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**Board of Directors Meeting\***  
**Monday, March 20, 2023**  
**Kitsap Public Facilities District Office**  
**Meeting Location: Kitsap County Administration Building**  
**& via Zoom Webinar ID\* –: <https://us02web.zoom.us/j/86022543311>**

**MEETING AGENDA**

**1. Call to Order / Comments from Board Chairman Hatchel**

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**CONSENT AGENDA**

- A. FEB 2023 KPFD BOD Meeting Minutes
  - B. Blanket Voucher #07-MAR 2023 96968 Operating Expenses
  - C. MAR 2023 KPFD Financial Report
  - D. Executive Director Report – MAR 2023
  - E. KCC Financial Report – FEB 2023
- 

**2. Public Comment** –If you wish to ask a question of the panelists, you will have a maximum of 3 minutes. Within Zoom, use the “Raise Hand” option or put a message in the Chat Box, and the host will ask the question for you.

**3. Approval of Consent Agenda**

*Note: If a Board Member wishes to discuss any item, it may be pulled from the Consent Agenda for further dialogue and individual board vote for approval*

**4. Facility Progress Report** – Port of Bremerton Circuit of the NW Project

**5. General Business**

- A. NW Municipal Advisors Contract Extension
- B. KPFD & Kitsap Co. ILA Amendment #3
- C. KPFD Website Update
- D. KPFD Board Member Photos for Website

**6. Meeting Adjournment**

**Next Meeting:** April 24, 2023, at 5:30 pm  
**Location:** Bainbridge Island City Hall  
**Topics:** General Business, Poulsbo Events & Recreation Center (PERC) Project Update

**Building Communities, Enriching Lives**

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**KITSAP PUBLIC FACILITIES DISTRICT  
CONSENT AGENDA  
MARCH 20 2023**

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- A. FEB 27, 2023 Board of Directors Meeting Minutes
  - B. Blanket Voucher #07-MAR 2023 96968 Operating Expenses
  - C. MAR 2023 KPFD Financial Report
  - D. Executive Director Report – MAR 2023
  - E. KCC Financial Report – FEB 2023
-

# ***Kitsap Public Facilities District***

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

**Monday, February 27, 2023**

### **Attendance:**

**Board Members Present:** Chairman Patrick Hatchel, Vice Chairman John Morrissey, Treasurer Walter Draper, Director Daron Jagodzinske, Director Phil Havers

**Board Members Absent:** Director Erin Leedham, Director Tom Bullock

**Staff Present:** Executive Director Russ Shiplet

**Advisors, Counsel, & Consultants Present:** Legal Counsel Mr. Brian Lawler, Financial Advisors Mr. Ryan Neumeister & Mr. Scott Bauer; Construction Consultant Mr. Shannon Thompson & Ms. Cindy Rogers

1. **Call to Order:** KPFD Chairman Hatchel called the meeting to order at 5:30 PM.
2. **Public Comment:** No public comments were provided during this meeting.
3. **Approval of Consent Agenda:** A motion was made to approve the Consent Agenda as presented by Vice Chairman Morrissey. The motion was seconded by Director Havers and unanimously approved by the Board of Directors.
4. **Facilities Project Progress Report:** Port Gamble Forest Heritage Park (PGFHP) Project. Mr. Eric Baker from Kitsap County presented.
  - Project components were presented, which included:
    - Mountain Biking Ride Park Phase 1
    - Framework Master Plan
    - Sound to Olympics Trail Design (Northern Segments)
    - Mountain Biking Ride Park Phase 2
    - Stottlemeyer Trailhead
  - Project budget specifics included:
    - Ride Park Phase 1 - \$70,000
    - Ride Park Phase 2 - \$305,000
    - Framework - \$40,000
    - Stottlemeyer Trailhead - \$285,000
    - Total Amount = \$700,000
  - Kitsap County is prepared to fund \$350,000 of the \$700,000 total and is asking the PFD to fund the additional \$350,000 to complete the four project components outlined.
  - The PFD will work with the County on drafting an amendment of the current ILA to reflect the additional funding request of \$350,000 toward to PGFHP project and will have it prepared for KPFD board of directors approval at the MAR 2023 meeting.

## **5. New Business:**

### **A. Financial Consultant Representation Extension – Executive Director Shiplet**

- NW Municipal Advisors (NWMA) has served as the PFD financial advisers since 2020. The current representation agreement expired on December 31, 2022. NWMA is requesting an extension agreement of financial representation of the PFD through December 31, 2024.
- Legal Counsel Mr. Brian Lawler will review the extension agreement as presented and prepare to report back to the PFD board at the MAR 2023 meeting. The PFD board, at that time, may take a vote to extend the agreement to December 31, 2024.

### **B. Port Orchard Community Events Center (POCEC) Letter of Intent – Executive Director Shiplet & City of Port Orchard Mayor Rob Putaansuu.**

- The PFD Executive Director and the City of Port Orchard Mayor Putaansuu have been working together with their respective legal counsels to craft a Letter of Intent (LOI) between the two parties that expresses support for potential additional PFD funding in the future for the POCEC project, based on estimated construction costs in future years, once construction is underway.
- Director Morrissey made a motion to adopt the LOI as presented. Director Havers seconded the motion. Discussion followed about the legalities of the LOI. The motion was passed unanimously by the PFD board.

## **6. Financial Reports – Executive Director Shiplet**

- A.** The 2022 year-end Financial Report was presented.
- B.** The JAN 2023 & FEB 2023 Income & Expenditures Reports were presented.
- C.** The FEB 2023 Monthly Sales Tax Rebate Statement was presented.
- D.** The FEB 2023 Facilities Tracking Report was presented.

## **7. Ongoing Business/Good of the Order:**

### **A. KPFD New Logo Revision #3 – Executive Director Shiplet**

- A third revision of the new KPFD logo was presented to the board for consideration and formal approval. The board was pleased with the final revision and outcome.
- A motion was made by Director Morrissey to approve the logo design as presented. Director Jagodzinske seconded the motion. The motion was passed unanimously by the PFD board.

## **8. Meeting adjourned @ 6:52 PM**

**Next Meeting of the Board: March 20, 2023 – Kitsap County Administration Building**

**Topics: Port Orchard Community Events Center (POCEC) Project Update, Consent Agenda, New Business, Ongoing Business & Financials**

**BLANKET VOUCHER APPROVAL****FUND: 96968.00968****BV# 07-MAR 2023**

We thus undersigned of Kitsap Public Facilities District, Kitsap County, Washington, do hereby certify that the merchandise or services hereinafter specified have been received and that the following vouchers are approved for payment in the amount of **\$9,014.62** on this 20<sup>th</sup> day of MAR 2023

*Patrick Hatchel*

Pat Hatchel, Chair

*John Morrissey*

John Morrissey, Vice-Chair

*Walter S Draper IV*

Walter Draper IV, Treasurer

*Tom Bullock*

Tom Bullock, Director

*Phil Havers*

Phil Havers, Director

*Erin Leedham*

Erin Leedham, Director

*Daron Jagodzinske*

Daron Jagodzinske, Director

VENDOR	SPEND CAT	AMOUNT
<b>Reoccurring items:</b>		
Kitsap Bank Visa (FEB 2023) – detail attached on separate page	5311	\$ 2,304.20
BKAT BOD Meeting Invoice 012023-04 (FEB 2023 Meeting)	5419(b)	\$ 599.50
Jameson Pepple Cantu PLLC (MAR 2023)	5416	\$ 1,815.00
Barker Creek Consulting (DEC 2022 – JAN 2023)	5419	\$ 2,507.50
WA State DRS PERS2 (MAR 2023)	5249	\$ 1,788.42
<b>Other items:</b>		
	<b>PAGE TOTAL</b>	<b>\$ 9,014.62</b>



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VENDOR	SPEND CAT	AMOUNT
<b>Kitsap Bank Visa (FEB 2023)</b>		<b>\$ 2,304.20</b>
-Comcast for Business (FEB 2023 Phone/Internet)	5421	(\$265.92)
-Office Rent (FEB 2023)	5451(b)	(\$856.34)
-OfficeMax (Office Supplies)	5311	(\$118.88)
-Help Desk Cavalry Monthly IT Support (FEB 2023)	5419(a)	(\$279.85)
-Storage (FEB 2023)	5311	(\$119.00)
-Help Desk Cavalry Monthly Email Subscription (FEB 2023)	5311	(\$202.46)
-Amazon (Printer Toner)	5311	(\$259.78)
-Zoom Webinar Monthly Subscription (FEB 2023)	5311	(\$87.36)
-Adobe Cloud (FEB 2023)	5311	(\$60.05)
-Interest Charge	5311	(\$54.56)
	<b>PAGE TOTAL</b>	<b>\$ 2,304.20</b>





RUSSELL E SHIPLET  
KITSAP PUBLIC FAC DIST  
Account Number: ##### 3580  
Page 1 of 3



### Account Summary

Billing Cycle 02/21/2023  
Days In Billing Cycle 28  
Previous Balance \$2,579.15  
Purchases + \$2,249.64  
Cash + \$0.00  
Balance Transfers + \$0.00  
Special + \$0.00  
Credits - \$0.00  
Payments - \$0.00  
Other Charges + \$0.00  
Finance Charges + \$54.56

**NEW BALANCE** ~~\$4,883.35~~

### Credit Summary

Total Credit Line \$10,000.00  
Available Credit Line \$5,116.65  
Available Cash \$0.00  
Amount Over Credit Line \$0.00  
Amount Past Due \$2,579.15  
Disputed Amount \$0.00

### Account Inquiries

Call us at: (866) 317-0355  
Lost or Stolen Card: (866) 839-3485

Go to [www.MyCardStatement.com](http://www.MyCardStatement.com)

Write us at PO BOX 30495, TAMPA, FL 33630-3495

### Payment Summary

**NEW BALANCE** ~~\$4,883.35~~  
**MINIMUM PAYMENT** ~~\$4,883.35~~  
**PAYMENT DUE DATE** 03/18/2023

**NOTE:** Grace period to avoid a finance charge on purchases, pay entire new balance by payment due date. Finance charge accrues on cash advances until paid and will be billed on your next statement.

### Cardholder Account Summary

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
01/25	01/25	PBUS01	24692163025100028603130	COMCAST CABLE COMM 800-COMCAST WA	\$265.92
01/26	01/27	PBUS01	24906413026165893050287	PYL*American Property LLC 866-7295327 WA	\$856.34
01/30	02/01	PBUS01	24137463031100339874874	OFFICEMAX/DEPOT 6829 POULSBO WA	\$118.88
02/01	02/02	PBUS01	24377353033000002722162	HELP DESK CAVALRY 360-9306990 WA	\$279.85
02/01	02/03	PBUS01	24275393033047499404928	Pro-Guard Self Storage 360-6977368 WA	\$119.00
02/02	02/03	PBUS01	24377353034000002744207	HELP DESK CAVALRY 360-9306990 WA	\$202.46
02/04	02/05	PBUS01	24692163035104768587113	AMZN Mktp US*G21W27JA3 Amzn.com/bill WA	\$259.78
02/06	02/07	PBUS01	24011343037000046006324	ZOOM.US 888-799-9666 WWW.ZOOM.US CA	\$87.36
02/15	02/16	PBUS01	24692163046102416312253	ADOBE *800-833-6687 ADOBE.LY/ENUS CA	\$60.05
02/21	02/21	PBUS01	74257773052168052964003	INTEREST CHARGE PURCHASE	\$54.56

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW UP TO 7 DAYS FOR RECEIPT

KITSAP BANK  
PO BOX 1080  
BREMERTON WA 98337-0375



Account Number  
##### 3580

Check box to indicate  
name/address change ☐  
on back of this coupon

AMOUNT OF PAYMENT ENCLOSED

Closing Date	New Balance	Total Minimum Payment Due	Payment Due Date
02/21/23	<del>\$4,883.35</del>	<del>\$4,883.35</del>	03/18/23

RUSSELL E SHIPLET  
KITSAP PUBLIC FAC DIST  
19880 10TH AVE NE  
SUITE 204F  
POULSBO WA 98370



MAKE CHECK PAYABLE TO:



VISA  
PO BOX 6818  
CAROL STREAM IL 60197-6818

18 4257 7700 0002 3580 00488335 00488335 8

# COMCAST BUSINESS

## Kitsap Public Facilities

Account number  
**8498 36 003 0993901**

For service at:  
19980 10TH AVE NE STE 204F  
POULSBO WA 98370-6322

**Thanks for choosing Comcast Business**

Need help?  
Visit [business.comcast.com/help](https://business.comcast.com/help) or  
call 1-800-391-3000

Ready to pay?  
Visit [business.comcast.com/myaccount](https://business.comcast.com/myaccount)

Bill date Feb 28, 2023  
Services from Mar 03, 2023 to Apr 02, 2023

Page 1 of 5

### Your monthly account summary

Previous balance	250.25
Credit Card Payment Feb 23, 2023	-250.25 cr
<b>New charges</b>	
Comcast Business services	234.89
Other charges and credits	15.90
Taxes and fees	11.32

**Amount due** **\$262.11**  
Payment due Mar 23, 2023



### Manage your services online

Your Comcast Business account online is the one-stop destination to pay your bill and manage your services. Visit [business.comcast.com/myaccount](https://business.comcast.com/myaccount).

### Service updates

See the "additional information" section for upcoming service updates.

# COMCAST BUSINESS

9602 S 300 W. STE B SANDY UT 84070-3302  
8633 0440 NO RP 28 03012023 NNNNNNNN 01 999914

KITSAP PUBLIC FACILITIES  
19880 10TH AVE NE STE 204F  
POULSBO, WA 98370

Account number **8498 36 003 0993901**  
Automatic payment due **Mar 23, 2023**  
**Please pay** **\$262.11**  
**Credit Card Payment to Be Applied 03/23/23**

COMCAST  
PO BOX 60533  
CITY OF INDUSTRY CA 91716-0533

849836003099390100262113

**From:** [donotreply@rentmanager.com](mailto:donotreply@rentmanager.com)  
**To:** [Russ Shiplet](#)  
**Subject:** Tenant Web Access Autopay Payment Notification  
**Date:** Sunday, February 26, 2023 12:43:47 AM

---

Caution! This message was sent from outside your organization.

[Allow sender](#) | [Block sender](#)

## TENANTWEBACCESS

Dear Kitsap Public Facilities District,

Your scheduled Autopay payment was successfully processed.

Web Account : 1284 - Kitsap Public Facilities District

Payment Date : 2/26/2023

Payment Method : Visa Credit Card

Card number ending in : 3580

Payment Amount : 831.40

Convenience Fee : 24.94

Reference # : 338476130

Contact your property manager for more information.

# Office DEPOT OfficeMax

POULSBO - (360) 697-2177

01/30/2023 10:16 AM



VPVT9YPPX3Y45CXMB

SALE 6829-4-2260-1015664-22.12.2  
671994 MOUSEPAD,GEL,B 15.74 SS  
8555557 ERBDS,WLS,GOAR 26.99 SS  
842663 CALC,CHECK COR 16.64 SS  
6779162 LMP,DSK,LED,RC 49.49 SS  
Subtotal: 108.86

Retail Sales and Use 10.02  
Total: 118.88  
Visa 3580: 118.88

AUTH CODE 680832

TDS Chip Read

AID A0000000031010 VISA CREDIT

TVR 8000008000

CVS No Signature Required

Shop online at [www.officedepot.com](http://www.officedepot.com)

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Visit [survey.officedepot.com](http://survey.officedepot.com)

and enter the survey code below

G6HE SYBR OJMH

or scan the below QR code



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We're Closing,  
You're Saving!  
Please visit us at  
[officedepot.com](http://officedepot.com)

\*\*\*\*\*

E-Cycle Washington: Free recycling  
of computers, monitors, laptops, tablets,  
and TVs. For recycling locations, call 1-  
800-RECYCLE.

