

Kitsap Public Facilities District

Minutes of the Virtual Board of Directors Webinar

Monday, June 28th, 2021

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

Staff: Mike Walton, Executive Director; Brian Lawler, Attorney; Cynthia Rogers, Barker Creek.

Absent: Daron Jagodzinske, Chair

1. **Call to Order:** The Vice Chair called the meeting to order at 5:35 PM.
2. **Meeting Minutes:** The ED presented the Minutes of the May 24th Regular Meeting, the Minutes of the May 28th Special Meeting and the June 8th Special Meeting of the Board of Directors.
John Morrissey moved to approve all the Meeting Minutes as submitted and Erin Leedham seconded. The motion passed unanimously.
3. **Public Comment:** (Limited to 3 minutes, otherwise not on Agenda) **None presented.**
4. **Financial Review** – Scott Bauer & Ryan Neumeister, NWMA
Scott & Ryan summarized discussions with the Chair and with the ED for calculating the financial stress on the KPFD through the several phases of the top three projects. This stress resulted from the request from Port Orchard to pull Task 7 – property acquisition including a \$1 million ask from KPFD – into the end of 2021.
The Spreadsheet discussed provided the ability to look at several different scenarios. Ryan indicated that the example shown to the Directors indicated that the KPFD finances could absorb a \$1 million payout by the end of the year and still provide funding to the other projects as forecast. Erin asked that the ED sent the spreadsheet to the Directors for them to experiment with.
The two options for refunding the 2011 bonds were also discussed – 1) a refund of the balance on even payments over the 20-year period; 2) refund the balance in the same configuration and approx. debt service payments until 2026 as are currently in place, but with a small piece (\$50K?) placed out to be paid in 2041. It was reiterated that the County preferred the second option, when they get around to refunding that bond, late in 2021 or early in 2022.
5. **Regional Project Status Reports:**
PERC Progress Report – Karla Broughton, Poulsbo and Peter Battuello, Consultant
Karla reported on the latest Steering Committee meetings, community feedback and project progress. She acknowledged that the community wants more than can be put in that one building and property. A pool was a top request but is being acknowledged as an expensive addition. The next phases will be to hone that down to a manageable and buildable facility with estimates of cost for capability to be presented at the next progress report.
6. **New Business:**
 - A. **PERC ILA change request** – Karla Boughton and Brian Lawler
Karla explained that this ILA change was an effort to complete some of the requirements of their first phase using a temporary hire instead of a more expensive consultant, Poulsbo was asking for a change to the language in para 5.3 of the ILA to provide the ability to pay this temp with KPFD funding. After some additional discussion, relating to making all the KPFD ILAs consistent with this change, or not doing it at all, there was no motion put forward to adopt the change.
 - B. **Port Orchard request to accelerate Task 7 requirement in ILA** – Mayor Putaansuu explained that the City plans to buy the Kitsap Bank property for their SKCEC site. They have secured some State funding for the purchase and desires that the KPFD bring their

commitment for \$1 million forward to this year from the expected 1 to 1.5 years in the future as outlined in Attachment B. This was discussed at some length by the Directors and a couple of attempts to formulate the correct motion. Brian also mentioned requiring two things from the City – 1) a full funding plan and 2) a risk analysis – if the project does not go forward at some time, should the money come back to the KPF? There were several comments and assurances that they City was making a significant commitment to the success of the project.

John Morrissey moved to release the allocated dollars in Task 7.1 (\$1 Million) of Attachment B to deliver it within the next 90-120 days, to satisfy DOC grant funding requirements. The motion was seconded by Erin Leedham and passed unanimously.

C. EventFund Reports & New Applications

1. **Food Truck Fest (cont. from 2020)** – Sunny Saunders, accompanied by Brenda Kelly of BK Events, reported on her efforts to recreate her 2020 plan for a Food Truck Festival at the fairgrounds. She has spent approx. \$4K to advertise and publicize the event, to be held on July 17th. Food trucks, food booths and other vendors will bring several hundred if not several thousand visitors to the Fairgrounds. (The expense is included in this month's expense voucher.)
2. **NW Outdoor Life Show** – Sunny provided a PowerPoint to explain her concept for a new event at the Fairgrounds in Feb 2022. She explained how there was no outdoor activity or sporting show in Kitsap County, and this would fill that need. She presented a compelling case for use of the Kitsap Sun Pavilion and the surrounding spaces for both indoor and outdoor booths and demonstrations. Although she was requesting \$10K for marketing, she was reminded that the KPF would only commit up to \$5K.

Walt Draper moved to award \$5K to the NW Outdoor Life Show. The motion was seconded by Tom Bullock and passed unanimously.

7. Financial Reports:

- A. **Monthly Financials & Tax Rebate Summary** – The ED reported on results from May data. The KPF received \$188.8K in tax rebate revenue, up 49.7% over 2020, and the highest ever received by the KPF in any month. **Note: This % increase is distorted as this was the 2nd Covid impact month.** The amount of <\$70 K> was transferred to 286 for Debt Service; and there were <\$26.6K> in Expenses. The result was a Net to Cash of \$92.3K. The review of the financials was abbreviated for the sake of time in the oppressive heat.
- B. **Expense Blanket Voucher** –The ED submitted a Blanket Voucher in the amount of \$8,412.34 for expenses from May to be paid.
Erin Leedham moved to approve the Blanket Voucher in the amount of \$8,412.34. It was seconded by Walt Draper and passed unanimously.
- C. **PERC Project Blanket Voucher** – The ED submitted a Project Blanket Voucher from the City of Poulsbo in the amount of \$9,253.35, from the PERC project for May invoices,
Phil Havers made a motion to approve the Project Blanket Voucher in the amount of \$9,253.35. It was seconded by Tom Bullock and passed unanimously.
- D. **SKCEC Project Blanket Voucher** - The ED submitted a Project Blanket Voucher from the City of Port Orchard in the amount of \$30,003.35, from the SKCEC project for May invoices,
John Morrissey made a motion to approve the Project Blanket Voucher in the amount of \$30,003.35. It was seconded by Phil Havers and passed unanimously.
- E. **Port of Bremerton Invoice Approval Process** –
The second invoice from last month was for \$69,653.55 and was reviewed by the Construction consultant Barker Creek and was recommended for approval:
Erin Leedham moved that the May invoice for \$69,653.55 be approved. Phil Havers seconded the motion and it passed unanimously.

Note: The ED uses the Digital Signatures of the Directors on the Blanket Voucher approval forms submitted to the Board. The Board indicated its approval of the process used by the ED to expedite the handling of the forms during the pandemic and virtual meetings.

8. Ongoing Business:

- A. **ED Activity Report** – The ED submitted his report on his activities for the preceding month. The Chair asked the Directors to review this report at their leisure.
- B. **Regional Facility Reports** – Activity is increasing at both current Regional Centers with better prospects for the future. The Chair asked the Directors them to read them at their leisure.

The Meeting was adjourned at 7:35 pm.

Next Regular Meeting of the Board, a Zoom webinar on July 26th, 2021 at 5:30 pm

Topics: General Business; Poulsbo (PERC) Progress Report; POB Invoices

NOTE:

- 1) **The July meeting is planned as another Zoom webinar.**
- 2) **The August Meeting is planned to be in-person and will be in a public site when one becomes available.**
- 3) **There may be other location or format changes at each of the remaining meeting dates in 2021.**

Please check the website for updates.