

Kitsap Public Facilities District

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

Monday, Jul 25, 2022

Attendance:

Board Members Present: Chairman Patrick Hatchel, Vice Chairman John Morrissey, Treasurer Walter Draper, Director Erin Leedham, Director Phil Havers, Director Tom Bullock, Director Daron Jagodzinske

Staff Present: Executive Director Russ Shiple

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

1. **Call to Order:** KPFD Chairman Hatchel called the meeting to order at 5:30 PM.
2. **Approval of Consent Agenda:** Director Leedham requested to pull the Operating Expenses Blanket Voucher out of the Consent Agenda so it could be discussed during New/Ongoing Business. A motion was made to approve the remaining Consent Agenda items as presented. The motion was seconded and approved.
3. **Public Comment:** Public comment was given about the upcoming move of the KPFD administrative office as well as the recent purchase of the Central Kitsap School District Admin Building and property by private developers, as an awareness to the PFD and possible public funding consideration for the project.
4. **Facilities Project Progress Report:** Poulsbo Events & Recreation Center (PERC). Special Projects Planner Ms. Karla Boughton and City of Poulsbo Parks & Rec Director Mr. Dan Schoonmaker presented.
 - Refining the PERC project approach was discussed. The City of Poulsbo was unsuccessful in purchasing 9 acres adjacent to the PERC property.
 - A three-phased approach was presented. Phase 1: Two turfed and lighted tournament fields with recreational amenities, picnic shelters, and parking at the current PERC site. Phase 2: If adjacent land can be acquired in the future, or at another site within the City, an Events & Recreation Center would be built to include an indoor basketball court, meeting/classroom space, and other indoor elements. Phase 3: Outdoor recreation pool
 - A revised site plan was presented that represents Phase 1.
 - The City is partnering with Central Kitsap School District to market a packet of 11 fields available for regional and state tournaments.
 - Next steps and timelines were discussed for August-December 2022.

5. **New Business:**

A. **KPFD Executive Team & Port of Bremerton Meeting Update** – Executive Director Shiplet

- A Zoom meeting was held with the KPFD Executive Team and Port of Bremerton to discuss the Circuit of the Northwest's \$20M funding request to build the Music Events Center. The meeting was intended to ensure both parties are on the same page and fully understand the processes and steps required to secure the funding request.
- KPFD asked the Port of Bremerton to provide a clearer picture of who would pay the debt service on the new bond and who would be the financial backer if the PFD were to secure a bond of this size.
- KPFD Legal Counsel Mr. Lawler and Bond Counsel Mr. Greenough spoke about the statutory requirements for voter approval to impose an admission tax. Any indebtedness by the PFD requires a Dept. of Commerce Financial Feasibility Study before securing any bond of any magnitude.
- Director Morrissey made a motion to lobby for the fair treatment of county and city PFDs for admissions tax collection. The motion was seconded and passed.
- Director Leedham made a motion to have the PFD Executive Director reach out to the Department of Commerce on the requirements, cost, and duration of a Financial Feasibility Study. The motion was seconded. Discussion of potential revenue source requirements was discussed by the PFD financial advisors. The motion passed.
- The PFD Executive Director will report on the Dept of Commerce findings at the next BOD meeting in August 2022.

B. **KPFD BOD & Kitsap County Commissioner Meeting** - Executive Director Shiplet

- The KPFD Board of Directors will be meeting with the Kitsap County Board of Directors on July 27, 2022, to discuss the refunding of the 2021B bonds through 2041. Details of the meeting will be discussed at the next KPFD BOD Meeting on August 12, 2022.

C. **Blanket Voucher # 20-JUL 2022 96968 Operating Expenses** – Director Leedham

- There was a duplication of payment to Comcast for phone and internet services in July 2022. The duplicate will be removed from the operating expenses blanket voucher.
- A motion was made and seconded to approve the operating expenses blanket voucher as corrected. The motion passed.

6. **Financial Reports** – KPFD Accountant Ms. Veach

- A. The May & June 2022 financial reports were presented.
- B. The Monthly Sales Tax Rebate Statement was presented.
- C. The Project Funding Tracking Worksheet was presented.

7. Ongoing Business/Good of the Order – Chairman Hatchel

- Director Morrissey made a motion to go into Executive Session, but after further discussion removed the motion and determined that he would speak directly to the PFD Legal Counsel.

8. Meeting adjourned @ 6:51 PM.

Next Meeting of the Board: August 22, 2022 – Norm Dicks Government Center & via Zoom Webinar

Topics: General Business, Port of Bremerton Circuit of the Northwest (POBCNW) 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/watch?v=NoFhhIGyp54>**