[www.ecyclewashington.org](http://www.ecyclewashington.org)



Friendly Support Fixed-Price IT 24x7 Monitoring

## Help Desk Cavalry, LLC

### Bill To

Kitsap Public Facilities District  
Attention: Russ Shiplet  
19980 10th Ave NE  
Poulsbo, WA 98370

1676 NE McWilliams Rd  
Bremerton, WA 98311  
360-9306990

[Click here for W-9](#)

Paid

Invoice Number	Invoice Date	Account
37050	3/1/2023	Kitsap Public Facilities District
Billing Terms	PO Number	Reference
Due Upon Receipt		Monthly Billing for March

### Agreement Information

HDCav Managed Service Agreement

Additional Details	Unit Price	Quantity	Total Amount
Managed User Security Services	\$150.00	1	\$150.00
Taxable Network Location/Site	\$100.00	1	\$100.00
Dropsuite Business Backup	\$3.00	1	\$3.00
2023 Annual 5% Increase	\$12.50	1	\$12.50

Due to vendor control on product, if payment is not received in 15 days of invoice, Help Desk Cavalry may need to adjust pricing. Please use the link emailed with this invoice to make a secure one-time payment online. If you do not wish to pay online, please make checks payable to Help Desk Cavalry, LLC.

Subtotal	\$262.50
Tax	\$9.20
<b>Invoice Total</b>	<b>\$271.70</b>
Payments Applied	\$271.70
<b>Total Amount Due</b>	<b>\$0.00</b>

Glacier West Poulsbo  
20554 Little Valley Rd  
Poulsbo, WA 98370 (USA)  
Phone/Fax : (360)317-2895 /  
poulsbo@glacierwest.com

## Invoice

Kitsap public  
Shiplit, Russ  
19880 10th NE Suite 204f  
POULSBO, WA - 98370 (USA)

**Invoice Number : 7022**

**Date : 2/14/2023**

ATTN: Shiplit, Russ :

Please remit your payments to the above mentioned address.

Unit #	Charge Date	Description	Amount	Tax	Discount	Total
<b>New Dues</b>						
112	03/01/2023	Rent Charged - Mar 1 2023 to Mar 31 2023	\$119.00	\$0.00	\$0.00	\$119.00
<b>Total Due</b>						\$119.00
<b>Prepaid Rent/Fee</b>						\$0.00
<b>Balance Due</b>						\$119.00

Summary					
Unit #	Lease #	Paid Thru	Total	Prepaid	Balance
112	1247	02/28/2023	\$119.00	\$0.00	\$119.00
			\$119.00	\$0.00	\$119.00



Help Desk Cavalry, LLC  
1676 NE McWilliams Rd  
Bremerton, WA 98311  
(360) 930-6990

**PAID**

Bill To:
Kitsap Public Facilities District Attn: Russ Shiplet 19980 10th Ave NE Suite 204F Poulsbo, WA 98370 United States

Date	Invoice
03/01/2023	37168
Account	
Kitsap Public Facilities District	

Terms	PO Number	Reference	
Due Upon Receipt		Monthly Billing for March	

Managed Services Details	Quantity	Price	Amount
Agreement KPFD - M365 Monthly Product			
O365 CSP Monthly, 365 Business Premium	9.00	\$20.00	\$180.00
Total Managed Services Details:			\$180.00
	Invoice Subtotal:	\$180.00	
	Sales Tax:	\$16.56	
	Invoice Total:	\$196.56	
	Payments:	-\$196.56	
	Credits:	\$0.00	
	Balance Due:	\$0.00	

Due to vendor control on product, if payment is not received in 15 days of invoice, Help Desk Cavalry may need to adjust pricing.

Please use the link emailed with this invoice to make a secure one-time payment online. If you do not wish to pay online, please make checks payable to Help Desk Cavalry, LLC.

**Final Details for Order #111-9969605-8665811**

[Print this page for your records.](#)

**Order Placed:** February 3, 2023

**Amazon.com order number:** 111-9969605-8665811

**Order Total: \$259.78**

**Shipped on February 4, 2023**

**Items Ordered**

1 of: *HALLOLUX 414A Toner Cartridges 4 Pack (with Chip) Replacement for HP 414A W2020A 414X W2020X Compatible with Color Pro MFP M479fdw M454dw M454dn M479fdn Printer Toner (Black Cyan Magenta Yellow)* **Price** \$237.89

Sold by: Eagle&Snail ([seller profile](#))

Condition: New

**Shipping Address:**

Kitsap Public Facilities District  
19980 10TH AVE NE STE 204F  
POULSBO, WA 98370-6431  
United States

**Shipping Speed:**

FREE Prime Delivery

**Payment information****Payment Method:**

Visa | Last digits: 3580

Item(s) Subtotal: \$237.89

Shipping & Handling: \$0.00

-----

Total before tax: \$237.89

Estimated tax to be collected: \$21.89

-----

**Grand Total: \$259.78**

**Billing address**

Kitsap Public Facilities District  
19980 10TH AVE NE STE 204F  
POULSBO, WA 98370-6431  
United States

**Credit Card transactions**

Visa ending in 3580: February 4, 2023: \$259.78

To view the status of your order, return to [Order Summary](#).

[Conditions of Use](#) | [Privacy Notice](#) © 1996-2023, Amazon.com, Inc. or its affiliates



# Invoice



Zoom Video Communications Inc.  
55 Almaden Blvd, 6th Floor  
San Jose, CA 95113

Invoice Date: Mar 6, 2023  
Invoice #: INV191880857  
Payment Terms: Due Upon Receipt  
Due Date: Mar 6, 2023  
Account Number: 119302675  
Currency: USD  
Account Information: Kitsap Public Facilities District

Sold To Address: 19980 10th Ave NE, Suite 204F  
Poulsbo, Washington 98370  
United States  
(360) 698-1885  
execdirector@kitsap-pfd.org

Federal Employer ID Number: 61-1648780

Purchase Order Number:

Tax Exempt Certificate ID:

[Zoom W-9](#)

Bill To Address: 19980 10th Ave NE, Suite 204F  
Poulsbo, Washington 98370  
United States  
(360) 698-1885  
execdirector@kitsap-pfd.org

## Charge Details

CHARGE DESCRIPTION	SUBSCRIPTION PERIOD	SUBTOTAL	TAXES, FEES & SURCHARGES	TOTAL
Charge Name: Webinar 500 Monthly PROMO				
Quantity: 2 Unit Price: \$40.00	Mar 6, 2023-Apr 5, 2023	\$80.00	\$7.36	\$87.36
Subtotal				\$80.00
Total (Including Taxes, Fees & Surcharges)				\$87.36
Invoice Balance				\$0.00

## Taxes, Fees & Surcharge Details

CHARGE NAME	TAX, FEE OR SURCHARGE NAME	JURISDICTION	CHARGE AMOUNT	TAX, FEE OR SURCHARGE AMOUNT
Webinar 500 Monthly PROMO	Sales Tax	City	\$80.00	\$2.16

Webinar 500 Monthly PROMO	Sales Tax	State	\$80.00	\$5.20
Total (Including Taxes, Fees & Surcharges)				\$7.36

## Transactions

Invoice Total \$87.36

TRANSACTION DATE	TRANSACTION NUMBER	TRANSACTION TYPE	DESCRIPTION	APPLIED AMOUNT
Mar 6, 2023	P-223270324	Payment		(\$87.36)
Invoice Balance				\$0.00

Need help understanding your invoice?

[CLICK HERE](#)

Standard Pro and Standard Biz are now called Zoom One Pro and Zoom One Business. Please note that your Services will remain the same and that this name change does not change the price of your current subscription.

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Adobe Inc.  
345 Park Avenue  
San Jose CA 95110-2704  
United States  
Federal Tax ID: 77-0019522

ORIGINAL

Invoice Information

Invoice Number 2380589443  
Invoice Date 14-FEB-2023  
Payment Terms Credit Card  
Purchase Order AB00025213459CUS  
Order Number 7043865110  
Customer Number 156036510  
Currency USD

Bill To

Russell Shiplet  
WA 98365-9312

INVOICE

Item Details

Service Term: 14-FEB-2023 to 13-MAR-2023

PRODUCT NUMBER	PRODUCT DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	NET AMOUNT	TAX RATE	TAXES	TOTAL
65183112	Creative Cloud All Apps 100GB	1	EA	54.99	54.99	9.20%	5.06	60.05

Invoice Total

NET AMOUNT (USD)	54.99
TAXES (SEE DETAILS FOR RATES)	5.06
GRAND TOTAL (USD)	60.05

Comments:

Billing Contact

<https://helpx.adobe.com/contact.html>

Thank you for your business!

**BKAT**  
**7266 Tibardis Road NW**  
**Bremerton,WA 98311**  
**(360) 360-473-5012**

Invoice No.: 012023-04

Date: 02/28/23

## Invoice

Customer:

Kitsap Public Facilities District - Attn: Russ Shiplet  
9230 Bay Shore Dr NW  
Suite 101  
Silverdale WA 98383

Project KPFD Board Meetings - February 2023

Date	Qty/Hrs	Description	Unit Price	Total
2/27/2023	1	Pre-production	\$109.00	\$109.00
	1.5	Production	\$109.00	\$163.50
	1	Post-Production	\$109.00	\$109.00
	2	Round trip travel Bainbridge Island	\$109.00	\$218.00

Pay upon receipt

Subtotal	\$599.50
Tax	
Total	\$599.50



Tel 206.292.1994  
Fax 206.292.1995

801 Second Avenue, Suite 700  
Seattle, Washington 98104

---

March 3, 2023

Kitsap Public Facilities District  
Attn: Russ Shiplet  
19880 10<sup>th</sup> Ave NE, Suite 204F  
Poulsbo, WA 98370

Invoice 150325 BEL

In Reference to:      General Advisory  
                                 Client Matter # L1022/01000

FOR LEGAL SERVICES RENDERED AND COSTS ADVANCED

\$ 1,815.00

\$ 1,815.00

Barker Creek Consulting Inc.

PO Box 2011

Silverdale, WA 98383 US

3602719207

shannont@barkercreek-ors.com

http://barkercreek-ors.com/

## Invoice



**BILL TO**

Russ Shipleet

KFPD

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
1381	02/23/2023	\$2,507.50	03/25/2023	Net 30	

DATE	ACTIVITY	QTY	RATE	AMOUNT
	<b>KFPD</b>			
	<b>Project management:Project Billing</b>	1	85.00	85.00
	<b>SUBTOTAL - KFPD</b>			85.00
	<b>KFPD:Kitsap Public Facilities District</b>			
12/12/2022	<b>Project management:KFPD - Project Oversight</b> [Dec 12 – Jan 27] - Shannon D Thompson	12:30	165.00	2,062.50
12/12/2022	<b>Project management:KFPD- Coordinator</b> [Dec 12 – Jan 24] - Cynthia E Rogers	3:00	120.00	360.00
	<b>SUBTOTAL - KFPD:Kitsap Public Facilities District</b>			2,422.50

BALANCE DUE

**\$2,507.50**

Kitsap Public Facilities District							
MAR 2023 Available Funds & Expenditures Report							
977 CAPITAL FUND							
As of			Current Balance		Fund		Description
2/28/2023			\$ 2,392,415.46				FEB 2023 Capital Funds Balance
2/28/2023			\$ 4,016.12		977 CAPITAL		FEB 2023 Capital Funds Earned Interest
3/1/2023			\$ 2,396,431.58				FEB 2023 Available Capital Funds
977 CASH FUND							
Date	Reconcile Date	Supplier	Invoice #	Amount	Check/EFT	Fund	Description
1/1/2023	1/1/2023			\$ 257,448.64			Available Capital Cash Funds for Project Invoices
1/31/2023	1/31/2023			\$ 187,086.78	EFT		JAN 2023 Sales Tax Rebate
1/31/2023	1/31/2023			\$ (64,831.64)	EFT		JAN 2023 2021C Debt Service Payment
1/31/2023	1/31/2023			\$ (30,000.00)			XFR to 968 Fund for Operating Expenses
2/3/2023	2/13/2023	Port of Bremerton	2023	\$ (143,900.00)			POBCNW Project Annual Payment
2/3/2023	2/13/2023	City of Port Orchard	INV01413	\$ (68,700.70)			POCEC Project JAN 2023 Invoice
2/3/2023	2/13/2023	City of Poulsbo	GRNT0000983	\$ (12,153.50)			PERC Project JAN 2023 Invoice
2/3/2023		Kitsap Co. Public Works	22-0914	\$ (6,874.79)		977 CASH	PGFHP Project JAN 2023 Invoice
1/31/2023	1/31/2023			\$ 118,074.79			JAN 31 2023 Balance
2/28/2023	2/28/2023			\$ 209,039.13			FEB 2023 Sales Tax Rebate
2/28/2023	2/28/2023			\$ (71,219.45)			FEB 2023 Debt Service Payment
2/28/2023	2/28/2023			\$ (30,000.00)			XFR to 968 Fund for Operating Expenses
2/28/2023	2/28/2023			\$ 225,894.47			FEB 28 2023 Balance
3/9/2023				\$ 225,894.47			MAR 2023 Balance
968 OPERATIONS FUND							
As of			Amount		Fund		Description
3/1/2023			\$ 33,069.88		968 OPERATIONS FUND		MAR 01 2023 Cash Funds for Operating Expenses
968 OPERATING EXPENSES							
Process Date	Reconcile Date	Supplier	Invoice #	Amount	Check/EFT	Fund	Spend Category Description
3/8/2023		JPC LLC	150325 BEL	\$ (1,815.00)	Check	968/BV#07-MAR 2023	5416 FEB 2023 Legal Counsel
3/8/2023		BKAT	012023-04	\$ (599.50)	Check	968/BV#07-MAR 2023	5419(a) FEB 27 2023 BOD Meeting Recording
3/8/2023		Barker Creek Consulting	1381	\$ (2,507.50)	Check	968/BV#07-MAR 2023	5419 DEC 2022 & JAN 2023 Project Invoice Consulting
		Kitsap Bank Visa	FEB 2023	\$ (2,304.20)			5311 FEB 2023 CC Payment
		-Help Desk Calvary	FEB 2023	\$ (279.85)			5419(a) FEB 2023 IT Services
		-Help Desk Calvary	FEB 2023	\$ (202.46)			5311 FEB 2023 O365 Email Subscription
		-Zoom Webinar	FEB 2023	\$ (87.36)			5311 FEB 2023 Monthly Webinar Fee
		-OfficeMax	FEB 2023	\$ (118.88)			5311 Office Supplies
3/8/2023		-Amazon	FEB 2023	\$ (259.78)	VISA	968/BV#07-MAR 2023	5311 Printer Toner
		-Storage	FEB 2023	\$ (119.00)			5451(b) FEB 2023 Storage
		-Central Plaza	FEB 2023	\$ (856.34)			5451(b) FEB 2023 Office Rent
		-Comcast for Business	FEB 2023	\$ (265.92)			5311 FEB 2023 Phone/Internet
		-Adobe Cloud	FEB 2023	\$ (60.05)			5311 FEB 2023 Monthly Subscription
		-Interest Charge	FEB 2023	\$ (54.56)			5311 FEB 2023 Interest Church
3/31/2023		WA DRS PERS2	MAR 2023	\$ (1,788.42)	Check	968/BV#07-MAR 2023	MAR 2023 PERS2 Employee & Employer Contribution
3/31/2023	3/31/2023	Russell Shipleit	FEB 2023	\$ (9,223.45)	EFT	96968	MAR 2023 Net Pay (includes Health Stipend)
3/31/2023	3/31/2023	Russell Shipleit	FEB 2023	\$ (160.62)	EFT	96968	MAR 2023 Medicare
3/31/2023	3/31/2023	Russell Shipleit	FEB 2023	\$ (997.65)	EFT	96968	MAR 2023 Federal Withholding
3/31/2023	3/31/2023	Russell Shipleit	FEB 2023	\$ (16.29)	EFT	96968	MAR 2023 WAMAF
				\$ (19,412.63)			
				\$ 13,657.25			
				\$ 2,635,983.30			

