

**LYNNWOOD PUBLIC FACILITIES DISTRICT  
BOARD MEETING MINUTES  
February 2, 2021**

**A. CALL TO ORDER**

The meeting of the Lynnwood Public Facilities District was called to order at 6:02 p.m. by Board Chair Wally Webster II. The meeting took place electronically. A conference call number was published in the agenda to enable public participation.

**Board Members Present**

Wally Webster II, Chair  
Taylor Nordby, Vice Chair  
Rosario Reyes  
Corbitt Loch, Interim Treasurer (ex-officio)

**Board Members Excused**

Loren Simmonds  
Shawn Walker, Secretary

**Others**

Janet Pope, PFD Executive Director  
Kim Koronko, PFD Finance Analyst  
Matt Hendricks, PFD Attorney  
Sara Blayne, LCC General Manager  
Councilmember Ian Cotton  
David Kleitsch, City of Lynnwood  
Tracey Morrison, LCC Finance Director

---

**B. APPROVAL OF AGENDA**

Board Member Reyes moved, seconded by Board Vice Chair Nordby, to approve the agenda as presented. Motion passed, unanimously.

**C. APPROVAL OF MINUTES**

**1. Correction to the February 2020 minutes**

ED Pope reviewed a correction to the February 2020 minutes requested by the auditor.

Board Vice Chair Nordby moved to approve the revisions to the minutes of February 2020. Board Member Reyes second. Motion passed, unanimously.

**2. Minutes of 11/10/20, 11/17/20, 12/1/20 and 12/15/20**

Board Member Reyes moved to approve the minutes from 11/10/20, 11/17/20, 12/1/20 and 12/15/20. Board Vice Chair Nordby seconded. Motion passed, unanimously.

**D. ANNOUNCEMENTS & COMMUNICATIONS**

**1. New Tenant GS Labs (COVID Testing)**

ED Pope explained GS Labs is moving into the old Longs Drug space. In the past leases were reviewed by the real estate committee which no longer exists. As there was a public health need, Board Chair Webster, Attorneys Hendricks and Purcell and she reviewed the lease. The month-to-month lease is \$10,000/month; improvements to the space as well as a \$5,000 payment to the leasing agent will total approximately \$14,000.

**E. CONSENT AGENDA**

Board Chair Webster explained unusual expenses are highlighted in yellow. He referenced payments to Geoengineering and asked about services they provide. ED Pope relayed they

**LYNNWOOD PUBLIC FACILITIES DISTRICT  
BOARD MEETING MINUTES  
February 2, 2021**

are providing information to Ecology for grant requests as well as conducting testing required by Ecology. The amount paid to Geoengineering was under budget for 2020. All the work Geoengineering does in 2021 should be covered by the Brownsville grant. Attorney Hendricks reported they have also been involved in the BP petroleum contamination. ED Pope said any expenditures related to BP/Arco are reimbursed.

Board Vice Chair Nordby asked about previous property owners' responsibility for the drycleaners contamination. Chair Webster advised no soil testing was done prior to purchase. Attorney Hendricks offered to research whether liability for contamination had been explored. [Later in the meeting he reported there was a lawsuit in 2014 and the PFD received \$100,000 from an insurance policy.]

FA Koronko advised due to the calendar for the last payroll period, ED Pope's and her salaries are only for one pay period in this AP Report; next month's will include three pay periods.

Board Member Reyes moved, seconded by Board Vice Chair Nordby, to approve the Accounts Payable Report in the amount of \$234,592.47. Motion passed, unanimously.

## **F. BUSINESS ITEMS**

### **1. Quarterly Financials and December Income/Expense Report**

ED Pope reported hotel/motel agreements are fixed so revenue is the same, sales tax was down \$10,000 in December and \$146,000 for 2020, and total revenue for 2020 was only 1% from the budgeted amount despite the pandemic. Tier 2 Snohomish County sales tax came in \$56,000 over budget. All Plaza tenants are relatively on time for rent; one is falling behind. PFD expenses were down 25% from budget amount in every category, much of that was Geoengineers. Convention Plaza expenses were 31% over budget largely due to legal costs related to Chuck E. Cheese. Costs for building maintenance continue to increase including work requested by the Fire Marshal. She and FA Koronko plan to meet with the financial advisor regarding bond refinancing.

