

# ***Kitsap Public Facilities District***

## **Minutes of the Virtual Board of Directors Meeting**

Monday, January 25th, 2021

**Attending:** Daron Jagodzinske, Chair; Patrick Hatchel, Vice-Chair; Walt Draper, Treasurer; Erin Leedham; Phil Havers, Tom Bullock and John Morrissey.

**Staff:** Mike Walton, Executive Director; Brian Lawler, Attorney

**Absent:** None

1. **Call to Order:** The Chair called the meeting to order at 5:31 PM.
2. **Meeting Minutes:** The ED presented the Minutes of the December 14th meeting  
**John Morrissey moved to approve the December 14<sup>th</sup> Minutes as submitted and Tom Bullock seconded. Erin Leedham had several corrections and the ED noted those. JM amended his motion to accept Minutes as corrected and TB seconded. The motion passed unanimously.**
3. **Public Comment:** (Limited to 3 minutes, otherwise not on Agenda) **None presented.**
4. **Regional Project Status Reports:**
  - A. **SKCEC, Mayor Putaansuu with Steve Rice and Lori Cook of RFM**  
Mayor Putaansuu stated they are making good progress and have determined the final site - the current Kitsap Bank site. Some boring at site determined bedrock at 5-10 feet, which is very promising for construction. Steve & Lori of RFM covered their efforts on community outreach, initial concept design and other Task 2 steps. They are ready to begin the schematic design portion of Task2. Continued community support bodes well for this project.
5. **New Business**
  - A. **Port of Bremerton ILA Discussion/Approval**  
(The revised ILA was received earlier on the day of the meeting and not all of the Directors had been able to review the latest update.) Daron summarized the current status with the Port and asked Brian Lawler and the ED to summarize where the ILA was today. Brian L. described the back and forth with the current version arriving this morning. The ED summarized the issues in section 5.2 – Manner & Timing of Payment, also using a second document, “Project Funding Analysis”. Primarily an issue of repayment of the bond principal by the KPFD in either 5 years (preferred by the Port) or 10 years (as preferred by the KPFD). Several Board Members were uncomfortable that they had not read the most recent changes to the ILA and its attachments. After hearing from the representatives from the Port and significant additional discussion, a motion was made.  
**Walt Draper moved to approve the ILA with the modification to section 5.2 to repay the amount of \$1.439 million over 10 years with 0% interest. Erin Leedham seconded the motion, but the motion was defeated 5-2.**
  - B. **Construction Consultant Agreement**  
The ED submitted the Construction Consultant agreement with Shannon Thompson and Barker Creek Consulting, noting that the updated table with hourly costs was included.  
**John Morrissey moved to approve the Construction Consultant agreement as presented and Tom Bullock seconded. John Morrissey suggested a table listing our funded projects be added to provide guidance to Shannon’s team. An Amendment to the agreement was moved by JM and seconded by TB and the motion passed unanimously. The original motion as amended was also passed unanimously.**  
Shannon Thomson and was present with Cynthia Rogers, a key employee and both were welcomed to the team working on the new projects.
  - C. **Legal Services Agreement –**

The ED presented a Legal Services agreement for Jameson Pepple & Cantu LLC and Brian Lawler for 2021. The existing agreement had an extension clause, and this is to exercise that right of extension.

**Phil Havers moved to approve the agreement extension for 2021 for JPC Law and Brian Lawler. Pat Hatchel seconded and the motion passed unanimously.**

**6. Financial Reports:**

A. **Monthly Financials & Tax Rebate Summary** – the ED reported on results from December data. The KPFD received \$164.2K in tax rebate revenue, up 10.5% over 2019, and the highest ever received in December in KPFD history, The amount of <\$70 K> was transferred to 286 for Debt Service; and there were <\$10.9K> in Expenses. The result was a Net to Cash of \$83.5K. The total amount received in 2020 was \$1,839,423, up 2.7% over 2019, even with three down months in the 2<sup>nd</sup> quarter.

The ED also briefly reviewed the monthly financial reports and noted that the balance of the 96977 Fund grew to slightly over \$3.6 million, Erin pointed out a discrepancy in the Performance against Budget report - a large expense that led to a negative balance versus budget, which typically is a positive balance. The ED said he would investigate and report back to the Board.

B. **Expense Blanket Voucher** –The ED submitted a Blanket Voucher of \$4,373.78 for expenses from Dec & Jan to be paid.

**Phil Havers moved to approve the Blanket Voucher in the amount of \$4,373.78. It was seconded by Tom Bullock and passed unanimously.**

C. **PERC Project Blanket Voucher** – The ED submitted a Project Blanket Voucher for \$29,829.68, for the sixth invoice from the Poulsbo PERC project,

**John Morrissey made a motion to approve the Project Blanket Voucher in the amount of \$29,829.68. It was seconded by Erin Leedham and passed unanimously.**

**7. Ongoing Business:**

A. **ED Activity Report** – The Chair asked the Directors to review this report at their leisure.

B. **Regional Facility Reports** – Some activity at both current Regional Centers, Chair asked the Directors them to read them at their leisure.

**8. Executive Session – the Board entered Executive Session at 8 pm.**

**Meeting was adjourned at 8:30 pm, following the close of the Executive Session.**

**Next Regular Meeting of the Board, February 22<sup>nd</sup>, 2021 at 5:30 pm**

**NOTE: It will be another Zoom webinar.**

**Topics: General Business; Port Gamble Heritage Park (PGHP) Progress Report**

**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.**