Kitsap Public Facilities District  
Monthly Revenue & Expenses Reporting

	<u>2023 Budget</u>	<u>Budgeted Monthly Average</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>YTD</u>	<u>YTD % of Budget Received/Spent</u>	<u>Budget/YTD Variance</u>
<b>REVENUE</b>								
Sales Tax Revenue Receipts	2,362,127	196,844	187,087	209,039		396,126	16.77%	(1,966,001)
Interest	0	0	0	4,016		4,016	N/A	4,016
Total	2,362,127	196,844	187,087	213,055	0	400,142	16.94%	(1,961,985)
<b>CASHFLOW BY FUND</b>								
<b>977 CASH/CAPITAL FUND</b>								
Port Orchard Community Event Center	512,505	42,709	68,700	0		68,700	13.40%	(443,805)
Poulsbo Events and Recreation Center	58,881	4,907	12,154	0		12,154	20.64%	(46,728)
Port Gamble Heritage Park (Kitsap County)	892,862	74,405	6,875	0		6,875	0.77%	(885,987)
Circuits of the Northwest (Pt. of Bremerton)	143,900	11,992	143,900	0		143,900	100.00%	0
Total	1,608,148	134,012	231,628	0	0	231,628	14.40%	(1,376,520)
<b>968 OPERATING FUND</b>								
Payroll (Salary/Health Benefit/PERS2)	162,125	13,510	12,186	13,449	12,186	37,821	23.33%	(124,304)
Communications (IT/Internet/Phone)	12,870	1,073	525	1,791	748	3,064	23.81%	(9,806)
Promotional Hosting Marketing (EventFund)	15,000	1,250	4,348			4,348	28.99%	(10,652)
Consulting Services (Legal/Financial/Construction)	94,040	7,837	2,229	1,980	4,922	9,131	9.71%	(84,909)
Office and Associated Costs (Supplies/Rent/Storage)	31,080	2,590	2,157	1,638	1,556	5,352	17.22%	(25,728)
Association Membership Dues (KEDA/GKCC/WEDA)	1,950	163	1,027			1,027	52.66%	(923)
ED/BOD Travel & BOD Stipends	2,700	225		1,708		1,708	63.25%	(992)
Total	319,765	26,647	22,472	20,566	19,412	62,450	19.53%	(257,315)
<b>286 BOND FUND</b>								
2015 KFEC Bond	21,606	1,800				0	0.00%	(21,606)
2021B Refunding Bond	787,628	65,636				0	0.00%	(787,628)
2022C Refunding Bond	67,006	5,584				0	0.00%	(67,006)
Total	876,239	73,020	0	0	0	0	0.00%	(876,239)
<b>ALL FUNDS</b>								
Change in Net Position	(442,025)		(67,013)	192,489	(19,412)	106,064		548,089
Beginning Balance	2,673,986		2,673,986	2,606,972	2,799,462	2,673,986		
Ending Balance	2,231,961		2,606,972	2,799,462	2,780,049	2,780,049		



Month	POCEC					PERC				PGFHP				POB/CNW				Total Commitment
				ILA \$12,000,000					ILA \$243,900.00				ILA \$ 1,697,556.00	Phase 1	\$ 60,000.00		ILA 1,439,900	
	Invoices	Board Approved	Date Paid	Amount Paid	ILA Task #	Invoices	Board Approved	Date Paid	Amount Paid	Invoices	Board Approved	Date Paid	Amount Paid	Invoice	Reviewed	Invoice Amount	Amount Paid	
2018	June													4481	6/21/2018	\$ (30,000.00)	\$ (30,000.00)	
	September													4711	9/25/2018	\$ (30,000.00)	\$ (30,000.00)	
2018 Totals														Ph1 Bal		\$ (60,000.00)	\$ (60,000.00)	\$ (60,000.00) 2018 Totals
2019	March													Phase 2				
	April													3/25/2019		\$ (19,760.00)	\$ (19,760.00)	
	May													4/24/2019		\$ (77,321.00)	\$ (77,321.00)	
	July													5/20/2019		\$ (72,215.00)	\$ (72,215.00)	
	October													7/29/2019		\$ (55,170.00)	\$ (55,170.00)	
2019 Totals														10/28/2019		\$ (33,945.00)	\$ (33,945.00)	
														Ph2 Bal		\$ (258,411.00)	\$ (258,411.00)	\$ (258,411.00) 2019 Totals
2020	January													Invoice	Reviewed	Invoice Amount	Amount Paid	
	February													5201	1/20/2020	\$ (90,214.00)	\$ (90,214.00)	
	September													5819	2/24/2020	\$ (153,675.00)	\$ (153,675.00)	
	October													5978				
	December	INV00606	12/14/2020	12/14/2020	\$ (60,095.60)	Task 2	GRNT000754	12/14/2020	\$ (6,693.75)									
2020 Totals				\$ (60,096)					\$ (27,136.25)				\$ -	Ph2 Bal		\$ (243,889.00)	\$ (243,889.00)	\$ (331,120.85) 2020 Totals
2021	January													Invoice	Reviewed	Invoice Amount	Amount Paid	
	February	SKCEC #2	2/22/2021	2/22/2021	\$ (137,371.72)	Task 2	GRNT000765	1/25/2021	\$ (13,441.75)									
	March						GRNT000771	1/25/2021	\$ (16,387.93)	21-0100	2/22/2021	2/22/2021	\$ (29,943.70)					
	April	INV00753	4/26/2021	4/26/2021	\$ (20,628.28)	Task 2	GRNT000785	3/22/2021	\$ (9,410.81)									
	May						GRNT000791	4/26/2021	\$ (10,868.75)									
	June	INV00795	6/28/2021	6/28/2021	\$ (22,000.00)	Task 2	GRNT000805	5/24/2021	\$ (15,516.25)					7011	5/24/2021	\$ (86,340.00)		
	July	INV00825	7/26/2021	7/26/2021	\$ (7,275.65)	Task 2	GRNT000811	6/28/2021	\$ (9,253.35)					7018	6/28/2021	\$ (69,653.55)		
	August	INV00873	8/23/2021	8/23/2021	\$ (30,002.03)	Task 2	GRNT000818	7/26/2021	\$ (23,434.49)					7022	7/26/2021	\$ (62,173.55)		
	September						GRNT000831	8/23/2021	\$ (8,955.00)					7031	7/26/2021	\$ (52,335.70)		
	October	INV00961	10/25/2021	10/25/2021	\$ (86,287.13)	Task 2	GRNT000839	9/27/2021	\$ (6,450.00)	21-0101	10/25/2021	10/25/2021	\$ (142,237.84)	7036	8/23/2021	\$ (70,703.55)		
	December						GRNT000847	10/25/2021	\$ (20,275.60)					7044	9/26/2021	\$ (58,990.70)		
2021 Totals				\$ (1,326,290.00)					\$ (120,993.98)				\$ (172,181.54)	7052	12/13/2021	\$ (17,785.00)		
														7068	12/14/2021	\$ (20,275.60)		
														sub-total		\$ (438,257.65)	\$ -	\$ (1,619,465.52) 2021 Totals
2022	January	INV01025	1/24/2022	1/31/2022	\$ (12,263.00)	Task 2	GRNT000854	1/24/2022	\$ (6,300.00)	21-0104	1/24/2022	1/31/2022	\$ (61,194.29)	7080	1/24/2022	\$ (118,025.00)	\$ (143,900.00)	
	February	INV00016	2/28/2022	2/28/2022	\$ (1,443.58)	Task 2	GRNT000864	2/28/2022	\$ (1,575.00)					7090	2/4/2022	\$ (105,115.30)		
	March						GRNT000870	2/28/2022	\$ (8,536.25)					7100	3/18/2022	\$ (74,440.00)		
	April						GRNT 000888	3/28/2022	\$ (1,257.19)					7110	4/19/2022	\$ (61,661.25)		
	May													7310	5/13/2022	\$ (51,695.13)		
	June						GRNT000914	6/27/2022	\$ (732.50)	21-0105	6/27/2022	6/28/2022	\$ (92,135.24)	7360	6/15/2022	\$ (62,269.50)		
	July						GRNT000923	7/25/2022	\$ (297.50)	22-0106	6/27/2022	6/28/2022	\$ (180,766.80)					
	August									22-0397	7/25/2022	7/26/2022	\$ (159,566.82)	7450	7/20/2022	\$ (69,194.14)		
	September	INV01294	9/19/2022	9/25/2022	\$ (141,374.81)	Task 4	GRNT000945	9/19/2022	\$ (11,961.50)	22-0108	7/25/2022	7/26/2022	\$ (1,219.86)	7560	8/17/2022	\$ (73,454.14)		
	October	INV01274	10/24/2022	10/25/2022	\$ (50,386.00)	Task 4								7660	9/14/2022	\$ (192,922.21)		
	November	INV01363	11/21/2022	12/8/2022	\$ (189,900.93)	Task 4	GRNT000961	11/21/2022	\$ (6,228.75)					7700	10/19/2022	\$ (191,912.45)		
	December	INV01386	12/22/2022	12/28/2022	\$ (125,741.06)	Task 4												
2022 Totals				\$ (521,109.38)					\$ (36,888.69)				\$ (632,512.03)			\$ (1,000,689.12)	\$ (143,900.00)	\$ (1,334,410.10) 2022 Totals
2023	January	INV01400	1/30/2023	2/3/2023	\$ (68,700.70)	Task 4	GRNT000983	1/30/2023	\$ (12,153.50)	22-0914	1/30/2023	2/9/2023	\$ (6,874.79)	2023	1/30/2023	2/9/2023	\$ (143,900.00)	
	February																	
	March																	
	April																	
	May																	
	June																	
	July																	
	August																	
	September																	
	October																	
	November																	
	December																	
2023 Totals				\$ (68,700.70)					\$ (12,153.50)				\$ (6,874.79)			\$ (143,900.00)	\$ (231,628.99)	2023 Totals
Total Paid to Date				\$ (1,976,195.68)					\$ (197,172.42)				\$ (811,568.36)	sub-total		\$ (850,100.00)	\$ (3,835,036)	Total PTD
Remaining				\$10,023,804.32					\$46,727.58				\$ 885,987.64			\$ 1,151,200.00	\$ 12,107,720	Total Remaining Balance



## EXECUTIVE DIRECTOR REPORT

**TO: KPSD Board of Directors**  
**FROM: Russ Shiplet, Executive Director**  
**RE: Activity Report for MAR 2023**

### **Project Updates:**

- **POCEC:** No updates to report this month.
- **PERC:** I met with the PERC Project Director this month to discuss where the City is at regarding the amended ILA, based on their request for the PFD to pay the debt service on \$7.89M of the city-held \$12M bond for the construction phase of the project. At this point, the City is waiting for any ILA amendment until the PERC Steering Committee can meet again to go over the new phased approach to building turf fields and lights and a later plan to construct the events and recreation center.
- **PGFHP:** I have crafted the ILA amendment for the additional \$350,000 that the County has requested of the PFD. The amendment is over to the County for review and edits. It is likely that the amendment will be presented to the PFD Board of Directors at the April 24, 2023 meeting.
- **POB/CNW:** Myself and Director Leedham met with the Port of Bremerton, Circuit of the Northwest representative, and Kitsap County Commissioner Garrido to discuss a revised funding request of \$10.25M for the public event center. This past week, our financial advisors at NW Municipal Advisors and I held a Zoom call with the CNW financial counsel to discuss the request and demonstrate what, if any funds are available to consider the request. With the current PFD pending ILA amendments and LOI with the City of Port Orchard, the financial model does not reflect positively the PFD's ability to fund the request through 2041.

### **KPSD Business Updates:**

- The Public Records Act request for correspondence related to the PFD and City of Poulsbo PERC project has been completed and submitted to the requester. At this time there is no further action required of the PFD.
- The NW Municipal Advisors contract extension has been reviewed and approved by both parties, including the KPSD's legal counsel. The contract extension will be presented to the PFD board for approval during the MAR 20, 2023 meeting.
- Now that the new KPSD logo has been approved by the Board of Directors, the PFD website administrators will begin incorporating it and its related color scheme on the KPSD website. A formal presentation will be made at the APR 24, 2023 BOD meeting.



To: Mayor Wheeler

CC: Mike Riley  
John Oppenheimer  
Brian Flaherty

From: Tiffany Schenk

Date: March 20th, 2023

## February 2023 Month End Recap

### Overview

February was a terrific month with a total revenue of \$106k to a budget of \$64k; positive to budget by \$42k. Year over year, we saw a growth of \$60k in February. Q-1 is on track, and we are forecasting to end the quarter ahead of budget.

### Event Highlights

We hosted 11 total events in February, spanning over 16 days. Our largest event was the WSP Charette for two weeks. The WSP is made up of engineers who have designed and managed some of the most iconic bridges, tunnels, transit and more across the United States and are currently tasked with the PSNS dry dock renovation. This event alone brought in over \$68k in revenue for the month. They loved our facility and staff and are looking to hold another event here in Q-4. We catered the grand opening of Marina Square next door which was fantastic and well attended. Another fun event was the Bremerton Rotary wild game dinner. Other events included St. Michael Medical Center, Kitsap Transit, PSNS and more. Our guests were pleased with our offerings and left great feedback!

*"Thank you Nathan for taking such good care of our St. Michael Team."*

*"I appreciate all your staff did in providing such good care to our team."*

*"Thanks so much for going above and beyond to help us with our grand opening of Marina Square. We look forward to a long partnership as neighbors. The food was fantastic."*

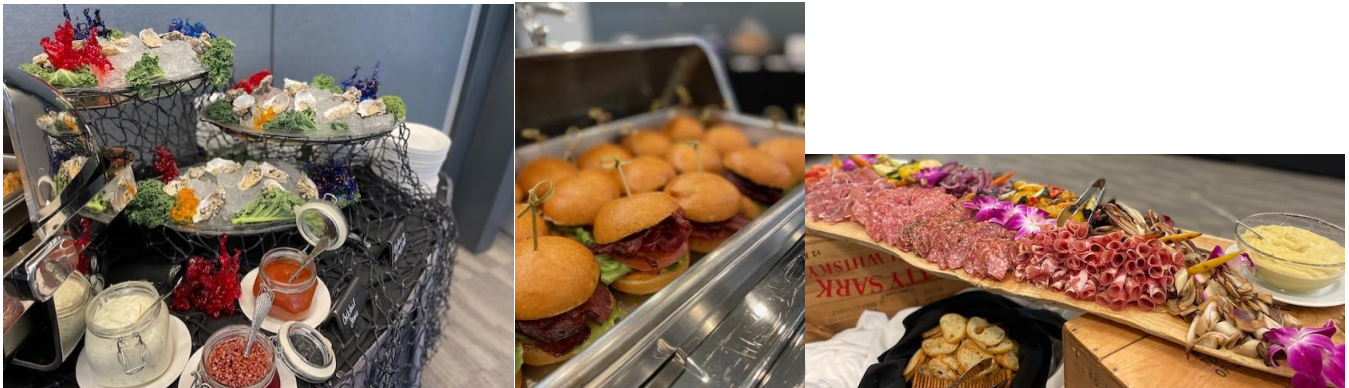


## Operations

February was operationally heavy with the WSP Charette in house. We updated and replaced bulbs in two out of three ballroom projectors as well as moved placements of two projectors to ensure our client had the very best clarity. We had a lot of special requests with audio visual equipment as well as dietary needs, and our team really knocked it out of the park!

## Team Member

Our team really wore all hats this month. It took the entire management team as well as hourly team members to ensure our clients had everything they needed. This team holds years of experience in so many facets and has the “YES” mentality to drive perfection. The wild game dinner held for Rotary really allowed our team to showcase their many skillsets. We had a guest chef join our team for the evening and made beautiful sea-themed displays out of sugar. The colors were vibrant and beautiful. Featured below are oysters on the half shell, wild boar sliders and charcuterie. Other menu items included camel, elk and rocky mountain oysters. The team really outdid themselves!



## Sales

Our Sales Team was also extremely busy selling and planning. \$186k in revenues were booked in November. \$76k of this amount was contracted for events within the month, which just confirms that booking windows are still quite short in comparison to prior years. \$110k was contracted for future dates within 2023.

Seven site tours took place including five weddings, Kitsap Transit and WSP Charette.

The team finalized a large contract with PSNS for their new hire orientations which will take place over 27 Mondays in 2023. This event will be held in our Fountain room which is extremely convenient for the shipyard employees to access.

## Marketing/Communications

Marketing campaigns were launched via Facebook and Macaroni Kids for our March daddy-daughter dance. The marketing team also created a slide show for our sales team to take to the Northwest Event Show in Seattle next month. Visit Kitsap invited us to be a part of their booth, and we are thrilled to represent the Conference Center as well as Kitsap County at this show in March. We are working on moving dollars from companies we have traditionally used, to more social media campaigns throughout the region, as we see a great return from doing so.

