

LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
November 7, 2017

A. CALL TO ORDER

The meeting of the Lynnwood Public Facilities District was called to order at 6:00 p.m. by Board Chair George Sherwin at the Lynnwood Convention Center.

B. Board Members Present

George Sherwin, Chair (via phone)
Andy Olsen, Vice Chair
Lynn Melby, Secretary
Wally Webster II
Rosario Reyes
Sonja Springer, Treasurer (ex. absence)

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
David Kleitsch, City of Lynnwood
Council Member Shannon Sessions

Guests

Michael Krouse, SMG
Corbitt Loch, City of Lynnwood

C. MINUTES

Board Member Melby moved, seconded by Board Member Sherwin, to approve the October 3, 2017 with the correction of adding Wally Webster's attendance. Motion passed, unanimously.

D. ANNOUNCEMENTS, ORAL AND WRITTEN COMMUNICATIONS

None

E. CONSENT AGENDA

Board Member Sherwin moved, seconded by Board Member Melby, to approve the Accounts Payable Report in the amount of \$1,538,111.14. Motion passed, unanimously.

F. BUSINESS ITEMS

1. FINANCIAL STATEMENTS

ED Dull presented the financial statements for September 2017. Net income for the month of September was \$456,264 (before depreciation), which is more than twice the budget amount of \$208,759.

Sales tax revenue received in late October reflects retail sales in the City of Lynnwood during the month of August 2017. Sales tax receipts generated within the City of Lynnwood were up 0.9% from one year ago.

The Convention Center had another "best month ever" in September, with 52 events and attendance of 11,124. Year to date, the Convention Center is now ahead of budget. Sales pace for the rest of the year remains ahead of last year's pace. October is expected to be another "best month ever" and the building is forecasted to surpass budget by the end of the year.

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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Convention Plaza net income for the month of September was \$157,075. Lease revenue was slightly lower than budget. Operating expenses were also slightly less than budget. Year to date, net operating income from the Convention Plaza is 9% better than budget.

PFD overhead expenses for the year through September are \$319,797, which is 3% less than budget.

2. CONVENTION CENTER REPORT

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

- The net income for the month of September was \$168,634.
- September guest feedback surveys scored an average of 4.7 without parking. Food and Beverage scored a 4.5. Audio Visual scored a 4.7.
- For the month of September, the Convention Center generated an estimated 1,224 room nights and approximately \$2 million in direct and indirect economic impact.

3. PAINTING CONTRACT

The Convention Center conducted a Request for Proposals process to select a painting firm to perform semi-annual interior painting of the Convention Center over a three-year period. The successful bidder was Sky Northwest, Inc. The contract will be for \$103,555.

Motion made by Board Member Melby, seconded by Board Member Webster to authorize the Executive Director to sign a contract with Sky Northwest, Inc. for a multi-year painting contract. Motion passed, unanimously.

4. FINANCIAL ADVISOR

A Request for Proposals was issued on May 18. Responses were received from four firms. An interview team, composed of Sonja Springer, Corbitt Loch, Judy Powell, Mike Bailey and ED Dull, conducted interviews in September and October. The firm of D.A. Davidson, led by Dave Trageser and Suzanne Eide, was selected.

Motion made by Board Member Sherwin, seconded by Board Member Melby to approve the selection of D.A. Davidson to act as Municipal Advisor to the PFD. Motion passed, unanimously.

5. 2018 BOARD MEETING DATES

Motion made by Board Member Melby, seconded by Board Member Webster to approve the 2018 PFD Board meeting dates as presented. Motion passed, unanimously.

6. BUDGET

2018 Budget notebooks were distributed to the Board and staff during the October Board Meeting. During the month of October, the budget was reviewed thoroughly by the Personnel Committee, the Budget and Finance Committee, and the Real Estate Committee. Each committee made recommendations that were incorporated into the budget. ED Dull and GM Blayne presented an overview of 2018 Budget and those changes that were made.

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G. EXECUTIVE DIRECTOR'S REPORT

The Lynnwood City Council unanimously approved the appointment of Wally Webster II to the PFD Board on October 9. Wally's term is for four years.

County Councilmember Terry Ryan informed ED Dull that the LTAC declined to modify the scope of work for a lodging tax grant meant to fund site cleanup. However the LTAC has agreed to fund \$175,000 of our \$332,000 LED lighting improvement project. Hopefully, this project will receive some PUD grant funds, which will reduce the anticipated cost to \$281,686.

H. OLD BUSINESS/NEW BUSINESS

None

I. EXECUTIVE SESSION

The Board went into Executive Session at 7:37 pm for 15 minutes as authorized by RCW 42.30.110(1) (d) to discuss the performance of a publically bid contract. The Board came out of Executive Session at 7:52 pm to extend for an additional 5 minutes. At, 7:57 the Board came out of Executive Session. No action was taken.

J. ADJOURN

The meeting adjourned at 7:57 pm.

George Sherwin, Chairman