

LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
January 5, 2016

A. CALL TO ORDER

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

B. Board Members Present

George Sherwin, Chair (via phone)
Bob Fuller, Vice Chair
Andy Olsen, Secretary
Mike Echelbarger
Lynn Melby
Sonja Springer (ex-Officio)

Others

Grant Dull, PFD Executive Director
Judy Powell, PFD Finance Analyst
Matt Hendricks, PFD Attorney
Tracey Morrison, LCC Interim GM & Finance Director
Tracy Thornton, LCC Director of Sales
Bruce Collier, LCC Director of F&B
David Kleitsch, City of Lynnwood
Councilmember Ruth Ross, City of Lynnwood

C. MINUTES

Board Member Melby moved, seconded by Board Member Sherwin, to approve the December 1, 2015 Board Meeting Minutes as presented. Motion passed, unanimously.

D. ANNOUNCEMENTS, ORAL AND WRITTEN COMMUNICATIONS

None

E. CONSENT AGENDA

Board Member Olsen moved, seconded by Board Member Echelbarger, to approve the Accounts Payable Report in the amount of \$84,803.89. Motion passed, unanimously.

F. BUSINESS ITEMS

1. FINANCIAL STATEMENTS

ED Dull presented the financial statements for November 2015.

Sales tax revenue received in late November reflects retail sales in the City of Lynnwood during the month of October, 2015. Sales tax receipts generated within the City were up 7.9% from a year ago. Year to date, sales tax revenue is now up 7.5% from a year ago.

The Convention Center had a busy month in November, though net income fell 9% below budget. Net income through the first eleven months of 2015 is \$372,804; the budget anticipated an eleven-month subsidy of \$26,996. Overall, the Convention Center is once again on its way to a record-setting year.

2. CONVENTION CENTER REPORT

Interim GM Morrison provided an overview of business for the month of November:

- Net income for November was \$28,275, which was \$2,930 less than budget.
- November guest feedback surveys scored an average of 4.8 without Food and Beverage or Parking. Food and Beverage scored a 4.5. Guest surveys had a return rate of 15.5%. (7/45)

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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- For the month of November, the Convention Center generated an estimated 540 room nights and approximately \$2.3 million in direct and indirect economic impact.
- November 2015 saw more events over last year and compared to budget. The increased revenue compared to both budget and STLY cannot be contributed to a specific type of event but rather to the overall volume of events.

3. 2016 FOOD AND BEVERAGE OVERVIEW

Bruce Collier, LCC's Director of Food & Beverage, and Tracy Thornton, LCC's Director of Sales, presented an overview of 2016 menu and sales trends.

4. BUDGET AMENDMENT

During the November budget discussion, the Board authorized the purchase of a conveyor belt in 2015 that will help staff plate meals for larger banquets. This purchase was authorized without a formal budget amendment because it replaced the 2015 budgeted refurbishment of the trash compactor. Unfortunately, the conveyor belt was not available in 2015. In order to purchase the item in 2016, a budget amendment is necessary. Motion made by Board Member Echelbarger, seconded by Board Member Melby, to approve an amendment to the 2016 Convention Center Capital Budget to include the acquisition of a kitchen conveyor belt at the cost of \$24,000. Motion passed, unanimously.

5. ELECTION OF OFFICERS

Elections of offices take place annually at the first regular meeting each year. The elected officers shall assume their positions and serve two years, or until a successor is elected. The current Board Officers are as follows:

Board President	George Sherwin
Board Vice President	Bob Fuller
Board Secretary	Andy Olsen
Treasurer	Sonja Springer (ex-officio Board Member)

Motion made by Board Member Olsen, seconded by Board Member Echelbarger, for the current Board Members to retain their positions for the two-year period 2016 – 2017. Motion passed, unanimously.

G. EXECUTIVE DIRECTOR'S REPORT

The City has approved the PFD's permit request to remodel the Silver Platters Building. Freiheit & Ho, the PFD's on-call architect, is preparing an Invitation to Bid (ITB). The Real Estate Committee will be asked to review and approve the ITB before it is issued. The full Board will approve the selection of the contractor and the contract price.

Filter cartridges in both the surface water infiltration vaults were replaced in December. Other work in December included painting the Chuck E. Cheese office elevator, cleaning and

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shampooing the Chuck E. Cheese office hall carpets, repairing and restriping small portions of the parking lot, and replacing parking signage.

Due to record high summer temperatures and record business in the building, the Convention Center is incurring higher than budget utility costs. The Management Agreement between SMG and the PFD requires SMG to notify the district if utility costs will exceed budget by more than ten percent. GM Blayne provided appropriate notice of greater than budget utility costs to ED Dull on November 13, 2015. ED Dull responded by providing written approval for SMG to exceed the Convention Center utility budget on December 28, 2015.

H. OLD BUSINESS/NEW BUSINESS

None

I. EXECUTIVE SESSION

None

J. ADJOURN

The meeting adjourned at 7:40 pm.

George Sherwin, Chairman