## Looking Ahead

2023 is going to be a steep hill to climb with the significant increases in minimum wage, salary minimums, and food cost. This team is working hard to ensure that we keep our stakeholders at top of mind, while strategically planning and selling space and designing menus that will ensure our 2023 and future successes.

## Financial Results

**Kitsap Conference Center  
Consolidated Income Statement  
For Period Ending 02/28/2023**

Current Month					Year to Date				
Actual	%	Budget	%		Actual	%	Budget	%	
0	0.0%	7,365	11.5%	Conference Services	0	0.0%	14,750	11.5%	
3,946	3.7%	1,644	2.6%	Audio Visual	5,546	3.6%	3,300	2.6%	
50,140	47.4%	30,234	47.1%	Food	77,069	50.4%	60,700	47.1%	
6,892	6.5%	5,976	9.3%	Beverage	11,734	7.7%	12,000	9.3%	
31,900	30.2%	12,606	19.6%	Room Rental	40,568	26.5%	25,300	19.6%	
12,891	12.2%	6,355	9.9%	Miscellaneous	17,911	11.7%	12,753	9.9%	
105,769	100.0%	64,180	100.0%	GROSS REVENUE	152,828	100.0%	128,803	100.0%	
COSTS OF SALES									
2,505	5.1%	1,708	6.1%	Conference Services	2,550	4.0%	3,429	6.1%	
11,382	22.7%	7,256	24.0%	Food	18,037	23.4%	14,568	24.0%	
1,318	19.1%	1,240	20.8%	Beverage	2,266	19.3%	2,490	20.8%	
15,205	14.4%	10,205	15.9%	TOTAL COST OF SALES	22,853	15.0%	20,487	15.9%	
90,563	85.6%	53,975	84.1%	GROSS MARGIN	129,976	85.0%	108,316	84.1%	
DIRECT EXPENSES:									
12,139	11.5%	7,349	11.5%	Conference Services Payroll Related	20,180	13.2%	15,138	11.8%	
444	0.4%	0	0.0%	Conference Services Other Direct	444	0.3%	0	0.0%	
34,781	32.9%	18,389	28.7%	Food & Beverage Payroll Related	62,390	40.8%	37,156	28.8%	
4,462	4.2%	3,656	5.7%	Food & Beverage Other Direct	7,688	5.0%	7,751	6.0%	
51,826	49.0%	29,394	45.8%	TOTAL DIRECT EXPENSES	90,702	59.3%	60,046	46.6%	
38,738	36.6%	24,581	38.3%	DEPARTMENT PROFIT	39,274	25.7%	48,270	37.5%	
UNDISTRIBUTED OPERATING EXPENSES									
25,394	24.0%	23,659	36.9%	Administrative & General	46,885	30.7%	50,486	39.2%	
14,036	13.3%	13,110	20.4%	Sales & Marketing	26,467	17.3%	25,880	20.1%	
131	0.1%	450	0.7%	Repairs & Maintenance	229	0.2%	1,060	0.8%	
3,952	3.7%	4,812	7.5%	Utilities	7,677	5.0%	9,624	7.5%	
43,512	41.1%	42,031	65.5%	TOTAL UNDISTRIBUTED OPERATING EXPENSES	81,259	53.2%	87,051	67.6%	
(4,775)	-4.5%	(17,450)	-27.2%	INCOME BEFORE FIXED CHARGES	(41,986)	-27.5%	(38,781)	-30.1%	
FIXED CHARGES									
3,173	3.0%	1,925	3.0%	Capital Reserve	4,585	3.0%	3,864	3.0%	
1,587	1.5%	963	1.5%	Incentive Management Fee	2,292	1.5%	1,932	1.5%	
557	0.5%	475	0.7%	Insurance	1,114	0.7%	950	0.7%	
538	0.5%	510	0.8%	Leases	1,374	0.9%	1,020	0.8%	
7,500	7.1%	7,500	11.7%	Management Fee	15,000	9.8%	15,000	11.6%	
887	0.8%	385	0.6%	Property & Other Taxes	1,404	0.9%	773	0.6%	
14,241	13.5%	11,758	18.3%	TOTAL FIXED CHARGES	25,770	16.9%	23,539	18.3%	
124,784	118.0%	93,388	145.5%	TOTAL OPERATING EXPENSES	220,584	144.3%	191,122	148.4%	
(19,016)	-18.0%	(29,209)	-45.5%	NET OPERATING INCOME	(67,756)	-44.3%	(62,319)	-48.4%	

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**Board of Directors Meeting\***  
**Monday, March 20, 2023**  
**Kitsap Public Facilities District Office**  
**Meeting Location: Kitsap County Administration Building**  
**& via Zoom Webinar ID\* –: <https://us02web.zoom.us/j/86022543311>**

**MEETING AGENDA**

**1. Call to Order / Comments from Board Chairman Hatchel**

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**CONSENT AGENDA**

- A. FEB 2023 KPFD BOD Meeting Minutes
  - B. Blanket Voucher #07-MAR 2023 96968 Operating Expenses
  - C. MAR 2023 KPFD Financial Report
  - D. Executive Director Report – MAR 2023
  - E. KCC Financial Report – FEB 2023
- 

**2. Public Comment** –If you wish to ask a question of the panelists, you will have a maximum of 3 minutes. Within Zoom, use the “Raise Hand” option or put a message in the Chat Box, and the host will ask the question for you.

**3. Approval of Consent Agenda**

*Note: If a Board Member wishes to discuss any item, it may be pulled from the Consent Agenda for further dialogue and individual board vote for approval*

**4. Facility Progress Report** – Port of Bremerton Circuit of the NW Project

**5. General Business**

- A. NW Municipal Advisors Contract Extension
- B. KPFD & Kitsap Co. ILA Amendment #3
- C. KPFD Website Update
- D. KPFD Board Member Photos for Website

**6. Meeting Adjournment**

**Next Meeting:** April 24, 2023, at 5:30 pm  
**Location:** Bainbridge Island City Hall  
**Topics:** General Business, Poulsbo Events & Recreation Center (PERC) Project Update

**Building Communities, Enriching Lives**

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**Commissioners**

Cary Bozeman  
Gary Anderson  
Axel Strakeljahn

**Chief Executive Officer**

Jim Rothlin

**Bremerton National Airport**

(360) 674-2381

**Olympic View Business &  
Industrial Park**

(360) 674-2381

**Port Orchard Marina**

(360) 876-5535

**Bremerton Marina**


(360) 373-1035

Russ Shiplet  
Executive Director  
Kitsap Public Facilities District

**FUNDING REQUEST FOR COMPLETION OF CNW PROJECT**

- A. On February 24, 2023, the Port entered into an LOI with Circuit of the Northwest ("CNW") to provide funding in an amount not to exceed \$11,679,520 to offset the costs of infrastructure for the POB/CNW project.
- B. CNW has received an independent market analysis and financial feasibility study dated as of February 24, 2023, for the proposed POB/CNW project.
- C. The KPFDD was established by Kitsap County as an independent municipal corporation to manage Washington state sales tax rebate funds allocated to Kitsap County to provide funding for projects that benefit the residents of Kitsap County and to generate revenue through taxes and user fees.
- D. The KPFDD maintains four main goals for funding projects based on economic development, efficient use of public and private monies, innovation, and multiple use of facilities. The Port/CNW Project meets all of these goals.
- E. The Port and the KPFDD each understand there is a net benefit to the Kitsap and peninsula community as a whole once the proposed Port/CNW facility is built.
- F. The Port requests that the KPFDD grant the Port/CNW the opportunity to present the following information to the KPFDD Board, Executive Director, meeting attendees and the public at the March 20, 2023 Board of Directors Meeting:
1. Market Analysis & Financial Feasibility Study Overview
  2. KPFDD Funding Support Options
  3. Questions & Answers

Dated this 17<sup>th</sup> day of March, 2023

  
\_\_\_\_\_  
Jim Rothlin  
Chief Executive Officer



## ATTACHMENT "A"

### PROJECT SUMMARY/DESCRIPTION

**Short Summary:**

The funding and administration of the construction for portions of the CNW/Port project which the public will have access and use of upon completion.

The creation and administration of the construction documents needed to implement the above.

**Description of Project:**

The request for funding at this stage is to reimburse for construction costs of a public events center and outdoor event space located on the west side of Highway 3, across from the Bremerton Airport. The event center and outdoor event space will be on Port of Bremerton property that is currently leased to CNW.

The Community Events Centers are expected to cost \$20,501,380 when fully constructed. The funding of the construction will be paid for from bond proceeds of bonds to be issued by Circuit of the Northwest. The following table shows the estimated costs associated with each component of the Community Events Centers:

<b>Kitsap Public Facilities Authority</b>				
<b>Public Facilities - Event Centers</b>				
<i>CNW - Public Facilities Buildings</i>				
<i>Main Amphitheater</i>	1	ls	\$ 6,500,000	\$ 6,500,000
<i>Small Amphitheater</i>	1	ls	\$ 269,000	\$ 269,000
<i>Main Concession Area</i>	1	ls	\$ 2,654,000	\$ 2,654,000
<i>Medium Concession Area</i>	1	ls	\$ 504,840	\$ 504,840
<i>Small Concession Area</i>	1	ls	\$ 373,800	\$ 373,800
<i>Infield Elevator &amp; Stair Tower</i>	1	ls	\$ 450,000	\$ 450,000
<i>Site Improvements for Public Facilities</i>				
<i>Site Prep</i>	150	ac	\$ 5,000	\$ 750,000
<i>Earthwork</i>	106,500	cy	\$ 10	\$ 1,065,000
<i>Paving - Asphalt</i>	1	ls	\$ 1,811,100	\$ 1,811,100
<i>Fine Grading</i>	110,000	sy	\$ 1	\$ 110,000
<i>Erosion Control/ BMP</i>	154	ac	\$ 2,500	\$ 384,500
<i>Straw Mulch</i>	335,000	sy	\$ 0	\$ 33,500
<i>Hydroseed</i>	70	ac	\$ 3,500	\$ 245,000
<i>Landscaping</i>	1	ls	\$ 115,000	\$ 115,000
<i>Walks &amp; Surfaces (asph)</i>	1	ls	\$ 758,140	\$ 758,140
<i>Curb &amp; Gutters</i>	1,100	lf	\$ 25	\$ 27,500
<i>Pedestrian Tunnel</i>	1	ls	\$ 850,000	\$ 850,000
<i>Pedestrian Tunnel/Elevator Tower</i>	1	ls	\$ 1,400,000	\$ 1,400,000
<i>Vehicular Tunnels</i>	2	ls	\$ 1,100,000	\$ 2,200,000
<b>Category Total (Event Centers)</b>				<b>\$ 20,501,380</b>

The District has agreed to cover a portion of the total costs in the amount of \$10,250,000 through installment payments over time.

**ATTACHMENT "B"**  
**AGREEMENT TASKS & TIMING**

POB/CNW Secure funding for 100% of the costs of the entire project: by 12/31/2023  
POB/CNW in coordination with the City of Bremerton receive project permits: by 10/1/2023

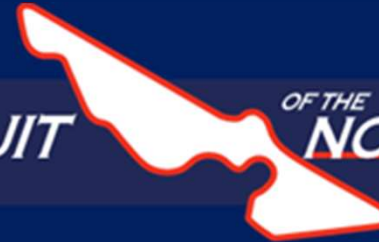
The District will make the following payments under the column entitled "Monthly" to the Port under the terms of this Agreement beginning on January 1, 2024 and continuing monthly until December 1, 2038:

Payment Schedule from the District to the Port

Year	Total Amount	Monthly
2024	\$600,000	\$50,000
2025	\$600,000	\$50,000
2026	\$600,000	\$50,000
2027	\$600,000	\$50,000
2028	\$500,000	\$41,667
2029	\$300,000	\$25,000
2030	\$300,000	\$25,000
2031	\$300,000	\$25,000
2032	\$300,000	\$25,000
2033	\$300,000	\$25,000
2034	\$1,000,000	\$83,333
2035	\$1,200,000	\$100,000
2036	\$1,500,000	\$125,000
2037	\$1,500,000	\$125,000
2038	\$650,000	\$54,167
\$10,250,000		



*CIRCUIT*



*OF THE  
NORTHWEST*

# Port of Bremerton/Circuit of the Northwest

Project Update  
3/20/2023

## Project Update

1. Hilltop Securities / Summary of Feasibility Study
2. Request for ILA for partial funding of Public Event Centers - \$10,250,000
3. Questions





# HILLTOP SECURITIES

Average 20 deals per week for a total of \$259 billion as underwriter or municipal advisor over the past 5 years

No. 5 ranked National Municipal Investment Bank by number of transactions

\$1 Billion in underwriting capacity and \$251 Million in excess net capital

## Hilltop Holdings is a Diversified Financial Holding Company

Subsidiaries provide banking, mortgage origination, advisory and underwriting

**Hilltop Holdings**  
By the Numbers

**\$18.7B**

In Assets<sup>(1)</sup>

**4,900**

Nationwide Employees<sup>(1)</sup>

**No. 4**

Best Emerging Regional Banks by Bank Director<sup>(2)</sup>

Holding Company

**Hilltop Holdings**



Subsidiaries

**PlainsCapital Bank**



- Leading Texas-based bank
- \$12.8 billion in deposits per regulatory filings as of December 31, 2021
- 60 locations providing personal, commercial and private banking to customers in key markets across Texas

**PrimeLending**

A PlainsCapital Company



- Focuses on purchase mortgage originations
- Ranked 2021 Top Mortgage Lender by Scotsman Guide<sup>(3)</sup>
- 1,300 loan officers located throughout the U.S.
- Authorized to make loans in all 50 states and the District of Columbia

**HilltopSecurities**

Investment Banking Solutions



- #5 national municipal investment bank ranking on a combined basis by number of negotiated, competitive and privately placed, underwriting and municipal advisory financings from 2017 through 2021<sup>(4)</sup>
- Trusted Clearing Services partner to financial professionals nationwide
- Other areas of focus include retail brokerage services, sales, underwriting and trading of taxable and tax-exempt securities, structured finance and securities lending

(1) Hilltop Holdings Earnings Release for Fourth Quarter and Full Year 2021

(2) Bank Director's Best Emerging Regional Banks, 2022 Ranking/Banking study

(3) Ranked #10 in retail volume and #17 in overall volume in 2020 per Scotsman Guide

(4) Per Refinitiv SDC

# MARKET AND FINANCIAL FEASIBILITY STUDY

- Hunden Strategic Partners delivered a final report on February 24, 2023
- Validated revenue and expense assumptions
- Economic impact to local economy
- Comprehensive market analysis
- Case studies of other venues around the country

# REVENUE AND EXPENSE SUMMARY

## Table 7-1

Circuit of the Northwest Proforma	Construction		Ramp-up		Stabilization					
Market Demand and Feasibility Study Assumptions	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue										
Total Track Revenue	-	100,000	35,673,000	29,323,000	30,789,000	41,100,000	41,645,000	43,016,000	44,432,000	45,894,000
Total Event Revenue	-	-	11,207,000	9,351,000	9,863,000	15,307,000	16,313,000	16,802,000	17,306,000	17,826,000
Total Net Condominium Revenue	56,326,000	78,613,000	79,172,000	44,389,000	-	-	-	-	-	-
Other	-	-	98,000	100,940	103,968	107,087	110,300	113,609	117,017	120,528
Total Revenues	56,326,000	78,713,000	126,150,000	83,163,940	40,755,968	56,514,087	58,068,300	59,931,609	61,855,017	63,840,528
Expenses										
Total Track Expenses	1,170,000	1,483,000	14,376,000	14,953,000	15,726,000	21,504,000	22,158,000	22,833,000	23,528,000	24,244,000
Total Event Facilities Expenses	-	-	5,466,000	5,371,000	5,586,000	6,408,000	6,674,000	6,883,000	7,098,000	7,321,000
Condominium Construction (Hard and Soft Costs)	48,948,000	70,884,000	71,969,000	39,549,000	-	-	-	-	-	-
POB Lease Payments	7,000	40,000	1,351,000	1,282,000	1,332,000	2,061,000	2,150,000	2,214,000	2,281,000	2,349,430
Management Fee ASM Global Fixed	-	-	509,000	590,000	608,000	626,000	645,000	664,000	683,920	704,438
Management Fee ASM Global	-	-	318,000	328,000	338,000	348,000	358,000	369,000	380,070	391,472
Other	845,000	1,181,000	1,892,000	1,247,000	611,000	848,000	871,000	899,000	928,000	958,000
Total Expenses	50,970,000	73,588,000	95,881,000	63,320,000	24,201,000	31,795,000	32,856,000	33,862,000	34,898,990	35,968,340
Net Operating Income	5,356,000	5,125,000	30,269,000	19,843,940	16,554,968	24,719,087	25,212,300	26,069,609	26,956,027	27,872,188
Projected Debt Service Senior Debt			3,211,441	9,802,883	8,100,683	10,000,683	9,998,483	9,998,433	10,002,383	10,001,733
Projected Debt Service Coverage Ratio Senior Debt			9.43x	2.02x	2.04x	2.47x	2.52x	2.61x	2.69x	2.79x