FA Koronko reviewed the 2020 PFD Income & Expense Report, advising of a \$62,000 adjustment in the incentive fee in December so the total for year will be \$48,000. Discussion followed regarding management fee versus incentive fee, and removing the incentive fee from the Income and Expense Report.

FA Koronko reviewed the Summary Income Statement for the 4<sup>th</sup> quarter, highlighting PFD income higher than budget, Convention Plaza revenue down 4%, Plaza expenses up 10%, Convention Center revenues, and positive net income at yearend. She reviewed details in the Income Statements for the Lynnwood Convention Center and Convention Plaza and identified categories where adjustments will be made in the final Lynnwood PFD balance sheet. Discussion followed regarding the current portion of the long term debt.

### **2. Convention Center Update**

GM Blayne reviewed Q4, 2020 financials, advising four events were held in October and November which provided a small amount of income, otherwise the focus was on reducing costs. She reviewed yearend 2020 financials, advising it was within \$20,000 of April's worst case scenario projection. She reviewed yearend guest survey scores and 2020 goals. She provided the following updates: Snohomish County is back to Phase 2 which allows meetings, weddings and retail events

**LYNNWOOD PUBLIC FACILITIES DISTRICT  
BOARD MEETING MINUTES  
February 2, 2021**

(trade shows and fairs); working with Virginia Mason on a pop-up vaccine site (traffic flow will be coordinated with Police Department); planning a quarterly 3-day pop-up blood drive with Bloodworks NW; grant funds received; contract awarded to new IT provider; working with LMN on price estimates for a refresh; and first quarter revenues that are anticipated to be down so expenses have been adjusted accordingly. FA Koronko thanked GM Blayne and FD Morrison for their assistance with the grants.

Discussion followed regarding publicizing the Convention Center's involvement with providing services to the community (test site and pop-up vaccine site), and issuing a press release regarding the vaccine event.

**3. Election of Board Officers for 2021 – President/Vice President/Secretary**

Due to the absence of board members, Election of Board Officers was postponed to a special meeting on February 9<sup>th</sup>.

**4. Determine Special Meeting for February 9<sup>th</sup> to Discuss and Approve Board Committees**

The board members present agreed to a special meeting on February 9<sup>th</sup> to elect board officers, discuss committees, and appoint committee members.

**5. Approval of "I Love Lynnwood" Design**

ED Pope provided background on the design and location, recalling there was concern with the colors when it was presented in July. The colors provided in the board packet are the final design and the materials are vinyl and aluminum. Installation is expected April/May. The PFD will pay electric cost and the City will pay the remaining cost.

Board Member Reyes moved, seconded by Board Vice Chair Nordby, to approve the final design for "I Love Lynnwood" sculpture. Motion passed, unanimously.

**G. EXECUTIVE DIRECTOR REPORT**

ED Pope reported the retaining wall will require the assistance of Geoengineering. With regard to painting the post office interior, a review of the post office lease found the lessor is responsible for all maintenance except electronics and surveillance. The granting agency reduced the amount available for the remedial action grant, which will fund master planning costs, from \$400,000 to \$300,000. She relayed plans to review resolutions that have been approved in the past; results of that analysis will be on the March agenda. Discussion followed regarding the PFD's liability for cleaning up the Washington Energy Services site.

**H. UPDATES ON CITY PLANNING**

Director Kleitsch reported the City Council was briefed last night on the City Center project including development standards, environmental review, traffic analysis and massing study. (He forwarded the Council packet to ED Pope.) The traffic analysis found 194<sup>th</sup> Street SW will be needed beyond 2035. He summarized there are limiting factors on the City Center and PFD property.

