

Kitsap Public Facilities District

Regular Meeting of the Board of Director Monday, February 26, 2007 Eagle's Nest Conference Room, Kitsap Fairgrounds and Event Center

Attendance: Linda Berry-Maraist, Chair; Warrren VanZee, Vice-chair; Jim Heins; Rick Smith; Stephen Stagner. Staff: Anne Blair, Administrator.

Call to Order: A quorum established, Chair Linda Berry-Maraist called the meeting to order at 6:32 PM.

Report on Regional Projects

Kitsap Conference Center at Bremerton Harborside. General Manager Eric Ruud presented the economic impact report/update for this facility during 2006. The financial results and customer satisfaction surveys are exceedingly positive. There has been a 2.5% increase in business/revenue year-after-year, with \$4 million in revenue since opening in 2004. In 2006, there were 23 employees, with additional seasonal hires and \$88,000 net profit based on \$1.3 million in revenue. The 2006 customer surveys showed a 93% “exceptional” valuation on the experience at the Conference Center. The marketing emphasis was to the larger Bremerton/Kitsap area and the website has proven a major influence driving business to the Conference Center.

The 2007 goals include booking more multiple-day conferences; an emphasis on business generation from King County, Olympia and navel installations; and, publicity/marketing coverage in six media/publications. Research shows that 2/3 of the events are referrals or repeat business. The Conference Center is developing the reputation for excellence in service, food and facilities at half the price of similar high quality venues in Seattle. Columbia Hospitality will cross-market this facility with Bell Harbor during the coming year. The Oyster Bay Room is being remodeled as a high-end dining room/space to serve 80 people and take advantage of the ceiling-to-floor windows and wall-sized view of the Sound and harbor. The link with Olympic College culinary program continues to be strong – currently have two student interns on staff. The greatest challenge comes from lack of hotels within walking distance; they lose business because of room shortages. Two new hotel projects are planned in the next two years.

Fairgrounds and Event Center. Assistant Director Beverly Reeves explained that recently appointed Department Director Chip Faver was ill and unable to attend the meeting. He will be invited to the March meeting. She reported that the bleachers are to be purchased and ready for use in early-March; she highlighted the staffing shortages and how those shortages impact the public when it is so labor-intensive to set-up and break-down equipment for the various groups/programs/tournaments using the many venues at the Fairgrounds.

Bruce Waterbury presented a utilization report for the Pavilion during 2006. That facility was booked 200 days in 2006. He discussed the issues confronting staff as they balance Event Center bookings with recreational program needs/wishes. There are now between 6 and 7 “historical users” being given priority for the Pavilion and Fairgrounds venues. There was discussion about how this number seems larger than initially projected during user policy development discussions with the County between the KPF and the County Commissioners. The board requested that utilization reports in the future include information about the financial impact/returns, including fee and/or gate proceeds, as well as more detail about the number of participants and fans at a given event/tournament.

Following discussion about community complaints about lack of facility availability and access, the board encouraged Bruce, Frank and Beverly that if staffing levels continue to be a limiting factor in making this facility serve the community as intended, the KPF and may be able to leverage some additional resources based upon the Interlocal Agreement that states the way the facility is to be utilized and maintained.

North Kitsap Regional Event Center. Linda reported that Bruce Dees & Associates of Tacoma has been hired to design and oversee construction of Phase I of this project (NKHS Stadium and Strawberry Fields conversion/improvements.) The board encouraged modeling the construction oversight and fiscal monitoring be modeled on the successful partnership with City of Bremerton and the Conference Center construction project.

Anne reviewed the application/request to the Kitsap legislators for local project funds to support NK REC construction. Representative Appleton is taking the lead to secure this money. The City of Poulsbo heard today that the IAC grant request in support of NK REC will not be funded.

Unfinished Business

Kitsap Sports Council. Presentation postponed until March 12, 2007.

KPFD Annual Planning Retreat. The board discussed issues needing in-depth discussion by the board. As the three current projects are clearly defined and moving forward, there is no imperative nor open date for the board to meet before early-September. Topics to be considered for the Retreat include: resale of bonds; voter education in anticipation of a tax measure election; marketing the KPFD; expanding the KPFD capital project scope based on legal advice; and, identifying organizational needs for recruitment of new Administrator in December 2007. Anne and Linda will schedule and coordinate the Retreat, aiming for early-September.

Finance Report

Consideration of current invoices. Because Treasurer Walt Draper was unable to attend the board meeting, he reviewed the vouchers and supporting invoices prior to this meeting. Anne reported that these were in order.

It was moved by Steve Stagner, seconded by Jim Heins and voted unanimously to approve payment of the invoices totaling \$6,779.62 and presented on the blanket voucher.

The board reviewed the December 2006 and January 2007 Financial Reports. Anne noted that there is a programming error in the monthly budget column on the January report. The remainder of the report is accurate; a corrected version of the report will be distributed with the March mailing. There were no unusual occurrences or line-items in either month's report; there were no questions.

Administrator's Report

Anne referred to her written report; there were no questions or discussion. The WA State Sales Tax rebate for February was \$135,211.31; the transfer to the Debt/Stabilization fund was \$91,663.52; the remainder in the KPFD Operating Account was \$43,547.79. This is 7% increase over the same month in 2006. Anne reminded the board of the KRCC Local Governments Conference in mid-April.

Public Comment

There were no comments.

Announcements and other informational items

- Jim Heins will miss the March 12 board meeting.

The meeting adjourned at 8:15 PM.