

LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
June 5, 2018

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
Andy Olsen, Vice Chair
Lynn Melby, Secretary
Wally Webster II
Rosario Reyes
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
David Kleitsch, City of Lynnwood
Council Member Shirley Sutton

Guests

Wendy Choy, WA State Auditor's Office
Sheri Campbell, WA State Auditor's Office
Leandra Thompson, City of Lynnwood

C. MINUTES

Board Member Olsen moved, seconded by Board Member Reyes, to approve the April 3, 2018 minutes as presented. Motion passed, unanimously.

D. ANNOUNCEMENTS, ORAL AND WRITTEN COMMUNICATIONS

David Kleitsch introduced Leandra Thompson the new City Center Program Manager.

E. CONSENT AGENDA

Board Member Melby moved, seconded by Board Member Olsen, to approve the Accounts Payable Report in the amount of \$860,740.46. Motion passed, unanimously.

F. BUSINESS ITEMS

1. WA STATE AUDIT

ED Dull introduced Washington State Auditors Wendy Choy and Sheryl Campbell and thanked them for attending the Board meeting.

The Auditors discussed the scope of the audit and how the audit was performed. The Auditors informed the Board that it was a clean audit; there were no findings or management letters. There were also no material or uncorrected misstatements.

2. FINANCIAL STATEMENTS

ED Dull presented the financial statements for April 2018. Net income for the month of April was \$270,024 (before depreciation), the budgeted net income was \$204,726.

The Convention Center had a very good month in April. Although the number of events was less than budget, attendance per event and revenue per event was higher than budget.

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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Gross revenue was \$409,638, which was 9% better than budget and 35% better than last year. Net income year to date is now \$27,853, which is \$11798 less than budget and \$6,130 less than 2017.

Net income for the Convention Plaza for the month of April was \$48,687, which is \$3,400 better than budget.

The project to replace both Convention Center and parking lot lights with LED fixtures is now complete. Total cost was \$203,285. This will be offset with a rebate from Snohomish PUD in the amount of \$28,896 and lodging tax from the County in the amount of \$175,000.

3. CONVENTION CENTER REPORT

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

- The LCC had a net income of \$85,280 for the month of April.
- April guest feedback surveys scored an average of 4.8 without parking. Food and Beverage scored a 4.9. Audio Visual scored a 4.5.
- For the month of April, the Convention Center generated an estimated 2,414 room nights and approximately \$2,533,195 in direct and indirect economic impact.

4. VET BUILDING DEMO, SITE GRADING, UTILITIES AND PAVING

An Invitation to Bid ("ITB") was issued on May 3 for the Vet Building Demo, Site Grading, Utilities and Paving Project. Fourteen firms attended the mandatory pre-bid conference on May 11 and three firms submitted bids. The low bid was submitted by Taylor's Excavators Inc. of Stanwood Washington. The other two bids were within 16% of the low bid.

The work will involve the demolition of the former Vet Building, the regrading, paving and striping of the lot, and the connection of surface water drainage to the Convention Center infiltration system. Though no contaminated soil will be removed from the site, some of the concrete could be contaminated with dry cleaning solvents. Therefore, the work anticipates that concrete will be tested for contamination and disposed of properly.

Board Member Olsen moved, seconded by Board Member Reyes, to authorize the Executive Director to execute contracts with Taylor's Excavators Inc., the GSG Group and related architectural, civil and geoenvironmental firms subject to a cost limit of \$700,000. Motion passed, unanimously.

5. 196TH EASEMENT AND RIGHT OF WAY

The project to widen 196th St. SW involves the addition of two additional lanes (one lane in each direction), median barriers, wider sidewalks, and landscape features. The improvements are needed to accommodate future growth envisioned for City Center and to create an enhanced pedestrian environment with a boulevard appearance.

The work will require a temporary construction easement at the entrance to the Convention Center off 196th and both a temporary construction easement and a permanent right of way easement in front of the former Vet Building. The City has been represented by Contract Land Staff and the PFD has been represented by Joe Bennett, a partner in the Hendricks Bennett law firm.

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Board Member Olsen moved, seconded by Board Member Melby, to authorize the Executive Director to execute documents with Contract Land Staff regarding the easements. Motion passed, unanimously.

G. EXECUTIVE DIRECTOR'S REPORT

Board Member Olsen's term expires in October of 2018 and he does not wish to be reappointed. The City Council will begin the process of appointing a replacement for the position. Mr. Olsen has consistently been a valuable member of the Board and will be sorely missed.

Board Member Olsen moved, seconded by Board Member Melby, to cancel the July 2018 Board Meeting. Motion passed, unanimously.

H. EXECUTIVE SESSION

None

I. ADJOURN

The meeting adjourned at 7:55 pm.

George Sherwin, Board Chair