



# Kitsap Public Facilities District

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## Minutes of the Board of Directors Meeting (Including optional "remote" element)

MONDAY, JUNE 29, 2026

### Attendance:

**Board Members Present:** Chair Erin Leedham, Vice-Chair Patrick Hatchel, Treasurer Walter Draper IV, Director Daron Jagodzinske, Director Phil Havers, Director Anne Blair, Director Shawn Cucciardi

**Absent:** None

**Staff Present:** Executive Director Russ Shippet, Legal Counsel Brian Lawler (Remote)

1. **Call to Order:** Chair Leedham called the meeting to order at 5:30 PM.

2. **Public Comment:** No public comment was provided

4. **Approval of Consent Agenda**

Director Havers moved to approve the Consent Agenda as presented. Director Blair seconded the motion. There was no discussion. The motion passed unanimously.

5. **Port Orchard Community Events Center (POCEC) Project Update**

City of Port Orchard Mayor Rob Putaansuu and Finance Director Noah Crocker provided the Board with an update on the progress of the Port Orchard Community Events Center (POCEC) project. Their presentation included an overview of the Bay Street Reconstruction Project, the Port Orchard Plaza development, and how each project integrates with the future community events center.

The City formally requested additional financial participation from the Kitsap Public Facilities District (PFD) to support construction of the Port Orchard Community Events Center (POCEC). Specifically, the request includes an additional **\$4.208 million** in construction funding, including **\$3.0 million** in cash to be applied toward reducing the amount financed through the City's construction bond. If approved, the PFD's total financial commitment to the project would increase to **\$22.754 million**, consisting of:

- **\$12.000 million** – Original Interlocal Agreement (ILA) (July 2020)
- **\$6.546 million** – Additional funding request outlined in the Letter of Interest (LOI) (March 2023)
- **\$4.208 million** – Additional construction funding request (June 2026), including **\$3.000 million** in cash to be applied toward the construction bond

The Board noted that, by the end of 2026, the PFD will have contributed approximately **\$2.79 million** toward pre-construction planning, design, environmental review, permitting, and other related project costs. City representatives also reported that the City has secured

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a substantial portion of the overall funding necessary to advance the project into construction.

As part of the proposed financing plan, the City has agreed to issue the construction bonds for the project. Under the proposed funding structure, the PFD would provide \$3.0 million in cash at the time of bond issuance, with the remaining **\$16.964** million financed through the City's bond issuance. The PFD would then be responsible for reimbursing the City for the annual debt service associated with the **\$16.964** million in bonded construction costs over the life of the bond.

This funding approach allows the City to retain ownership of the bond while reducing the total amount financed and the associated long-term interest costs through the PFD's upfront cash contribution.

The Board referred the City's funding request to the Finance Committee for further evaluation. The Committee will meet in July 2026 to review the proposal, analyze projected sales tax rebate revenues over the anticipated life of the bond issuance, evaluate the District's long-term financial capacity, and develop a recommendation for consideration by the full Board at its August 24, 2026 meeting.

## **6. General Business:**

- **KPFD Board Chair, Vice-Chair, Treasurer Nominations and Election for July 1, 2026 – June 30, 2028:** Current Chair Leedham, Vice-Chair Hatchel, & Treasurer Draper agreed to remain in their positions for an additional two years. No other board member expressed an interest in serving in any of those positions. Director Blair motioned to elected current Chair Leedham, Vice-Chair Hatchel, and Treasurer Draper to another two-year term. Director Cucciardi seconded the motion. The motion passed unanimously.
- **Policy Committee Report – Funding Policy Adaption:** Policy Committee Chair Hatchel presented the Committee's recommendation for adoption of the Kitsap Public Facilities District Funding Policy, noting that the Committee had completed its work and unanimously recommended approval by the full Board.

Executive Director Russ Shiplet informed the Board that a companion resolution to formally adopt and incorporate the Funding Policy had been drafted but was still undergoing final review. Following discussion, the Board agreed to defer action on the Funding Policy until the accompanying resolution is finalized.

The Board anticipates considering adoption of both the Funding Policy and the associated resolution at its August 24, 2026 regular Board meeting.

No formal action was taken.



- **PGFHP Project Grand Opening Ceremony:** Director Jagodzinske spoke on behalf of the PFD board during the grand opening of the north end trailhead of the Port Gamble Forest Heritage Park on May 28, 2026. Director Jagodzinske shared a video of the bike trails, which displayed numerous riders and trail competitions.
- **2026 AWSPFD Conference Update:** Executive Director Shiplet reported that signups numbers for conference participants is less than 20 but anticipates it picking up as the conference date in September approaches. \$5,000 has been raised in sponsorship to date. The Association of Washington State PFDs board of directors has been approached to assist in getting the word out about conference signups.
- **Kitsap PFD Building Sign:** The owner of the building where the PFD office is located has asked if he can re-locate the Kitsap PFD building sign to another location. It will now be located on the far righthand side of the building, facing north. The PFD will not incur any of the cost of relocating the sign.
- **KPFD Event Fund:** The Board discussed the Kitsap Public Facilities District Event Fund and inquired whether any recent funding requests had been received from community organizations.

Executive Director Shiplet reported that the Event Fund has remained largely dormant over the past several years, with few, if any, recent applications. He expressed his intent to revitalize the program by increasing public awareness of the funding opportunity and encouraging eligible organizations to apply.

The Board discussed using the Event Fund to help promote public events held at PFD-funded facilities, including the Kitsap Conference Center and the Kitsap Pavilion, as a means of increasing community engagement and maximizing the public benefit of District-funded venues.

## 7. Meeting Adjournment:

- The Board of Directors meeting adjourned at 6:22 PM.

### **Next Meeting of the Board:**

- **Monday, August 24, 2026 – Norm Dicks Government Center**
  - **Project Update: TBD**