3/20/2023

# ECONOMIC IMPACT TO THE LOCAL ECONOMY

- New Spending
  - Construction Spending
  - Event Spending
- New Earnings
  - Employees
  - Construction Workers
- New Full-Time Equivalent Jobs (FTE's)
- New Businesses
- New Taxes
  - Sales Taxes
  - Property Taxes
  - Leasehold Excise Tax



# SUMMARY OF ECONOMIC IMPACT

Thirty (30) Year Impacts - Circuit of the Northwest as presented by the feasibility report

<b>Net New Spending</b>	<b>Over 30 Years</b>	<b>Average Per Year</b>
Direct Spending	\$2,201,000,000	\$73,366,667
Indirect Spending	\$867,000,000	\$28,900,000
Induced Spending	\$469,000,000	\$15,633,333
<b>TOTAL New Spending</b>	<b>\$3,537,000,000</b>	<b>\$117,900,000</b>
<b>Net New Earnings</b>	<b>Over 30 Years</b>	<b>Average Per Year</b>
From Direct	\$1,025,000,000	\$34,166,667
From Indirect	\$287,000,000	\$9,566,667
From Induced	\$186,000,000	\$6,200,000
<b>TOTAL New Earnings</b>	<b>\$1,498,000,000</b>	<b>\$49,933,333</b>
<b>Total New Spending and New Earnings</b>	<b>\$5,035,000,000</b>	<b>\$167,833,333</b>

<b>Net New FTE Jobs</b>	<b>Actual Created</b>
From Direct	601
From Indirect	244
From Induced	134
<b>TOTAL Net New FTE Jobs</b>	<b>979</b>

<b>Construction Impacts</b>	
Development Cost	
Labor	\$137,000,000
Materials	\$91,000,000
<b>Total</b>	<b>\$228,000,000</b>
% Labor in County	15%
% Materials in County	25%
<b>Sales Taxes Generated to Kitsap County</b>	<b>\$614,000</b>

# SUMMARY OF TAX IMPACT

• Sales Tax Generated on Construction	\$614,000*	
• Sales Tax 30 Year Impact to Kitsap County	\$56,500,000*	\$1,883,333/yr
• Property Taxes 30 Year Estimate From Condos	\$52,074,000	\$1,735,800/yr
(Property tax estimated based on 1% of cost of construction. The State of Washington Constitution limits the annual rate of property taxes that may be imposed on an individual parcel to 1% of true and fair value according to the Municipal Research and Services Center)		
• Leasehold Excise Taxes	\$19,500,000	\$650,000/yr
(Leasehold Excise Tax equals 12.84% of Lease Payment made by CNW to the Port; According to the State of Washington Department of Revenue approximately 53% goes into the State General Fund and 47% is returned to the county and city in which the leased property is located)		
• Total Estimated Tax Impact	\$128,688,000	\$4,269,133/yr

\* From 2023 Market Study & Financial Feasibility Report dated 2.24.2023

# REQUEST FOR PROJECT FUNDING SUPPORT

- POB/CNW REQUESTS FUNDING FROM KPFD IN THE AMOUNT OF \$10,250,000 TO COVER APPROXIMATELY 50% OF THE COST OF THE PUBLIC EVENT CENTERS
- NO BONDING NECESSARY
- ILA BETWEEN THE PORT AND KPFD
- MONTHLY PAYMENTS FROM SALES TAX REBATE COLLECTIONS 2024 TO 2038
- PAYMENTS STRUCTURED TO MATCH EXPECTED FUTURE CASH FLOW

# ASSUMPTIONS FOR FUNDING REQUEST

- 3.5% Growth rate in sales taxes per annum
- Projects for Port Orchard, Poulsbo, and Port Gamble funded per financial model presented by financial advisors at the January 19, 2023, special board meeting and our conference call on March 13th.
- Addition of additional sales tax rebates as a result of Port/CNW project total approximately \$400,000 through 2041
- Addition of interest earnings on excess fund balances at 3.5% rate totals about \$1.5 million through 2041

# FINANCIAL MODEL SUMMARY

POB/CNW Project

Scenario 3

POB/CNW Base/GO Bonds

3.50% Annual Inflation

1.50% OpEx Inflation

## KPFD Projected Future Cash Flow

NEW REQUESTS												
Calendar Year	Gross Sales Tax Rebate Revenue <sup>(1)</sup>	Interest Earnings 3.50%	Additional POB/CNW Sales Taxes <sup>(2)</sup>	Total Revenues	Operating Expenses	Net Revenue Available for Debt Service	Existing Debt Service <sup>(3)</sup>	Port Orchard <sup>(4)</sup> +\$6.5MM (POCEC)	Poulsbo +7.839MM (PERC)	Port Gamble +8,350,000 (PGHP)	POB/CNW (POB/CNW)	Ending Fund Balance
2022	\$2,304,514			\$2,304,514	(\$311,500)	\$1,993,014	(\$818,565)					\$2,899,791
2023	\$2,385,172	\$101,493		\$2,486,665	(\$312,500)	\$2,174,165	(\$876,239)			(\$350,000)	\$0	\$1,790,150
2024	\$2,468,653	\$62,655	\$7,504	\$2,538,813	(\$317,188)	\$2,221,625	(\$876,236)		(\$628,517)		(\$600,000)	\$1,393,022
2025	\$2,555,056	\$48,756	\$23,019	\$2,626,830	(\$321,945)	\$2,304,885	(\$876,129)		(\$628,517)		(\$600,000)	\$1,449,261
2026	\$2,644,483	\$50,724	\$23,019	\$2,718,225	(\$326,774)	\$2,391,451	(\$90,340)	(\$587,279)	(\$628,517)		(\$600,000)	\$995,491
2027	\$2,737,040	\$34,842	\$23,019	\$2,794,900	(\$331,676)	\$2,463,224	(\$67,006)	(\$587,279)	(\$628,517)		(\$600,000)	\$636,828
2028	\$2,832,836	\$22,289	\$23,019	\$2,878,144	(\$336,651)	\$2,541,492	(\$67,000)	(\$587,279)	(\$628,517)		(\$500,000)	\$456,439
2029	\$2,931,985	\$15,975	\$23,019	\$2,970,979	(\$341,701)	\$2,629,278	(\$66,999)	(\$587,279)	(\$628,517)		(\$300,000)	\$563,838
2030	\$3,034,605	\$19,734	\$23,019	\$3,077,358	(\$346,827)	\$2,730,531	(\$66,996)	(\$587,279)	(\$628,517)		(\$300,000)	\$772,492
2031	\$3,140,816	\$27,037	\$23,019	\$3,190,872	(\$352,029)	\$2,838,843	(\$66,997)	(\$587,279)	(\$628,517)		(\$300,000)	\$1,090,457
2032	\$3,250,745	\$38,166	\$23,019	\$3,311,929	(\$357,309)	\$2,954,620	(\$67,004)	(\$587,279)	(\$628,517)		(\$300,000)	\$1,667,191
2033	\$3,364,521	\$58,352	\$23,019	\$3,445,891	(\$362,669)	\$3,083,222	(\$67,001)	(\$587,279)	(\$628,517)		(\$300,000)	\$2,372,531
2034	\$3,482,279	\$83,039	\$23,019	\$3,588,336	(\$368,109)	\$3,220,227	(\$67,002)	(\$587,279)	(\$628,517)		(\$1,000,000)	\$2,514,875
2035	\$3,604,159	\$88,021	\$23,019	\$3,715,198	(\$373,631)	\$3,341,567	(\$66,999)	(\$587,279)	(\$628,517)		(\$1,200,000)	\$2,578,562
2036	\$3,730,304	\$90,250	\$23,019	\$3,843,572	(\$379,235)	\$3,464,337	(\$67,004)	(\$587,279)	(\$628,517)		(\$1,500,000)	\$2,465,014
2037	\$3,860,865	\$86,276	\$23,019	\$3,970,159	(\$384,924)	\$3,585,235	(\$66,999)	(\$587,279)	(\$628,517)		(\$1,500,000)	\$2,472,370
2038	\$3,995,995	\$86,533	\$23,019	\$4,105,547	(\$390,698)	\$3,714,849	(\$66,996)	(\$587,279)	(\$628,517)		(\$650,000)	\$3,459,342
2039	\$4,135,855	\$121,077	\$23,019	\$4,279,950	(\$396,558)	\$3,883,392	(\$67,006)	(\$587,279)	(\$628,517)		\$0	\$5,264,847
2040	\$4,280,610	\$184,270	\$23,019	\$4,487,898	(\$402,506)	\$4,085,392	(\$66,998)	(\$587,279)	(\$628,517)		\$0	\$7,272,360
2041	\$4,430,431	\$254,533	\$23,019	\$4,707,982	(\$408,544)	\$4,299,438	(\$67,003)	(\$587,279)	(\$628,517)	(\$8,000,000)	\$0	\$1,493,914
	\$65,170,923	\$1,474,020	\$398,819	\$67,043,762	(\$7,122,974)		(\$4,542,519)	(\$9,396,464)	(\$11,313,306)	(\$8,350,000)	(\$10,250,000)	

3/20/2023

# INFLATION OF ANNUAL SALES TAX RECEIPTS

KPFD data  
from  
board  
meeting  
reports

KPFD Increase		
Year	Sales Tax	Inflation
2015	7.90%	0.10%
2016	8.80%	1.30%
2017	6.20%	2.10%
2018	13.30%	2.40%
2019	4.90%	1.80%
2020	2.70%	1.20%
2021	16.60%	4.70%
2022	7.80%	8.00%
	68.20%	21.60%
8-year av	8.53%	2.70%

Inflation data  
from U.S. Bureau  
of Labor  
Statistics, Year-  
Over-Year  
December  
calculation

# FINANCIAL MODEL WITH EIGHT YEAR AVERAGE GROWTH

POB/CNW Project			Scenario 3		POB/CNW Base/GO Bonds			8.53% Annual Inflator 1.50% OpEx Inflator				
KPFD Projected Future Cash Flow												
NEW REQUESTS												
Calendar Year	Gross Sales Tax Rebate Revenue <sup>(1)</sup>	Interest Earnings 3.50%	Additional POB/CNW Sales Taxes <sup>(2)</sup>	Total Revenues	Operating Expenses	Net Revenue Available for Debt Service	Existing Debt Service <sup>(3)</sup>	Port Orchard <sup>(4)</sup> +\$6.5MM (POCEC)	Poulsbo +7.839MM (PERC)	Port Gamble +8,350,000 (PGHP)	POB/CNW (POB/CNW)	Ending Fund Balance
2022	\$2,304,514			\$2,304,514	(\$311,500)	\$1,993,014	(\$818,565)					\$2,899,791
2023	\$2,501,089	\$101,493		\$2,602,582	(\$312,500)	\$2,290,082	(\$876,239)			(\$350,000)	\$0	\$1,906,067
2024	\$2,714,432	\$66,712	\$7,504	\$2,788,649	(\$317,188)	\$2,471,461	(\$876,236)		(\$628,517)		(\$600,000)	\$1,758,775
2025	\$2,945,973	\$61,557	\$23,019	\$3,030,549	(\$321,945)	\$2,708,603	(\$876,129)		(\$628,517)		(\$600,000)	\$2,218,732
2026	\$3,197,264	\$77,656	\$23,019	\$3,297,939	(\$326,774)	\$2,971,164	(\$90,340)	(\$587,279)	(\$628,517)		(\$600,000)	\$2,344,675
2027	\$3,469,991	\$82,064	\$23,019	\$3,575,073	(\$331,676)	\$3,243,397	(\$67,006)	(\$587,279)	(\$628,517)		(\$600,000)	\$2,766,186
2028	\$3,765,981	\$96,816	\$23,019	\$3,885,816	(\$336,651)	\$3,549,165	(\$67,000)	(\$587,279)	(\$628,517)		(\$500,000)	\$3,593,470
2029	\$4,087,220	\$125,771	\$23,019	\$4,236,010	(\$341,701)	\$3,894,309	(\$66,999)	(\$587,279)	(\$628,517)		(\$300,000)	\$4,965,898
2030	\$4,435,859	\$173,806	\$23,019	\$4,632,684	(\$346,827)	\$4,285,858	(\$66,996)	(\$587,279)	(\$628,517)		(\$300,000)	\$6,729,879
2031	\$4,814,238	\$235,546	\$23,019	\$5,072,803	(\$352,029)	\$4,720,774	(\$66,997)	(\$587,279)	(\$628,517)		(\$300,000)	\$8,929,775
2032	\$5,224,893	\$312,542	\$23,019	\$5,560,453	(\$357,309)	\$5,203,144	(\$67,004)	(\$587,279)	(\$628,517)		(\$300,000)	\$11,755,034
2033	\$5,670,576	\$411,426	\$23,019	\$6,105,021	(\$362,669)	\$5,742,352	(\$67,001)	(\$587,279)	(\$628,517)		(\$300,000)	\$15,119,504
2034	\$6,154,276	\$529,183	\$23,019	\$6,706,477	(\$368,109)	\$6,338,368	(\$67,002)	(\$587,279)	(\$628,517)		(\$1,000,000)	\$18,379,989
2035	\$6,679,236	\$643,300	\$23,019	\$7,345,554	(\$373,631)	\$6,971,923	(\$66,999)	(\$587,279)	(\$628,517)		(\$1,200,000)	\$22,074,032
2036	\$7,248,975	\$772,591	\$23,019	\$8,044,585	(\$379,235)	\$7,665,349	(\$67,004)	(\$587,279)	(\$628,517)		(\$1,500,000)	\$26,161,497
2037	\$7,867,312	\$915,652	\$23,019	\$8,805,983	(\$384,924)	\$8,421,060	(\$66,999)	(\$587,279)	(\$628,517)		(\$1,500,000)	\$31,004,676
2038	\$8,538,394	\$1,085,164	\$23,019	\$9,646,576	(\$390,698)	\$9,255,879	(\$66,996)	(\$587,279)	(\$628,517)		(\$650,000)	\$37,532,678
2039	\$9,266,719	\$1,313,644	\$23,019	\$10,603,381	(\$396,558)	\$10,206,823	(\$67,006)	(\$587,279)	(\$628,517)		\$0	\$45,661,615
2040	\$10,057,170	\$1,598,157	\$23,019	\$11,678,345	(\$402,506)	\$11,275,839	(\$66,998)	(\$587,279)	(\$628,517)		\$0	\$54,859,575
2041	\$10,915,047	\$1,920,085	\$23,019	\$12,858,151	(\$408,544)	\$12,449,607	(\$67,003)	(\$587,279)	(\$628,517)	(\$8,000,000)	\$0	\$57,231,297
	\$111,859,161	\$10,523,165	\$398,819	\$122,781,145	(\$7,122,974)		(\$4,542,519)	(\$9,396,464)	(\$11,313,306)	(\$8,350,000)	(\$10,250,000)	

3/20/2023

# CASH BALANCE INTEREST EARNINGS

## Current Risk Free Rates (3.17.2023)

1 Month Tbill	4.16%
2 Month Tbill	4.35%
3 Month Tbill	4.42%
6 Month Tbill	4.52%

Data from  
Bloomberg  
Finance, L.P.



