – it was overlooked last month and has been corrected.

There was also a question from John Morrissey about the \$250K line item in the Financial Position by Fund report, which the ED explained was the “reserve” required by the County against any inability to meet the debt service payments – it has never been needed, even in the depths of the last recession.

- B. **Expense Blanket Voucher** –The ED submitted a Blanket Voucher in the amount of \$5,030.13 for expenses from Dec & Jan to be paid.
John Morrissey moved to approve the Blanket Voucher in the amount of \$5,030.13. It was seconded by Phil Havers and passed unanimously.
- C. **SKCEC Project Blanket Voucher** – The ED submitted a Project Blanket Voucher for \$137,371.72, an invoice from the Port Orchard SKCEC project for Oct, Nov & Dec work,
John Morrissey made a motion to approve the Project Blanket Voucher in the amount of \$137,371.72. It was seconded by Erin Leedham and passed unanimously.
- D. **PGFHP Project Blanket Voucher** – The ED submitted a Project Blanket Voucher in the amount of \$29,943.70. This is the first BV for the Port Gamble Forest Heritage Park project through the County Parks Department Capital Projects fund.
Phil Havers moved to approve the Project Blanket Voucher in the amount of \$29,943.70. It was seconded by Erin Leedham and passed unanimously.

Note: The Chair advised the Board that the ED was using the Digital Signatures of the Directors on the Blanket Voucher approval form submitted to the Board. The Board indicated it’s approval of the process used by the ED to expedite the handling of the forms during the pandemic and virtual meetings.

7. Ongoing Business:

- A. **ED Activity Report** – The Chair asked the Directors to review this report at their leisure.
- B. **Regional Facility Reports** – Some activity at both current Regional Centers, Chair asked the Directors them to read them at their leisure.

8. Executive Session – the Board entered Executive Session at 7:15 pm. And would return in 30 minutes.

- A. **The Chair exited the Session briefly to state that they would take additional time.**
- B. **The Board exited Executive Session at 8:30 pm**

With no action items pending, the Meeting was adjourned at 8:32 pm.

Next Regular Meeting of the Board, March 22nd, 2021 at 5:30 pm

NOTE: It will be another Zoom webinar.

Topics: General Business; Poulsbo (PERC) Progress Report

NOTE: This is a location change from previous meeting location. There will be location changes at each of the regular meeting dates in 2020. Please check the website for updates.