

LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
November 1, 2016

A. CALL TO ORDER

The meeting of the Lynnwood Public Facilities District was called to order at 6:09 p.m. by Board Chair George Sherwin at the Lynnwood Convention Center.

B. Board Members Present

George Sherwin, Chair
Bob Fuller, Vice Chair
Andy Olsen, Secretary
Lynn Melby
Rosario Reyes
Sonja Springer, ex-officio 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
Councilmember Shirley Sutton, City of Lynnwood

C. MINUTES

Board Member Fuller moved, seconded by Board Member Olsen, to approve the October 4, 2016 Board Meeting Minutes as presented. Motion passed, unanimously.

D. ANNOUNCEMENTS, ORAL AND WRITTEN COMMUNICATIONS

None

E. CONSENT AGENDA

Board Member Fuller moved, seconded by Board Member Olsen, to approve the Accounts Payable Report in the amount of \$99,179.60. Motion passed, unanimously.

F. BUSINESS ITEMS

1. FINANCIAL STATEMENTS

ED Dull presented the financial statements for September 2016. Net income for the month of September was \$236,775 (before depreciation). Net working capital at the end of September 2016 was \$6,201,939. Sales tax receipts received in late October, reflecting sales in July down .2%. This is the first year over year decline since August 2014. Sales tax receipts for the year to date are up 8.8% from 2015.

The Convention Center had a busy month in September. The building had a net income of \$47,547 for the month. Year to date the Convention Center is just 3% under budget. Guest comments and survey scores for the month were generally positive.

Both revenue and expenses for the Convention Plaza for September were close to budget. Overall net income for the year through September, \$443,230, is essentially equal to 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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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 \$47,547.
- September guest feedback surveys scored an average of 4.6 without Parking. Food and Beverage scored a 4.6. Audio visual scored 4.7.
- For the month of September, the Convention Center generated an estimated 2,079 room nights and approximately \$3,129,304 in direct and indirect economic impact.

3. PROJECT OVERVIEW

ED Dull gave a status report on the current projects underway on PFD property. He explained that the approved budget for the Silver Platters did not include soft costs: architectural and project management fees. In addition, the bid amount did not include sales tax. The PFD will be coming to the Board for a budget amendment in December or January.

4. 2017 BUDGET PRESENTATION

2017 Budget notebooks were distributed to the Board and staff during the October Board Meeting. ED Dull and GM Blayne presented an overview of 2017 Budget and reviewed through the Capital Projects proposal in detail.

G. EXECUTIVE DIRECTOR'S REPORT

County Councilmember Terry Ryan, acting as the Chair of the County's Lodging Tax Advisory Committee, has announced a grant application process for capital project funding. This grant is only open to Public Facilities Districts. The grant project maximum is \$250,000. It is unclear at this time whether the 2015 grant process, which stated that any successful grantee would not be able to apply again for two years, applies to the current grant application. Both the Everett PFD and the Edmonds PFD received funding in 2015. Everett has applied again in 2016.

ED Dull submitted a grant application similar to the application submitted last year. The application asks for \$231,653 to expand parking capacity.

H. EXECUTIVE SESSION

The Board went into Executive Session at 8:25 pm for 10 minutes as authorized by RCW 42.30.110(1) (i) to discuss potential litigation with legal counsel. The Board came out of Executive Session at 8:35 pm and again at 8:40 pm to extend for an additional 5 minutes each. At 8:45 the Board came out of Executive Session. No action was taken.

I. ADJOURN

The meeting adjourned at 8:46 pm.

George Sherwin, Chairman