# SALES TAX INCREMENT GENERATED BY PORT/CNW

Sales Tax Generated by Port/CNW Project			
Sales in County during construction			22,740,741
Kitsap County Sales Taxes during construction			614,000
KPFD Incremental Sales Taxes	0.0330%		7,504.44
Annual sales Kitsap County			69,753,086
Kitsap County annual sales taxes			1,883,333
KPFD Incremental Sales Taxes	0.0330%		23,018.52

# FUNDING SUMMARY

- KPFD can afford the monthly payments under an ILA with the Port for a total of \$10,250,000
- Historical growth adds cushion to cashflow
- Request does not require any future issuance of bonds for Port/CNW Project
- Funding request is half of the original request of \$20,500,000 amount
- CNW willing to provide funds from its own surplus to KPFD to provide revenue stream after stabilization of project



**979 NEW JOBS**  
**\$5 Billion in New Spending & Earnings**  
**\$56.5 Million in New Sales Taxes for**  
**Kitsap County**

Source: Feasibility Study Table 7-4, total over 30-year period

**CIRCUIT**  **OF THE NORTHWEST**

3/20/2023

# APPENDIX A - Resumes of Key Company Executives

## Joel Cohen

Owner, Chief Operating Officer and Director of Motorsports, Circuit of the Northwest, LLC

Chairman of The Joel Cohen Group, LLC, Owner's Representative for Circuit of the Northwest, LLC

The Joel Cohen Group, LLC is a management consulting firm focusing on owner representation, general business, and professional entertainment. The Joel Cohen Group, LLC specializes in professional consulting & executive management with a track record of success in owning, operating, and turning around businesses. The Cohen Plan consists of phases: Introduction, Identification, On-Site Evaluation and Recommendations. The Joel Cohen Group, LLC will then help develop and implement a Strategic Sustainable Master Plan for Success.

Joel and The Joel Cohen Group LLC, are long-standing contributors to the world of motorsports. Joel and his team have opened countless new racing facilities and attracted numerous best-in-class racing events in IndyCar, NASCAR, IMSA, SCCA, ARCA and USAC.

## Brian Nilsen

Chief Executive Officer, Circuit of the Northwest Owner and Founding Member

Brian Nilsen has been deeply involved in the motorsports industry for more than 40 years. A native of Washington and Kitsap County, Brian's first motorcycle was a Honda Z50. He dreamed of following in his dad's footsteps by learning to ride as well as him on a Bultaco, an iconic Spanish motorcycle, and pursuing a career in the motorsports industry. Circuit of the Northwest has been a labor of love and he's proud to partner with best-in-class designers, engineers and experienced operators and marketing professionals for the facility. Brian is a founding member of Pac West MX Promotors Group, the leading motocross sanctioning body in the Pacific Northwest and Founding Member of MotoWest LLC which promotes and operates at the current location of CNW. He is Co-Owner of Brother Powersports, a full service Powersports dealership in Kitsap County that serves as Dealer for Triumph Honda, Indian, Yamaha and Can Am brands.

# APPENDIX A - Resumes of Key Company Executives

## Andy Vertrees

Executive Vice President & Chief Motorsports Officer, Circuit of the Northwest

Andy has been involved in Motorsports for most of his life as a track owner, racer, team owner, and facility manager. From 1979, he has been involved in ownership and consulting for many historic tracks, adding his flair and eye to the success of every project he is involved with. Through decades of management experience, a winning formula has been developed. It is now the core methodology: helping clients and friends in business achieve successful, sustainable, and measurable results. Andy Vertrees was hired as the first employee at Kentucky Speedway and Iowa Speedway as Chief Operating Officer and is recognized as a national leader in organizing motorsports facilities. His success as one of the top promoters in the country comes from many years of experience, both as a race driver and later, a speedway operator.

## Todd Melfi

Vice President of Sales, Circuit of the Northwest

Todd is an experienced marketing and sales professional in the world of motorsports. During his career he has opened and secured sponsorships for racing venues in Pennsylvania and Iowa, among other destinations. His sales and marketing leadership for groups such as Madison Square Gardens, PGA, and Keurig Dr. Pepper has led to dramatic increases in revenue. He has personally been responsible for \$30 Million sponsorship revenue budgets. Todd serves the Circuit of the Northwest in Corporate Team Memberships, as well as facilitating brands to secure sponsorship rights within the venue.

# APPENDIX A - Resumes of Key Company Executives

## Andrew Gerdом, P.E.

Director of Motorsports, Program Manager & Track Design, Circuit of the Northwest, LLC

Andrew is a Professional Engineer, Professional Land Surveyor and is LEED Accredited Professional. Mr. Gerdом has more than 35 years in the motorsport design industry. He is currently leading the design, engineering, and construction aspects of the Circuit of the Northwest project. Mr. Gerdом has led design teams, engineering, and construction administration for speedway complexes such as Iowa, Jukasa, Mansfield, Lawrenceburg, Monroe, California Motor Speedway, Pacific Northwest Motorsports Park, Bluegrass Motorsports Park, Prairie Hills Motorsports Park and Canadian Motor Speedway, and the Indianapolis Motor Speedway. He has also been involved with the master planning of racing projects throughout North American and has consulted with overseas developers for racing complexes in India, Mexico, and China. His experience in the development of diverse mixed-use facilities is key to developing a blend of commercial and racing uses that accomplishes the highest and best of the development.



# APPENDIX B – Public and Private Partner Summaries

- Port of Bremerton, Washington (the “Port”)



The Port is a municipal corporation of the State of Washington and was incorporated and operates under provisions of Chapter 53 RCW, with RCW 53.04 and RCW 53.08 generally describing the formation and powers of the State ports. The Port is providing a long-term land lease to CNW that extends to September 2056 and \$11,679,520 to pay for the costs of site infrastructure. The Port is the largest of 12 port districts located in Kitsap County, Washington (the “County”), with its boundaries covering much of the southern half of the County. Port operations include two boat marinas, a general aviation airport, an industrial park and several recreational facilities located in the County. The City of Port Orchard and most of the City of Bremerton are in the Port boundaries.

- Kitsap Public Facilities District (the “KPF”)



The KPF is an independent municipal corporation managing Washington State sales tax rebate funds allocated to Kitsap County. The seven-member board of directors are appointed by the Kitsap County Commissioners. The KPF will receive sales tax rebate funds from the State through 2041. [The KPF will provide approximately \$10,250,000 in funds to be used to construct the public event centers at the Project.] In mid-2019, the KPF entered into an interlocal government agreement with the Port of Bremerton to provide support for the Project. Two additional ILA’s have been entered into since the original ILA. To date, the KPF has provided over \$2 million in funds used for pre-development expenses, including completing the design of the Project.

# APPENDIX B – Public and Private Partner Summaries



- Kitsap County, Washington (the “County”)

Kitsap County is located in the U.S. state of Washington. As of the 2020 census, its population was 275,611. Its county seat is Port Orchard, and its largest city is Bremerton. The Board of Commissioners is the governing body of Kitsap County. There are three members of the Board, and each represents one of three geographical districts. Commissioners work to ensure the delivery of services and programs essential to the continued prosperity of Kitsap County and its citizens.



- The City of Bremerton, Washington (the “City”)

The City of Bremerton, Washington is a municipal corporation duly organized and existing under and by virtue of the laws of the State of Washington. Bremerton is a city in Kitsap County, Washington. The population was 43,505 at the 2020 census and an estimated 44,122 in 2021, making it the largest city on the Kitsap Peninsula. Bremerton is home to Puget Sound Naval Shipyard and the Bremerton Annex of Naval Base Kitsap.



# APPENDIX B – Public and Private Partner Summaries

- The Joel Cohen Group, LLC



The Joel Cohen Group, LLC has expertise in sports and entertainment management and is serving as Owner's Representative on behalf of CNW. Through a growth-oriented strategy, a proven track record has been accomplished from 36 years of sports and entertainment management services. The following is a list of some of our prior projects:

**Planning and Design** - Includes development of tracks and renovation of facilities:  
Speedway Planning and Design

- Kentucky Speedway
- Mississippi Band of Choctaw Indians
- California Speedway
- Iowa Speedway
- Pacific Northwest Motorsports Park
- Bluegrass Motorsports Park
- Lake Erie Speedway
- Lawrenceburg Speedway
- Las Vegas Motor Speedway
- Riverside Motorsports Park
- Pikes Peak International Raceway
- Mansfield Speedway & Drag Strip
- Monroe Speedway
- Kern County Speedway

**Management** - Includes the management of tracks and facilities together with promotion of events:

- Louisville Speedway
- Iowa Speedway
- Kentucky Speedway
- Charlestown Motor Speedway
- Bluegrass Motorsports Park
- Indianapolis Speedrome

We understand with any project we must involve family entertainment but also stand out as a unique, memorable and exciting experience. Our team has studied, conceptualized, designed, and implemented extensive mixed-use development projects throughout North America. We understand the concept of destination entertainment facilities and the wide variety of entertainment needs that they demand. Our process will analyze the speedway and the surrounding areas to recommend development strategies that will compliment the existing entertainment offerings and deliver the highest and best use for the development..

Our professionals bring influence in racing, sports, retail, and entertainment. We bring influence and knowledge with motorsports sanctioning bodies. We bring influence and knowledge with advertising and promotion groups. Our team has the expertise and knowledge to not only analyze existing motorsport operations but also to implement a plan to achieve the highest and best use for the land.

# APPENDIX B – Public and Private Partner Summaries



- ASM Global, Venue and Event Manager

As the world's leading venue management company and producer of live event experiences, ASM Global is the preeminent management and content partner with over **350 premier venues worldwide**.

Operating and investing in the world's most important stadiums, arenas, convention centers, and theaters requires unmatched dedication and the most profound expertise.

ASM Global has an integrated network of venues across 5 continents, including 25 stadiums, 109 arenas, 87 convention centers, 79 theaters, and 28 municipal and special use facilities

ASM Global is the Number 1 partner of the world's leading event promoters, annually hosting more concerts, professional and minor league sports, family shows, conventions, exhibitions, and events and is the biggest content partner leveraging strategic partnerships with Live Nation, AEG, Feld Entertainment, SJM, Scorpio, TEG Live, Outback Presents, Loud & Live, PGL e-Sports, and more.

Our Preferred partnership and Industry-best ticketing deal with Ticketmaster provides access to rich consumer data and incentive-based programs for venue portfolio management

We partner with the greatest sports brands including the NFL, NBA, WNBA, UFC, FIFA, UEFA, World Rugby, CSGO Major e-Sports, and Olympics while Hosting the biggest events on the planet including Super Bowls, FIFA Women's World Cup, Summer Olympics, Winter Olympics, Rugby World Cup, Final Four, WrestleMania, Rugby Sevens, and International Cricket.

# APPENDIX B – Public and Private Partner Summaries

- Toyota (Western Washington Toyota Dealers Advertising Association, Inc.)

*“Official Vehicle of the Circuit of the Northwest”*



Toyota Motor Corporation is a Japanese multinational automotive manufacturer headquartered in Toyota City, Aichi, Japan. It was founded by Kiichiro Toyoda and incorporated on August 28, 1937. Toyota is one of the largest automobile manufacturers in the world, producing about 10 million vehicles per year. Western Washington Toyota Dealers Advertising Association is located in Burien, Washington, and was founded in 1987. The Association is responsible for advertising within the pacific northwest region.

- Pepsi (PepsiCo Beverage Sales, LLC)

*“Official Non-Alcoholic Beverage Supplier of the Circuit of the Northwest”*



PepsiCo, Inc. is an American multinational food, snack, and beverage corporation headquartered in Harrison, New York, in the hamlet of Purchase. PepsiCo's business encompasses all aspects of the food and beverage market. It oversees the manufacturing, distribution, and marketing of its products. PepsiCo Beverage Sales, LLC is a subsidiary of PepsiCo and is responsible for contracting for beverage sales and beverage sponsorships nationwide.

- Kitsap Credit Union

*“Official Banking Partner of the Circuit of the Northwest”*



Kitsap Credit Union is a not-for-profit, member-owned financial cooperative with more than 300 employees and 16 branches throughout Western Washington. Headquarters for Kitsap Credit Union are located in Bremerton, Washington and has over \$1.7 billion in assets.

# APPENDIX C - ECONOMIC IMPACT DEFINITIONS

- Direct Spending – Spending for new economic activity as a direct result of the project
  - Attendee purchases a ticket to an event
  - Contractor purchases construction materials locally
- Indirect Spending – Business to Business spending as a result of the project
  - CNW hires local accounting or law firm for services
  - CNW utility expenses with local utilities
- Induced Spending – Household to Business spending as a result of the project; generally, varies with individual income
  - Salaries and Wages for newly created jobs are spent in the local economy on goods and services

# APPENDIX D - FINANCIAL MODEL WITH FINANCIAL ADVISOR ASSUMPTIONS

POB/CNW Project				Scenario 1		KPFD Base/GO Bonds			2.50% Annual Inflator 1.50% OpEx Inflator			
KPFD Projected Future Cash Flow												
NEW REQUESTS												
Gross Sales Tax Rebate Year Revenue <sup>(1)</sup>		Interest Earnings 2.50%	Additional POB/CNW Sales Taxes <sup>(2)</sup>	Total Revenues	Operating Expenses	Net Revenue Available for Debt Service	Existing Debt Service <sup>(3)</sup>	Port Orchard <sup>(4)</sup> +\$6.5MM (POCEC)	Poulsbo +7.839MM (PERC)	Port Gamble +8,350,000 (PGHP)	POB/CNW (POB/CNW)	Ending Fund Balance
2022	\$2,304,514			\$2,304,514	(\$311,500)	\$1,993,014	(\$818,565)					\$2,899,791
2023	\$2,362,127	\$72,495		\$2,434,622	(\$312,500)	\$2,122,122	(\$876,239)			(\$350,000)	(\$300,000)	\$1,438,107
2024	\$2,421,180	\$35,953	\$7,504	\$2,464,637	(\$317,188)	\$2,147,450	(\$876,236)		(\$628,517)		(\$300,000)	\$1,266,803
2025	\$2,481,710	\$31,670	\$23,019	\$2,536,398	(\$321,945)	\$2,214,453	(\$876,129)		(\$628,517)		(\$300,000)	\$1,532,610
2026	\$2,543,752	\$38,315	\$23,019	\$2,605,086	(\$326,774)	\$2,278,312	(\$90,340)	(\$587,279)	(\$628,517)		(\$300,000)	\$1,265,701
2027	\$2,607,346	\$31,643	\$23,019	\$2,662,007	(\$331,676)	\$2,330,331	(\$67,006)	(\$587,279)	(\$628,517)		(\$300,000)	\$1,074,145
2028	\$2,672,530	\$26,854	\$23,019	\$2,722,402	(\$336,651)	\$2,385,751	(\$67,000)	(\$587,279)	(\$628,517)		(\$300,000)	\$938,014
2029	\$2,739,343	\$23,450	\$23,019	\$2,785,812	(\$341,701)	\$2,444,111	(\$66,999)	(\$587,279)	(\$628,517)		(\$400,000)	\$760,245
2030	\$2,807,827	\$19,006	\$23,019	\$2,849,851	(\$346,827)	\$2,503,025	(\$66,996)	(\$587,279)	(\$628,517)		(\$400,000)	\$641,393
2031	\$2,878,022	\$16,035	\$23,019	\$2,917,076	(\$352,029)	\$2,565,047	(\$66,997)	(\$587,279)	(\$628,517)		(\$400,000)	\$585,561
2032	\$2,949,973	\$14,639	\$23,019	\$2,987,630	(\$357,309)	\$2,630,321	(\$67,004)	(\$587,279)	(\$628,517)		(\$750,000)	\$387,997
2033	\$3,023,722	\$9,700	\$23,019	\$3,056,441	(\$362,669)	\$2,693,772	(\$67,001)	(\$587,279)	(\$628,517)		(\$750,000)	\$253,887
2034	\$3,099,315	\$6,347	\$23,019	\$3,128,681	(\$368,109)	\$2,760,572	(\$67,002)	(\$587,279)	(\$628,517)		(\$750,000)	\$186,575
2035	\$3,176,798	\$4,664	\$23,019	\$3,204,481	(\$373,631)	\$2,830,850	(\$66,999)	(\$587,279)	(\$628,517)		(\$750,000)	\$189,546
2036	\$3,256,218	\$4,739	\$23,019	\$3,283,975	(\$379,235)	\$2,904,740	(\$67,004)	(\$587,279)	(\$628,517)		(\$750,000)	\$266,401
2037	\$3,337,623	\$6,660	\$23,019	\$3,367,302	(\$384,924)	\$2,982,378	(\$66,999)	(\$587,279)	(\$628,517)		(\$750,000)	\$420,899
2038	\$3,421,064	\$10,522	\$23,019	\$3,454,605	(\$390,698)	\$3,063,907	(\$66,996)	(\$587,279)	(\$628,517)		(\$750,000)	\$656,929
2039	\$3,506,591	\$16,423	\$23,019	\$3,546,032	(\$396,558)	\$3,149,474	(\$67,006)	(\$587,279)	(\$628,517)		(\$800,000)	\$928,517
2040	\$3,594,255	\$23,213	\$23,019	\$3,640,487	(\$402,506)	\$3,237,980	(\$66,998)	(\$587,279)	(\$628,517)		(\$800,000)	\$1,288,618
2041	\$3,684,112	\$32,215	\$23,019	\$3,739,346	(\$408,544)	\$3,330,802	(\$67,003)	(\$587,279)	(\$628,517)	(\$8,000,000)	(\$400,000)	(\$5,858,464)
\$58,868,021		\$424,543	\$398,819	\$59,691,384	(\$7,122,974)		(\$4,542,519)	(\$9,396,464)	(\$11,313,306)	(\$8,350,000)	(\$10,250,000)	

