

LYNNWOOD PUBLIC FACILITIES DISTRICT  
BOARD MEETING MINUTES  
January 8, 2019

**A. CALL TO ORDER**

The meeting of the Lynnwood Public Facilities District was called to order at 6:00 p.m. by Board Member Wally Webster II at the Lynnwood Convention Center.

**B. Board Members Present**

George Sherwin, Chair (excused absence)  
Lynn Melby, Secretary (via phone)  
Rosario Reyes  
Wally Webster II  
Taylor Nordby  
Sonja Springer, Treasurer

**Others**

Grant Dull, PFD Executive Director  
Judy Powell, PFD Finance Analyst  
Matt Hendricks, PFD Attorney  
Sara Blayne, LCC General Manager  
Tracey Morrison, LCC Finance Director  
Tracy Thornton, LCC Sales Director  
David Kleitsch, City of Lynnwood  
Council Member Shirley Sutton

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**C. MINUTES**

Board Member Reyes moved, seconded by Board Member Nordby, to approve the December 4, 2018 minutes as presented. Motion passed, unanimously.

Board Member Melby moved, seconded by Board Member Reyes, to approve the December 10, 2018 Special Meeting minutes as presented. Motion passed, unanimously.

Board Member Reyes moved, seconded by Board Member Nordby, to approve the December 26, 2018 Special Meeting minutes as presented. Motion passed, unanimously.

**D. ANNOUNCEMENTS, ORAL AND WRITTEN COMMUNICATIONS**

None

**E. CONSENT AGENDA**

Board Member Reyes moved, seconded by Board Member Nordby, to approve the Accounts Payable Report in the amount of \$206,940.39. Motion passed, unanimously.

**F. BUSINESS ITEMS**

**1. FINANCIAL STATEMENTS**

FA Powell presented the financial statements for November 2018. Net income for the month of November was \$127,766 (before depreciation), the budgeted net income was \$147,997.

LCC gross income for November was \$217,946, which was \$113,126 less than budget. LCC's revenues were down due to fewer events booked and lower attendance per event. Indirect expenses in November were \$196,144, which was \$32,715 less than budget. This is due to an open Sales Manager position and eliminating expenses not required for the month. The subsidy year-to-date is \$10,264, which is a negative variance of \$98,204 to budget.

Convention Plaza net income for the month of November was \$70,865, which was \$20,595 better than budget. The difference can be attributed to lower than anticipated CAM expenses and higher than budgeted lease revenue from new leases signed in the first half of

The Lynnwood PFD Board's minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.

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the year. Year to date net income is \$564,277, which is 18% better than budget. CAM expenses are running 19% under budget due to contingencies not being spent or needed. PFD overhead expenses are running 15% under budget year to date.

**2. CONVENTION CENTER REPORT**

GM Blayne provided an overview of business for the month of November:

- The LCC had a net subsidy of \$23,207 for the month of November.
- November guest feedback surveys scored an average of 4.8 without parking. Food and Beverage Quality scored a 4.7. Audio Visual scored a 4.6.
- For the month of November, the Convention Center generated 1,296 room nights and \$1,430,690 in direct and indirect economic impact.
- Future sales pace is strong.

**3. STATEMENT OF MISSION, VISION, GOALS AND VALUES**

At the conclusion of the Special Board meeting on December 26, Board Member Melby and ED Dull agreed to draft a statement that could be used by a potential "Phase 2" task force. The objective of the statement is to succinctly describe the background, organization and objectives of the PFD. The authors relied on PFD formation documents and the 20-year history of decisions made by the Board. The Board discussed the statement at length and agreed to set up another meeting with the Mayor and to revise the statement to incorporate suggestions made.

**G. EXECUTIVE DIRECTOR'S REPORT**

The Vet Building project is now complete. Irrigation and landscaping were installed between Christmas and New Year's Day by Monarch Landscaping, the PFD's contracted landscape company. The final invoice – minus retainage - from Taylor Excavating, the General Contractor on the project, has also been paid. Retainage will be paid after various State agencies approve the project's completion and payment of prevailing wages. Final cost of the project is slightly under \$600,000; the approved budget was for \$700,000.

**H. COMMENTS FROM COUNCIL MEMBER SUTTON**

Councilmember Shirley Sutton thanked the Board for allowing her to participate in the Board Meeting for the last year. A new liaison will be appointed at the next Council Meeting.

**I. COMMENTS FROM DIRECTOR DAVID KLEITSCH**

David Kleitsch updated the Board on different projects going on within the City Center.

**J. OLD BUSINESS/NEW BUSINESS**

Board Member Webster made two requests:

1. Consider adding an agenda item for Long-Range Planning Committee update to every meeting.
2. Amend Resolution 14-01 to include a Long-Range Planning Committee that is made up of the entire Board.

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After discussion, the Board agreed to revisit this topic at the next Board Meeting when committee appointments are made by the Board Chair.

**K. EXECUTIVE SESSION**

The Board went into Executive Session at 8:01 pm for 5 minutes as authorized by RCW42.30.110(1) (b) to discuss real estate matters. At 8:6 pm, the Board extended the session for 5 minutes. At 8:11 pm, the Board came out of Executive Session. No action was taken.

**L. ADJOURN**

Meeting adjourned at 8:12 pm.

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George Sherwin, Chair Board Member