

LYNNWOOD PUBLIC FACILITIES DISTRICT  
BOARD MEETING MINUTES  
December 1, 2015

**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  
Bob Fuller, Vice Chair  
Andy Olsen, Secretary (excused absence)  
Mike Echelbarger (excused absence)  
Lynn Melby  
Sonja Springer (ex-Officio)

**Others**

Grant Dull, PFD Executive Director  
Judy Powell, PFD Finance Analyst  
Matt Hendricks, PFD Attorney  
Sara Blayne, LCC General Manager  
Tracey Morrison, LCC Director of Finance  
David Kleitsch, City of Lynnwood  
Councilmember Ruth Ross, City of Lynnwood (excused absence)

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**C. MINUTES**

Board Member Fuller moved, seconded by Board Member Melby, to approve the November 3, 2015 Board Meeting Minutes as corrected. Motion passed, unanimously.

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

The Board along with ED Dull and staff thanked Loren Simmonds for his dedicated service and support of the Lynnwood PFD and Lynnwood Convention Center.

**E. CONSENT AGENDA**

Board Member Melby moved, seconded by Board Member Fuller, to approve the Accounts Payable Report in the amount of \$55,857.90. Motion passed, unanimously.

**F. BUSINESS ITEMS**

**1. FINANCIAL STATEMENTS**

ED Dull presented the financial statements for October 2015.

Sales tax revenue received in late October reflects retail sales in the City of Lynnwood during the month of September, 2015. Sales tax receipts generated within the City were up 3.9% from a year ago. Year to date, sales tax revenue is now up 7.5% from a year ago.

The Convention Center had the best financial month in the building's history. Net income in October was \$121,340. Attendance for the month was 12,531. There were approximately 1,582 hotel room nights generated by business in the facility during the month.

One major tenant was several months in arrears; the situation was corrected in November. Net income for the first ten months is \$413,586, which is \$18,937 better than budget. CAM expenses are less than budget, due to the timing of storm-water maintenance.

PFD office expenses for the first ten months were \$306,312, which is \$31,497 less 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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**2. CONVENTION CENTER REPORT**

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

- Net income for October was \$121,340, which was \$39,638 better than budget.
- October guest feedback surveys scored an average of 4.8 without Food and Beverage or Parking. Food and Beverage scored a 4.3. Guest surveys had a return rate of 13.5%. (8/59)
- For the month of October, the Convention Center generated an estimated 1,582 room nights and approximately \$2 million in direct and indirect economic impact.
- October 2015 has actualized as the best financial month in the Convention Center's history. While the number of events was higher than budget and STLY, the bigger influence was the number of event days which in turn increased our room rental income 32.3% over budget and 16% over STLY.

**3. 2016 FOOD AND BEVERAGE OVERVIEW**

This agenda item was been moved to the January Board meeting so that the absent Board Members have an opportunity to participate in the conversation.

**4. LEGAL SERVICES CONTRACT**

After issuing a Request for Proposals in 2007, the PFD selected the firm of Hendricks-Bennett LLC to provide Attorney services. The contract, dated December 28, 2007, calls for a review by the Board at two-year intervals. The contract was subsequently reviewed in December 2009, 2011, and 2013. Compensation for the coming two year period is recommended to be \$240 per hour. Motion made by Board Member Melby, seconded by Board Member Fuller to extend the PFD's contract with Hendricks-Bennett LLC for two more years. Motion passed, unanimously.

**5. 2016 BUDGET**

ED Dull presented an overview of the proposed 2016 Budget, and clarified that the Board is being asked to approve a summary level budget. The Budget notebook includes the details that support the summary level budget. The Real Estate Committee, Budget & Finance Committee, and the Personnel Committee have each reviewed portions of the budget in great detail over the last two months. Motion made by Board Member Fuller, seconded by Board Member Melby, to adopt the 2016 Budget as presented. 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 is currently preparing the bid documents for the project.

The Art Committee met today and chose the artwork for the next art show. The Artist reception will occur February 18<sup>th</sup>.

**H. OLD BUSINESS/NEW BUSINESS**

None

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**I. EXECUTIVE SESSION**

The Board went into Executive Session at 7:06 pm for 5 minutes as authorized by RCW 42.30.110(1)(g) to review performance of a public employee. The Board came out of Executive Session at 7:11 pm to extend the session for 5 minutes. The Board came out of Executive Session at 7:16 pm.

Motion made by Board Member Fuller, seconded by Board Member Melby to increase the Executive Director's compensation by 4% and increase the cap on the Deferred Compensation by 1.5%. Motion passed, unanimously.

**J. ADJOURN**

The meeting adjourned at 7:18 pm.

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George Sherwin, Chairman