# APPENDIX D - FINANCIAL MODEL WITH EIGHT YEAR AVERAGE INFLATION

POB/CNW Project				Scenario 1		KPFD Base/GO Bonds			2.70% Annual Inflator			
									1.50% OpEx Inflator			
KPFD Projected Future Cash Flow												
NEW REQUESTS												
Gross Sales	Interest	Additional			Net Revenue	Existing	Port Orchard <sup>(4)</sup>	Poulsbo	Port Gamble	POB/CNW	Ending	
Calendar Tax Rebate	Earnings	POB/CNW	Total	Operating	Available for	Debt	+\$6.5MM	+7.839MM	+8,350,000	(POB/CNW)	Fund	
Year Revenue <sup>(1)</sup>	3.50%	Sales Taxes <sup>(2)</sup>	Revenues	Expenses	Debt Service	Service <sup>(3)</sup>	(POCEC)	(PERC)	(PGHP)		Balance	
2022	\$2,304,514		\$2,304,514	(\$311,500)	\$1,993,014	(\$818,565)					\$2,899,791	
2023	\$2,366,736	\$101,493	\$2,468,229	(\$312,500)	\$2,155,729	(\$876,239)			(\$350,000)	(\$300,000)	\$1,471,714	
2024	\$2,430,638	\$51,510	\$7,504	\$2,489,652	(\$317,188)	\$2,172,465	(\$876,236)	(\$628,517)		(\$300,000)	\$1,325,425	
2025	\$2,496,265	\$46,390	\$23,019	\$2,565,673	(\$321,945)	\$2,243,728	(\$876,129)	(\$628,517)		(\$300,000)	\$1,620,507	
2026	\$2,563,664	\$56,718	\$23,019	\$2,643,400	(\$326,774)	\$2,316,626	(\$90,340)	(\$587,279)	(\$628,517)	(\$300,000)	\$1,391,912	
2027	\$2,632,883	\$48,717	\$23,019	\$2,704,618	(\$331,676)	\$2,372,942	(\$67,006)	(\$587,279)	(\$628,517)	(\$300,000)	\$1,242,968	
2028	\$2,703,971	\$43,504	\$23,019	\$2,770,493	(\$336,651)	\$2,433,842	(\$67,000)	(\$587,279)	(\$628,517)	(\$300,000)	\$1,154,929	
2029	\$2,776,978	\$40,423	\$23,019	\$2,840,419	(\$341,701)	\$2,498,718	(\$66,999)	(\$587,279)	(\$628,517)	(\$400,000)	\$1,031,767	
2030	\$2,851,957	\$36,112	\$23,019	\$2,911,087	(\$346,827)	\$2,564,260	(\$66,996)	(\$587,279)	(\$628,517)	(\$400,000)	\$974,150	
2031	\$2,928,959	\$34,095	\$23,019	\$2,986,073	(\$352,029)	\$2,634,044	(\$66,997)	(\$587,279)	(\$628,517)	(\$400,000)	\$987,316	
2032	\$3,008,041	\$34,556	\$23,019	\$3,065,616	(\$357,309)	\$2,708,306	(\$67,004)	(\$587,279)	(\$628,517)	(\$750,000)	\$867,738	
2033	\$3,089,258	\$30,371	\$23,019	\$3,142,648	(\$362,669)	\$2,779,979	(\$67,001)	(\$587,279)	(\$628,517)	(\$750,000)	\$819,834	
2034	\$3,172,668	\$28,694	\$23,019	\$3,224,381	(\$368,109)	\$2,856,272	(\$67,002)	(\$587,279)	(\$628,517)	(\$750,000)	\$848,223	
2035	\$3,258,330	\$29,688	\$23,019	\$3,311,037	(\$373,631)	\$2,937,406	(\$66,999)	(\$587,279)	(\$628,517)	(\$750,000)	\$957,749	
2036	\$3,346,305	\$33,521	\$23,019	\$3,402,845	(\$379,235)	\$3,023,610	(\$67,004)	(\$587,279)	(\$628,517)	(\$750,000)	\$1,153,474	
2037	\$3,436,656	\$40,372	\$23,019	\$3,500,046	(\$384,924)	\$3,115,122	(\$66,999)	(\$587,279)	(\$628,517)	(\$750,000)	\$1,440,716	
2038	\$3,529,445	\$50,425	\$23,019	\$3,602,889	(\$390,698)	\$3,212,191	(\$66,996)	(\$587,279)	(\$628,517)	(\$750,000)	\$1,825,031	
2039	\$3,624,740	\$63,876	\$23,019	\$3,711,635	(\$396,558)	\$3,315,077	(\$67,006)	(\$587,279)	(\$628,517)	(\$800,000)	\$2,262,221	
2040	\$3,722,608	\$79,178	\$23,019	\$3,824,804	(\$402,506)	\$3,422,298	(\$66,998)	(\$587,279)	(\$628,517)	(\$800,000)	\$2,806,640	
2041	\$3,823,119	\$98,232	\$23,019	\$3,944,370	(\$408,544)	\$3,535,826	(\$67,003)	(\$587,279)	(\$628,517)	(\$8,000,000)	(\$4,135,419)	
	\$60,067,736	\$947,874	\$398,819	\$61,414,429	(\$7,122,974)		(\$4,542,519)	(\$9,396,464)	(\$11,313,306)	(\$8,350,000)	(\$10,250,000)	

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# APPENDIX D - FINANCIAL MODEL POB/CNW REQUEST

POB/CNW Project				Scenario 3	POB/CNW Base/GO Bonds				Draft for Discussion Only				Annual Inflation		3.50%	Annual Inflation		1.50%		
													OpEx Inflation				OpEx Inflation			
KFPD Projected Future Cash Flow																				
FUTURE PAYMENTS SCHEDULED/PROJECTED														NEW REQUESTS						
Gross Sales	Interest	Additional			Net Revenue	Existing	Existing	Revenue	Port Orchard	Poulsbo	Port Gamble	POB/CNW	Total	Ending	Port Orchard <sup>(4)</sup>	Poulsbo	Port Gamble	POB/CNW	Ending	
Calendar Tax Rebate	Earnings	POB/CNW	Total	Operating	Available for	Debt	Debt	Available for	+\$8.8MM Bond			Phase 3	Future	Fund	+\$6.5MM	+7.839MM	+8,350,000	POB/CNW	Fund	
Year Revenue <sup>(1)</sup>	3.50%	Sales Taxes <sup>(2)</sup>	Revenues	Expenses	Debt Service	Service <sup>(3)</sup>	Coverage	Projects	(POCEC)	(PERC)	(PGHP)	(POB/CNW)	Payments	Balance	(POCEC)	(PERC)	(PGHP)	(POB/CNW)	Balance	
2022	\$2,304,514		\$2,304,514	(\$311,500)	\$1,993,014	(\$818,565)	2.435x						(\$1,130,065)	\$2,899,791					\$2,899,791	
2023	\$2,385,172	\$101,493		\$2,486,665	(\$312,500)	\$2,174,165	(\$876,239)	2.481x	\$1,297,926	(\$922,505)	(\$58,881)	(\$932,181)	(\$144,000)	(\$2,057,567)	\$2,140,150		(\$350,000)	\$0	\$1,790,150	
2024	\$2,468,653	\$62,655	\$7,504	\$2,538,813	(\$317,188)	\$2,221,625	(\$876,236)	2.535x	\$1,345,389	(\$370,000)			(\$144,000)	(\$514,000)	\$2,971,539	(\$628,517)		(\$600,000)	\$1,393,022	
2025	\$2,555,056	\$48,756	\$23,019	\$2,626,830	(\$321,945)	\$2,304,885	(\$876,129)	2.631x	\$1,428,756				(\$144,000)	(\$144,000)	\$4,256,295	(\$628,517)		(\$600,000)	\$1,449,261	
2026	\$2,644,483	\$50,724	\$23,019	\$2,718,225	(\$326,774)	\$2,391,451	(\$90,340)	26.472x	\$2,301,111	(\$795,085)			(\$144,000)	(\$939,085)	\$5,618,321	(\$587,279)	(\$628,517)	(\$600,000)	\$995,491	
2027	\$2,737,040	\$34,842	\$23,019	\$2,794,900	(\$331,676)	\$2,463,224	(\$67,006)	36.761x	\$2,396,218	(\$795,085)			(\$144,000)	(\$939,085)	\$7,075,454	(\$587,279)	(\$628,517)	(\$600,000)	\$636,828	
2028	\$2,832,836	\$22,289	\$23,019	\$2,878,144	(\$336,651)	\$2,541,492	(\$67,000)	37.933x	\$2,474,492	(\$795,085)			(\$144,000)	(\$939,085)	\$8,610,861	(\$587,279)	(\$628,517)	(\$500,000)	\$456,439	
2029	\$2,931,985	\$15,975	\$23,019	\$2,970,979	(\$341,701)	\$2,629,278	(\$66,999)	39.244x	\$2,562,279	(\$795,085)			(\$144,000)	(\$939,085)	\$10,234,056	(\$587,279)	(\$628,517)	(\$300,000)	\$563,838	
2030	\$3,034,605	\$19,734	\$23,019	\$3,077,358	(\$346,827)	\$2,730,531	(\$66,996)	40.757x	\$2,663,535	(\$795,085)			(\$144,000)	(\$939,085)	\$11,958,506	(\$587,279)	(\$628,517)	(\$300,000)	\$772,492	
2031	\$3,140,816	\$27,037	\$23,019	\$3,190,872	(\$352,029)	\$2,838,843	(\$66,997)	42.373x	\$2,771,846	(\$795,085)			(\$143,000)	(\$938,085)	\$13,792,267	(\$587,279)	(\$628,517)	(\$300,000)	\$1,090,457	
2032	\$3,250,745	\$38,166	\$23,019	\$3,311,929	(\$357,309)	\$2,954,620	(\$67,004)	44.096x	\$2,887,616	(\$795,085)				(\$795,085)	\$15,884,797	(\$587,279)	(\$628,517)	(\$300,000)	\$1,667,191	
2033	\$3,364,521	\$58,352	\$23,019	\$3,445,891	(\$362,669)	\$3,083,222	(\$67,001)	46.018x	\$3,016,221	(\$795,085)				(\$795,085)	\$18,105,933	(\$587,279)	(\$628,517)	(\$300,000)	\$2,372,531	
2034	\$3,482,279	\$83,039	\$23,019	\$3,588,336	(\$368,109)	\$3,220,227	(\$67,002)	48.062x	\$3,153,225	(\$795,085)				(\$795,085)	\$20,464,073	(\$587,279)	(\$628,517)	(\$1,000,000)	\$2,514,875	
2035	\$3,604,159	\$88,021	\$23,019	\$3,715,198	(\$373,631)	\$3,341,567	(\$66,999)	49.875x	\$3,274,568	(\$795,085)				(\$795,085)	\$22,943,556	(\$587,279)	(\$628,517)	(\$1,200,000)	\$2,578,562	
2036	\$3,730,304	\$90,250	\$23,019	\$3,843,572	(\$379,235)	\$3,464,337	(\$67,004)	51.703x	\$3,397,333	(\$795,085)				(\$795,085)	\$25,545,804	(\$587,279)	(\$628,517)	(\$1,500,000)	\$2,465,014	
2037	\$3,860,865	\$86,276	\$23,019	\$3,970,159	(\$384,924)	\$3,585,235	(\$66,999)	53.512x	\$3,518,236	(\$795,085)				(\$795,085)	\$28,268,956	(\$587,279)	(\$628,517)	(\$1,500,000)	\$2,472,370	
2038	\$3,995,995	\$86,533	\$23,019	\$4,105,547	(\$390,698)	\$3,714,849	(\$66,996)	55.449x	\$3,647,853	(\$795,085)				(\$795,085)	\$31,121,724	(\$587,279)	(\$628,517)	(\$650,000)	\$3,459,342	
2039	\$4,135,855	\$121,077	\$23,019	\$4,279,950	(\$396,558)	\$3,883,392	(\$67,006)	57.956x	\$3,816,386	(\$795,085)				(\$795,085)	\$34,143,025	(\$587,279)	(\$628,517)	\$0	\$5,264,847	
2040	\$4,280,610	\$184,270	\$23,019	\$4,487,898	(\$402,506)	\$4,085,392	(\$66,998)	60.978x	\$4,018,394	(\$795,085)				(\$795,085)	\$37,366,334	(\$587,279)	(\$628,517)	\$0	\$7,272,360	
2041	\$4,430,431	\$254,533	\$23,019	\$4,707,982	(\$408,544)	\$4,299,438	(\$67,003)	64.168x	\$4,232,435	(\$795,085)				(\$795,085)	\$40,803,684	(\$587,279)	(\$628,517)	(\$8,000,000)	\$0	\$1,493,914
	\$65,170,923	\$1,474,020	\$398,819	\$67,043,762	(\$7,122,974)		(\$4,542,519)			(\$14,013,865)	(\$58,881)	(\$932,181)	(\$1,295,000)	(\$17,429,992)		(\$9,396,464)	(\$11,313,306)	(\$8,350,000)	(\$10,250,000)	

3/20/2023

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**Board of Directors Meeting\***  
**Monday, March 20, 2023**  
**Kitsap Public Facilities District Office**  
**Meeting Location: Kitsap County Administration Building**  
**& via Zoom Webinar ID\* –: <https://us02web.zoom.us/j/86022543311>**

**MEETING AGENDA**

**1. Call to Order / Comments from Board Chairman Hatchel**

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**CONSENT AGENDA**

- A. FEB 2023 KPFD BOD Meeting Minutes
  - B. Blanket Voucher #07-MAR 2023 96968 Operating Expenses
  - C. MAR 2023 KPFD Financial Report
  - D. Executive Director Report – MAR 2023
  - E. KCC Financial Report – FEB 2023
- 

**2. Public Comment** –If you wish to ask a question of the panelists, you will have a maximum of 3 minutes. Within Zoom, use the “Raise Hand” option or put a message in the Chat Box, and the host will ask the question for you.

**3. Approval of Consent Agenda**

*Note: If a Board Member wishes to discuss any item, it may be pulled from the Consent Agenda for further dialogue and individual board vote for approval*

**4. Facility Progress Report** – Port of Bremerton Circuit of the NW Project

**5. General Business**

- A. NW Municipal Advisors Contract Extension
- B. KPFD & Kitsap Co. ILA Amendment #3
- C. KPFD Website Update
- D. KPFD Board Member Photos for Website

**6. Meeting Adjournment**

**Next Meeting:** April 24, 2023, at 5:30 pm  
**Location:** Bainbridge Island City Hall  
**Topics:** General Business, Poulsbo Events & Recreation Center (PERC) Project Update

**Building Communities, Enriching Lives**

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March 14, 2023

Mr. Russ Shiplet  
Executive Director  
Kitsap Public Facilities District  
19880 10<sup>th</sup> Ave NE, Suite 204F  
Poulsbo, Washington 98370

**Re: Agreement to Serve as Municipal Advisor  
Kitsap Public Facilities District, Washington**

Dear Mr. Shiplet:

Northwest Municipal Advisors (“NWMA”) is pleased to have the opportunity to serve as municipal advisor to Kitsap Public Facilities District (the “District”). We have had the honor of serving as the District’s municipal advisor for the past several years. This agreement continues from the point of expiration of the last contract at the end of 2022.

