

LYNNWOOD PUBLIC FACILITIES DISTRICT  
BOARD MEETING MINUTES  
August 14, 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 (excused absence)  
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  
Tracy Thornton, LCC Sales Director  
Chris Pilkey, LCC Operations Director  
Mary Fleming, LCC Events Director  
David Kleitsch, City of Lynnwood  
Council Member Shirley Sutton

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**C. MINUTES**

Board Member Olsen moved, seconded by Board Member Reyes, to approve the June 5, 2018 minutes as presented. Motion passed, unanimously.

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

ED Dull provided PFD Board Binders to all Board Members for future reference. The binders contain several key documents and summaries regarding the PFD past, present and future.

**E. CONSENT AGENDA**

Board Member Olsen moved, seconded by Board Member Webster, to approve the Accounts Payable Report in the amount of \$251,400.24. Motion passed, unanimously.

**F. BUSINESS ITEMS**

**1. FINANCIAL STATEMENTS**

ED Dull presented the financial statements for June 2018. Net income for the month of June was \$436,191 (before depreciation), the budgeted net income was \$247,426.

The Convention Center had yet another slow month. Once again, gross income, number of events, and attendance were all below budget. Net income year to date is \$26,294, which is \$56,046 below budget. However, sales into the future remain strong.

Net income for the Convention Plaza for the month of June was \$56,607, which was \$16,514 better than budget. Virtually all the difference can be attributed to lower than anticipated CAM expenses, which are a function of timing. CAM expenses are 21% under 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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Work has begun to demolish the Vet Building. The \$41,201 expense for Tenant Improvements – Unspecified was to replace the HVAC units over the new Kona Kitchen restaurant. The expense was part of the lease negotiations and was included in the lease.

**2. CONVENTION CENTER REPORT**

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

- The LCC had a net subsidy of \$15,001 for the month of June.
- June guest feedback surveys scored an average of 4.9 without parking. Food and Beverage Quality scored a 4.7. Audio Visual scored a 4.3.
- For the month of June, the Convention Center generated an estimated 1,782 room nights and \$1,676,979 in direct and indirect economic impact.

**3. CONVENTION CENTER GOAL REPORT**

GM Blayne presented the LCC 2018 Goals Mid-Year report. She reported on each of the goals and the results for the first six months of operations for 2018.

**4. SMG 2019 GOALS**

Board Member Sherwin appointed Board Members Olsen and Melby to recommend 2019 goals at the September Board Meeting.

**5. FUTURE PROPERTY DEVELOPMENT**

Although the County PFD's allocation decision, made on the afternoon of July 19, is not entirely clear, it appears that the Lynnwood PFD will receive about 24% of the County PFD revenue during the period 2027 – 2041. ED Dull doesn't anticipate that a long-term decision about County lodging tax will be made in the near term, but believes we have enough revenue information to begin planning the next phase of work on our property. The Board discussed the future and decided it would be beneficial to hold another Board Retreat after the new Board Member has been chosen.

**G. EXECUTIVE DIRECTOR'S REPORT**

The Vet Building Demo project is moving quickly and virtually all of the building has been removed. The rear wall and the rear floor area were tested for dry-cleaning contamination. The west portion of the back wall, and the northern five feet of the west wall show small amounts of contamination. Therefore, this concrete will be stored on-site until the Department of Ecology grants permission for the waste to be hauled to an approved landfill. The project should be complete in September.

**H. EXECUTIVE SESSION**

None

**I. ADJOURN**

The meeting adjourned at 8:01 pm.

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George Sherwin, Board Chair