

Kitsap Public Facilities District

Minutes of the Board of Directors Meeting (Including optional “in-person” element)

Monday, April 25, 2022

Attendance:

Board Members Present: Chairman Daron Jagodzinske, Vice-Chairman Patrick Hatchel, Director John Morrissey, Director Phil Havers, Director Tom Bullock

Board Members Absent: Vice-Chairman Patrick Hatchel

Staff Present: Executive Director Russ Shiplet

Advisors, Counsel, & Consultants Present: Construction Consultants Mr. Shannon Thompson, Accountant Ms. Susan Veach, Legal Counsel Mr. Brian Lawler, Financial Advisors Mr. Ryan Neumeister, Bond Counsel Mr. Marc Greenough

- **Call to Order:** KPFDD Treasurer Draper called the meeting to order at 5:49 PM.
- **Public Comment:** No public comment was given.
- **Approval of Consent Agenda:** A motion was made to approve the Consent Agenda as presented. The motion was seconded and approved.
- **Facilities Project Progress Report:** Port Orchard Community Events Center (POCEC), Mayor Rob Putaansuu, City of Port Orchard, Mr. Dean Kelly, Principal @ Rice Fergus Miller, Inc.
 - The City’s overall goal is to create a community destination in downtown Port Orchard that is accessible, and highly inviting for pedestrians and their daily activities.
 - Several elements of the project are currently in the planning stage.
 - Road and flooding improvements are necessary on Bay St. Federal funding will be used to assist with the construction.
 - Some design changes to the POCEC include providing commercial tenant retail and/or office space where a service entrance was initially proposed. The commercial tenant space will be on the ground floor, in both the front and back left corners of the building.
 - More glass will be added to the front of the building to provide more interior and exterior exposure.
- **Report to the Board of Directors:** Visit Kitsap Peninsula, Ms. Beth Javens, Executive Director
 - Visit Kitsap presented an introduction on the services they provide to businesses and communities of Kitsap Co.
 - Visit Kitsap addressed concerns of the KPFDD Board of Directors and staff regarding previous services rendered for the district.
 - Reporting requirements of services rendered were also discussed.

- Visit Kitsap and KPFD Staff will define a Statement of Work for specific services that benefit the district in the future
- **New Business:**
 - A. Sublease Agreement Between KPFD & Visit Kitsap Peninsula – Executive Director**
 - The original sublease agreement between the Kitsap Peninsula Visitor & Convention Bureau (now known as Visit Kitsap Peninsula) was signed in 2017. The agreement was for one year only.
 - The sublease agreement continued each subsequent year through 2021, however, the last agreement was signed in 2020, and no agreement was signed in 2021 or 2022.
 - The main lease with Visit Kitsap and Parker Financial (landlords of the space) is set to expire on September 01, 2022.
 - KPFD is currently looking for a new office location within the Silverdale area.
 - B. North Kitsap Regional Events Center (NKREC) Update – Board Chairman & Executive Director**
 - KPFD Chairman and Executive Director met with the North Kitsap School District Superintendent and Chief Financial Officer to discuss the current and future partnership between the entities.
 - The following options were discussed: 1. Wrap up the partnership, 2. Remain as is, 3. Keep the partnership open and address needs as they arise.
 - The school district wishes to keep the partnership going and come back to the PFD as needs arise.
 - The school district is also in keeping with the original ILA by turfing the athletic fields.
 - The ILA signed in 2007 will remain in place.
 - C. Port Orchard Community Events Center (POCEC) Proposed Interlocal Agreement Amendment – Executive Director & KPFD Legal Counsel**
 - The ILA amendment includes the project name change from the South Kitsap Community Events Center (SKCEC) to the Port Orchard Community Events Center (POCEC)
 - The amendment also requested funds amounts in Tasks 4 & 5 to reflect \$620,000 & 770,000 respectively, increasing the total funding from \$12M to \$12,289,500.
 - There was discussion concerning the increase in the overall amount setting a precedence that other projects might approach the district for additional funds as well.
 - The KPFD Board of Directors voted unanimously to accept the project name change, increase Task 4 & 5 funding requests to \$620,000 & \$770,000 respectively, but keep the total funding amount to \$12M.
- **Financial Reports** – Executive Director & KPFD Accountant

- The YTD Statement of Financial Revenue & Expenses by Fund Report was presented. The fund totals match the YTD Kitsap County reports.
- The March 2022 Statement of Financial Positions by Fund report was presented.
- QuickBooks online was purchased this month. The district Executive Director & Accountant will begin populating information into the worksheets on May 1, 2022
- **Ongoing Business**
 - A. KPFD Bond Refinancing Update** – Executive Director & KPFD Bond Counsel
 - The KPFD Financial Advisors communicated with Key Bank to discuss options available to extend the current bonds held by Kitsap County out to 2041. Key Bank is looking into it and will get back to the district financial advisors.
 - Once the district has some direction and guidance from Key Bank, a meeting will be established to bring KPFD, KPFD Financial Advisors and Bond Counsel, and the Kitsap County Treasurer, together to discuss options.
 - B. KPFD Board of Directors Retreat Reminder** – Executive Director
 - A reminder to the KPFD Board of Directors that a board retreat will be held on May 11, 2022, from 10:30 AM – 12:30 PM at the Fairway Independent Mortgage Co. building, 9307 Bayshore Dr. NW, Silverdale, WA.
- **Good of the Order** – No additional items to discuss

Meeting adjourned @ 7:09 PM.

Next Meeting of the Board: May 23, 2022 – Kitsap County Administration Building – County Commissioner’s Chamber

Topics: General Business, Port of Bremerton/Circuit of the Northwest (POB/CNW) Project Update, New Business, Financials & Ongoing Business.

NOTE:

1. **Recordings of this meeting and meetings past can be found on the KPFD YouTube channel:**
<https://www.youtube.com/channel/UCX9s374H7UNnsaRjsBPgyBw>