This letter provides a scope of services, contains a pricing proposal, and, if satisfactory to the District, will constitute an agreement between NWMA and the District for municipal advisory services.

### **Introduction to Northwest Municipal Advisors**

NWMA is a municipal advisory firm that specializes in assisting public entities finance projects. We have experience in general government, special purpose district, and public utility financing.

As a firm, we do not sell or underwrite securities or bonds but only serve in an advisory role. This allows us to avoid a potential conflict of interest in providing advice to a bond issuer.

NWMA is a registered municipal advisor with the Securities and Exchange Commission (“SEC”) and the Municipal Securities Rulemaking Board (“MSRB”). As such, NWMA has a fiduciary duty to our clients and shall act and provide advice in a manner it believes to be in the best interest of its clients.

As municipal advisor, our most important responsibility is to provide sound advice to our clients, and our preference is to be involved in all aspects of a financing, ranging from up-front planning and identification of financing options to the actual sale, pricing and closing of a bond issue or other financing. We work with many of the bond counsel and underwriter firms in the Northwest, with national underwriting firms and with regional and national banking institutions.

Our firm will assign three professionals and support staff to the District. Scott Bauer and Ryan Neumeister will be the primary contacts, with back-up from Malinda Okerlund.

### **Scope of Services**

NWMA will serve as municipal advisor for the District’s financing needs and provide the following services (“Services”):

- Provide financial modeling services, to include:
  - Creation and updating of a financial model in Excel
  - Assumptions on the PFD’s sales tax revenue stream and PFD expenses
  - Payments on outstanding debts



- Funding of projects as identified by the District
  - Lump sum or pay-as-you-go cash funding
  - The issuance of debt by the PFD or by the recipients of project funding
- Review the District's outstanding debt and update the District, as appropriate, on refunding opportunities.
- Meet with the District's Board of Directors, management and staff as requested.
- If acting in the capacity of an Independent Registered Municipal Advisor ("IRMA") with regard to the IRMA exemption of the SEC Rule, NWMA will review all third-party recommendations submitted to NWMA in writing by the District.
- Provide such other related services as requested by the District.

### Compensation

Compensation for Services shall be on an hourly basis, charged at a rate of \$295 per hour for principals in the firm and \$195 per hour for associates. In the case of meetings or phone calls where more than one NWMA team member attends, the District will only be charged for one NWMA team member for that event.

NWMA shall submit monthly invoices for Services performed in a previous calendar month in a format acceptable to the District. NWMA agrees to include in billing statements a detailed description of the services of NWMA for which the District is being charged and a specific identification of all other fees, charges, and expenses for which NWMA seeks reimbursement. NWMA shall keep cost records and accounts pertaining to this Agreement available for inspection by District representatives for three years after final payment. If the Services rendered do not meet the requirements of this Agreement, NWMA shall correct or modify the work to comply with this Agreement. The District may withhold payment for such work until it meets the requirements of this Agreement.

Billing statements submitted by NWMA on or before the first business day of the month will be submitted for approval at the next regularly scheduled Board of Directors meeting. If approved, statements will be promptly submitted to Kitsap County for payment.

In addition to the fees above, NWMA will be reimbursed for direct out of pocket expenses. These expenses may include, but are not limited to, mileage, travel expenses, printing, photocopying, and conference call expenses.

We will provide a separate proposal to the District if debt is to be issued by the PFD or if a review of debt issued by a project funding recipient is warranted.

### Fiduciary Duty

NWMA is registered as a Municipal Advisor with the SEC. As such, NWMA has a fiduciary duty to the District and must provide both a Duty of Care and a Duty of Loyalty that entails the following.

#### *Duty of Care*

- a) exercise due care in performing its municipal advisory activities;
- b) possess the degree of knowledge and expertise needed to provide the District with informed advice;
- c) make a reasonable inquiry as to the facts that are relevant to the District's determination as to whether to proceed with a course of action or that form the basis for any advice provided to the District; and



- d) undertake a reasonable investigation to determine that NWMA is not forming any recommendation on materially inaccurate or incomplete information; NWMA must have a reasonable basis for:
- i. any advice provided to or on behalf of the District;
  - ii. any representations made in a certificate that NWMA signs that will be reasonably foreseeably relied upon by the District, any other party involved in the municipal securities transaction or municipal financial product, or investors in the District securities; and
  - iii. any information provided to the District or other parties involved in the municipal securities transaction in connection with the preparation of an official statement.

### *Duty of Loyalty*

NWMA must deal honestly and with the utmost good faith with the District and act in the District's best interests without regard to the financial or other interests of NWMA. NWMA will eliminate or provide full and fair disclosure (included herein) to the District about each material conflict of interest (as applicable). NWMA will not engage in municipal advisory activities with the District as a municipal entity if it cannot manage or mitigate its conflicts in a manner that will permit it to act in the District's best interests.

### **Municipal Securities Rulemaking Board Rule G-10 Disclosure**

Pursuant to Municipal Securities Rulemaking Board Rule G-10, on Investor and Municipal Advisory Client Education and Protection, Municipal Advisors are required to provide certain written information to their municipal entity and obligated person clients which include the following:

- NWMA is currently registered as a Municipal Advisor with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board.
- Within the Municipal Securities Rulemaking Board ("MSRB") website at [www.msrb.org](http://www.msrb.org), the District may obtain the Municipal Advisory client brochure that is posted on the MSRB website. The brochure describes the protections that may be provided by the MSRB Rules along with how to file a complaint with financial regulatory authorities.

### **Conflicts of Interest and Other Matters Requiring Disclosure**

- As of the date of the Agreement, except as disclosed below, NWMA is not aware of actual or potential conflicts of interest that NWMA that might impair its ability to render unbiased and competent advice or to fulfill its fiduciary duty, except as discussed. If NWMA becomes aware of any other material potential conflict of interest that arise after this disclosure, NWMA will disclose the detailed information in writing to the District in a timely manner. NWMA serves as municipal advisor to other cities and public entities in the Northwest. In the local area, we serve as municipal advisor to the City of Poulsbo and Public Utility District No. 1 of Kitsap County. In the event a potential conflict arises as a result of these or future relationships, we will so inform the District.
- NWMA represents that in connection with the issuance of municipal securities, NWMA may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, NWMA hereby discloses, that such contingent and/or transactional compensation may present a potential conflict of interest regarding NWMA's ability to provide unbiased advice to enter into such transaction. The contingent fee arrangement may create an incentive for NWMA to recommend unnecessary financings or financings that are disadvantageous to the District, or to advise the



District to increase the size of the issue. This potential conflict of interest will not impair NWMA's ability to render unbiased and competent advice or to fulfill its Fiduciary Duty to the District.

- NWMA fees under this agreement are also based on hourly fees of NWMA's personnel, with the aggregate amount equaling the number of hours worked by such personnel multiplied by an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest because it could create an incentive for NWMA to recommend alternatives that would result in more hours worked. This conflict of interest will not impair NWMA's ability to render unbiased and competent advice or to fulfill its Fiduciary Duty to the District.
- The fee paid to NWMA increases the cost of investment to the District. The increased cost occurs from compensating NWMA for municipal advisory services provided.
- NWMA serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of another NWMA client. For example, NWMA serves as municipal advisor to other municipal advisory clients and, in such cases, owes a fiduciary duty to such other clients just as it does to the District. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, NWMA could potentially face a conflict of interest arising from these competing client interests. NWMA fulfills its fiduciary duty and mitigates such conflicts through dealing honestly and with the utmost good faith with District.
- It should be noted that NWMA's intention is to keep its work for each of its clients separate, and to maintain confidentiality relative to each client, except for information which is clearly public information.
- NWMA does not act as principal in any of the transactions related to this Agreement.
- NWMA does not have any affiliate that provides any advice, service, or product to or on behalf of the client that is directly or indirectly related to the municipal advisory activities to be performed by NWMA.
- NWMA has not made any payments directly or indirectly to obtain or retain the District's municipal advisory business.
- NWMA has not received any payments from third parties to enlist NWMA recommendation to the District of its services, any municipal securities transaction or any municipal finance product.
- NWMA has not engaged in any fee-splitting arrangements involving NWMA and any provider of investments or services to the District.
- NWMA does not have any legal or disciplinary event that is material to the District's evaluation of the municipal advisory or the integrity of its management or advisory personnel.
- NWMA is not involved in the underwriting of bonds and is not associated with any underwriting firm which eliminates any conflicts of interest related to underwriter selection or underwriter compensation.
- During the term of the municipal advisory relationship, this Agreement will be promptly amended or supplemented to reflect any material changes in or additions to the terms or information within this Agreement and the revised writing will be promptly delivered to the District.

### **Legal Events and Disciplinary History**

NWMA does not have any legal events and disciplinary history on its Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. The District



may electronically access NWMA's most recent Form MA and each most recent Form MA-I filed with the Commission at the following website: [www.sec.gov/edgar/searchedgar/companysearch.html](http://www.sec.gov/edgar/searchedgar/companysearch.html).

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC.

### **Recommendations**

If NWMA makes a recommendation of a municipal securities transaction or municipal financial product or if the review of a recommendation of another party is requested in writing by the District and is within the scope of the engagement, NWMA will determine, based on the information obtained through reasonable diligence of NWMA whether a municipal securities transaction or municipal financial product is suitable for the District. In addition, NWMA will inform the District of:

- the evaluation of the material risks, potential benefits, structure, and other characteristics of the recommendation;
- the basis upon which NWMA reasonably believes that the recommended municipal securities transaction or municipal financial product is, or is not, suitable for the District; and
- whether NWMA has investigated or considered other reasonably feasible alternatives to the recommendation that might also or alternatively serve the District's objectives.

If the District elects a course of action that is independent of or contrary to the advice provided by NWMA, NWMA is not required on that basis to disengage from the District.

### **Record Retention**

Effective July 1, 2014, pursuant to the SEC record retention regulations, NWMA is required to maintain in writing, all communication and created documents between NWMA and the District for 5 years.

### **Term of Agreement**

This agreement shall remain in effect until December 31, 2024.

### **Termination of Agreement**

This Agreement may be terminated by either party, with or without cause, upon thirty (30) days' written notice, in which event all finished or unfinished documents, reports, or other material or work of NWMA pursuant to this Agreement shall be submitted to District. Consultant shall be entitled to just and equitable compensation at the rate set forth in the Compensation paragraph above for any satisfactory work completed prior to the date of termination.

Upon termination of this Agreement for any reason, by either the District or NWMA, NWMA agrees to cooperate with any successor Consultant to accommodate a smooth transition of the representation.

### **Other Provisions**

#### **Assignment**

Neither District nor NWMA shall assign or transfer any rights, duties, or interest accruing from this Agreement without the express prior written consent of the other.

#### **Independent Contractor Status**

NWMA is and shall be at all times during the term of this Agreement an independent consultant.

#### **Authorization and Decision-Making**

NWMA has no authority to make decisions for the District or indicate to any third party that NWMA has speaking authority for the District, except as expressly authorized from time to time.



### *Ownership*

All data, materials, reports, memoranda, and other documents developed under this Agreement, whether finished or not, shall become the property of District, shall be forwarded to the District in hard copy format, digital format, or both and may be used by the District as it sees fit. The District agrees that if it uses products prepared by NWMA for purposes other than those intended in this Agreement, it does so at its sole risk and it agrees to hold NWMA harmless therefor.

### *Compliance with Laws*

NWMA shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under this Agreement. NWMA further agrees not to discriminate against any employee or applicant for employment or any other person in the performance of this Agreement because of race, creed, color, national origin, marital status, sex, age, disability, or other circumstance prohibited by federal, state, or local law or ordinance, except for a bona fide occupational qualification.

### *Indemnification*

NWMA shall indemnify, defend, and hold harmless the District, its officers, employees, and agents from any and all costs, claims, judgments or awards of damages, arising out of or in any way resulting from the negligent acts or omissions of NWMA, its officers, employees, and agents in performing this Agreement. The District shall defend, indemnify, and hold harmless NWMA, its officers, employees, and agents from any and all costs, claims, judgments or awards of damages, arising out of or in any way resulting from the negligent acts or omissions of District, its officers, employees, or agents in performing this Agreement.

### *Insurance*

NWMA shall carry the following insurance coverages:

- Automobile Liability Insurance with limits no less than \$300,000.00 combined single limit per accident for bodily injury and property damage.
- Commercial General Liability Insurance written on an occurrence basis with limits no less than \$1,000,000.00 combined single limit per occurrence and \$2,000,000.00 aggregate for personal injury, bodily injury, and property damage. Coverage shall include, but not be limited to, blanket contractual; products/completed operations; broad form property damage; explosion, collapse, and underground (XCU) if applicable; and employer's liability. Any payment of deductible or self-insured retention shall be the sole responsibility of NWMA. The District shall be named as an additional insured on the Commercial General Liability Insurance Policy, with regard to work and services performed by or on behalf of NWMA, and a copy of the endorsement naming the District as an additional insured shall be attached to the Certificate of Insurance.
- Professional Liability Insurance with limits no less than \$1,000,000.00 per occurrence.

Upon request, Consultant shall provide to the Executive Director written proof of evidence of the required insurance.

### *Dispute Resolution*

Venue for the resolution of any dispute shall be Kitsap County. The prevailing party in any adjudicated dispute (litigation or arbitration) shall be entitled to an award of reasonable attorneys' fees and expert witness fees. At the request of either party, any disputes regarding whether the District or NWMA has breached this Agreement, or as to the amount of fees owed, will be submitted to



arbitration in accordance with RCW Chapter 7.04A, the result of which shall be binding on both parties.

This Agreement represents the complete agreement between the parties. Additional services and compensation may be added to this Agreement by a written supplement, with the mutual written consent of both parties. All amendments or supplements shall be signed by both parties and attached to this Agreement.

NWMA agrees that it will not provide financial services to any other individual or public entity on the same transaction for which it is providing financial services to the District under the terms of this Agreement without prior notice to and approval by the District.

#### Approval of Agreement

If this Agreement and scope of work are satisfactory, please have this letter signed by an authorized person and returned to NWMA.

If you have any questions or comments on this agreement, please call me at (425) 452-9551.

Sincerely,

Scott J. Bauer

Accepted and approved by Kitsap Public Facilities District

this \_\_\_\_\_ day of \_\_\_\_\_, 2023

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print)



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**Board of Directors Meeting\***  
**Monday, March 20, 2023**  
**Kitsap Public Facilities District Office**  
**Meeting Location: Kitsap County Administration Building**  
**& via Zoom Webinar ID\* –: <https://us02web.zoom.us/j/86022543311>**

**MEETING AGENDA**

**1. Call to Order / Comments from Board Chairman Hatchel**

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**CONSENT AGENDA**

- A. FEB 2023 KPFD BOD Meeting Minutes
  - B. Blanket Voucher #07-MAR 2023 96968 Operating Expenses
  - C. MAR 2023 KPFD Financial Report
  - D. Executive Director Report – MAR 2023
  - E. KCC Financial Report – FEB 2023
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**2. Public Comment** –If you wish to ask a question of the panelists, you will have a maximum of 3 minutes. Within Zoom, use the “Raise Hand” option or put a message in the Chat Box, and the host will ask the question for you.

**3. Approval of Consent Agenda**

*Note: If a Board Member wishes to discuss any item, it may be pulled from the Consent Agenda for further dialogue and individual board vote for approval*

**4. Facility Progress Report** – Port of Bremerton Circuit of the NW Project

**5. General Business**

- A. NW Municipal Advisors Contract Extension
- B. KPFD & Kitsap Co. ILA Amendment #3
- C. KPFD Website Update
- D. KPFD Board Member Photos for Website

**6. Meeting Adjournment**

**Next Meeting:** April 24, 2023, at 5:30 pm  
**Location:** Bainbridge Island City Hall  
**Topics:** General Business, Poulsbo Events & Recreation Center (PERC) Project Update

**Building Communities, Enriching Lives**

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