

Kitsap Public Facilities District

Minutes of the Board of Directors Meeting

Monday, January 20, 2020

County Administration Building, 614 Division St, Pt Orchard, WA

Attending: Daron Jagodzinske, Chair; Bill Mahan, Vice-Chair; Erin Leedham; Patrick Hatchel

Staff: Mike Walton, Executive Director;

Absent: Walt Draper, Treasurer; Rick Smith and Tom Bullock; Brian Lawler, Attorney

1. **Call to Order:** The Chair called the meeting to order at 5:35 PM.
2. **Meeting Minutes:** The ED presented the Minutes of the December 2nd meeting,
Erin Leedham moved to approve the Minutes as corrected. Bill Mahan seconded the motion and it passed unanimously.
3. **Public Comment:** (Limited to 3 minutes, otherwise not on Agenda)
 - A. **Mayor Rob Putaansuu** – The Mayor gave an update on the progress with the Pt Orchard project. Some revision to the timeline may result if the DOC takes up a feasibility study. The ED clarified for the Mayor that the DOC study is focused on the ability of the PFD to fund, not necessarily on the project itself.
4. **EventFund Presentations:**
 - A. **Food Truck Fest** – Sunny Jack Events, Sunny Saunders. Not present, reschedule for Feb
 - B. **June Bug Flea Market** – Jane Buchanan, Burley Events Group
Jane explained this is their second year in the Presidents Hall for the Flea Market. 2200 attended last year and 125 rooms were booked. This year is a two-day event and she hopes to get 3500+ attendees, with the marketing and promotion funding from the EventFund. She is asking \$5000 for that effort.
 - C. **Country Fair Vintage Market** – Josephine’s, Samantha Smith
Sam is taking a risk, changing the date and format of her highly successful Redeemed Revival model. May will give her better weather and renting three buildings will give her the parking she needs. Hoping for 6-9000 attendees, cooperating with the Food Truck Fest on Saturday may bring a larger audience, we’ll see. She’s asking for \$5000 for promotion and marketing this new event.
 - D. Funding Motions
Erin Leedham moved to provide \$5000 in funding for the June Bug Flea Market. It was seconded by Bill Mahan and passed unanimously.
Bill Mahan moved to provide \$5000 in funding for the Country Fair Vintage Market. It was seconded by Erin Leedham and passed unanimously.
5. **Ongoing Business:**
 - A. **Port of Bremerton Update** – Cary Bozeman, Port of Bremerton Commissioner
The Port has been supportive of the Circuit of the Northwest in the past year when they have received some funding from the KPFd for preparation of technical drawings for construction. Now that their plans are to go ahead without funding for the ECOC and STEM centers, the Port is stepping up to support this portion of the project. Cary and Jim Rothlin indicated they are willing to bond approx. \$6.2 million for the construction (\$4.2 million for EVOC center and \$2 million for the STEM center) and have the KPFd arrange financing to pay off the Port bonds over time. He indicated at least one technology company, UTI, could be a partner in developing the STEM center.
6. **Financial Reports:**
 - A. **Monthly Financials & Tax Rebate Summary** – the ED reported on two months of financial data. The PFD received \$169.9K in tax rebate revenue in November, 8.3% more than 2018; An adjusted amount of <\$60 K> was transferred to 286 for Debt Service; and there were

<\$10.5K> in Expenses. The result was a Net to Cash of \$91.4K. The ED also had December information, indicating that the tax rebate revenue received was \$148.5K, essentially flat (down 0.1%) with last year. The debt service amount was <\$70.8K>, the expenses were <\$23.2K> and the net to 96977 was \$54.5K. The balance of the 96977 Fund at the end of 2019 grew to \$3.122 million, even while paying \$503K for the POB/CNW Phase 2 project expenses.

- B. **Blanket Voucher** – The ED submitted a Blanket Voucher of \$8,776.16 for various expenses to be paid. It included \$6,291 for the first invoice from our Financial Advisor, NW Municipal Advisors.

Erin Leedham moved to approve the Blanket Voucher in the amount of \$8,76.16. It was seconded by Pat Hatchel and passed unanimously.

- C. **Directors Stipend Blanket Voucher** – The ED submitted a Blanket Voucher for Director’s compensation for the fourth Quarter of 2019 in the amount of \$854.16.

Bill Mahan moved to approve the Blanket Voucher for \$854.16. It was seconded by Pat Hatchel and approved unanimously.

- D. **Port of Bremerton (CNW) Blanket Voucher** – The ED submitted the Blanket Voucher for the last portion of the CNW Phase 2 project in the amount of \$90,214.

Bill Mahan moved to approve the Blanket Voucher for the final installment of the Phase 2 portion of the POB/CNW project in the amount of \$90,214. It was seconded by Erin Leedham and passed unanimously.

7. Ongoing Business (con’t.)

B. **Dept. of Commerce Feasibility Review Discussion**

The ED summarized a couple of emails and a phone conversation with Angie Hong, the Dept. Manager, about the processing of the KPFD projects. She requested permission to submit the data on the three projects to one of their consultants for an informal review to determine if they should be handled separately or combined into one review. Mayor Putaansuu joined the discussion, concerned about how this might affect the timeline on his project. After some discussion it was concluded that it should not affect his timeline as the DOC review is independent of his project’s feasibility review.

C. **Discussion of Bonding & Financing Process**

The Board discussed the best way to facilitate a discussion with all seven Board members – at a Regular Board Meeting or at a separate Work/Study Session, to examine the best alternatives to financing 3 or mor projects over the next 20 years – selling bonds or using the “allocated financing’ methods suggested by Directors Mahan and Jagodzinske. The ED was directed to suggest several dates – the next three Board Meetings and several other dates - to the Board Members to determine if there was a date where all seven could be present.

8. New Business:

- A. **Construction Consultant RFQ** – the ED submitted a draft of the RFQ for a new Construction Consultant. It is worded so that it may be an individual or it could be a firm, since we could have up to three projects being worked on simultaneously.

Erin Leedham moved to approve the Construction Consultant RFQ and for the ED to proceed with a search and interview process. It was seconded by Pat Hatchel and passed unanimously.

- B. **ED activity Report** - The Chair requested that the Directors read the reports on their own.

- C. **Regional Facility Reports** –The report from the KCC was positive, reporting results better than plan or budget. The KCC exceeded budgeted bookings and profits for all of 2019. This is the first year the KCC made a profit.

9. **Announcements:**

- A. KEDA Economic Forecast breakfast – Jan 31st at Clearwater Casino - KPFD has a table
B. WEDA Winter Conference – Feb 5th & 6th in Olympia.

10. **Meeting adjourned at 7:30 pm.**

**Next Regular Meeting of the Board, February 24th, 2020 at 5:30 pm
Bainbridge City Hall, 280 Madison Ave., Bainbridge Island**

Topics: General Business; Bonding & Funding discussion.

NOTE: This is a location change from previous meeting location. There will be location changes at each of the regular meeting dates in 2020. Please check the website for updates.