The 196<sup>th</sup> Street project will begin later this month. More details will be provided at a February 3<sup>rd</sup> Public Works open house. The project is estimated to take two years.

**LYNNWOOD PUBLIC FACILITIES DISTRICT  
BOARD MEETING MINUTES  
February 2, 2021**

The Sound Transit project is on schedule; a framework for the guideway over 44<sup>th</sup> at 200<sup>th</sup> has been constructed. The garage foundation is complete and construction on the garage will begin soon. Sound Transit is beginning plans for ST3 (Everett link extension). Construction of Home Depot, Lynnwood Place mixed use, the Connect project are underway. Plans have been submitted for a new mixed use project at 40<sup>th</sup> & 198<sup>th</sup>.

**I. COMMENTS FROM COUNCILMEMBER COTTON**

Councilmember Cotton relayed that the Council requested future traffic studies explore options if 194<sup>th</sup> is not constructed. He commented on findings of the massing study and EIS for the City Center.

**J. EXECUTIVE SESSION REAL ESTATE MATTERS – To Review Negotiations on a Publicly Bid Contract**

The Board went into Executive Session at 7:32 p.m. for 45 minutes as authorized by RCW42.30.110(1)(d) to review negotiations on a publicly bid contract. The executive session was adjourned at 8:13 p.m. and the regular meeting was reconvened at 8:15 p.m.

**ADJOURN**

Meeting adjourned at 8:15 p.m.



---

Wally Webster II, Chair Board Member

February 2, 2021 - Accounts Payable

Payments to be signed by Janet Pope, Executive Director

Convention Plaza Expenses	Check #	Amount	Description
Pacific Air Control	7963	408.85	Repair heat in suite 214
Pacific Air Control	7963	292.83	Repair heat in CEC Bldg upstairs
Pacific Air Control	7973	297.71	Repair heat in USPS
Abco Locksmith, Inc.	7968	1,298.17	Repair double doors at Old Long's Drug suite
Fick & Company Roofing	7969	552.50	Repair roof above Silver Platters
Jani-King of Western Wa	7962	18.22	Light bulbs & supplies
Jani-King of Western Wa	7970	242.00	Janitorial services-upper offices - January
Jani-King of Western Wa	7970	265.16	Towels, seat covers, floor mats, skin cleanser
Monarch Landscaping	7972	1,370.42	Monthly maintenance landscaping
Puget Sound Energy	7964	328.74	Natural gas upper offices
Snohomish County PUD	7974	151.33	Old Longs/warehouse lighting
Waste Management	7966	2,091.21	Garbage srvc-SP/USPS
Waste Management	7966	2,574.96	Garbage srvc-Strip Mall
Waste Management	7966	1,049.22	Garbage srvc-CEC Bldg
Snohomish County PUD	7965	9.44	Sign lighting
Snohomish County PUD	7965	9.44	Sign lighting
Snohomish County PUD	7967	148.97	Strip mall soffitt lighting
Snohomish County PUD	7967	731.58	CEC Bldg 2nd floor lighting
Snohomish County PUD	7967	501.60	CEC Bldg Office HVAC
Snohomish County PUD	7967	83.23	Large sign on 36th
Snohomish County PUD	7967	49.69	CEC sign near 37th
Snohomish County PUD	7967	61.96	Sp/USPS bldg soffitt lighting
Snohomish County PUD	7967	187.68	Parking lot lighting
Snohomish County PUD	7967	222.94	Parking lot lighting
Snohomish County PUD	7967	71.25	CEC bldg soffitt lighting
Snohomish County PUD	7967	119.55	Elevator CEC bldg
City of Lynnwood - Utilities	7971	823.75	Old Longs/warehouse
City of Lynnwood - Utilities	7971	234.14	Tropical Tan/BBB
City of Lynnwood - Utilities	7971	928.53	Bamboo Tree
City of Lynnwood - Utilities	7971	3,027.77	Storm Drain
Transblue	7975	285.77	Lot sweeping - January
<b>Subtotal</b>		<b>18,436.61</b>	

PFD Operations	Check #	Amount	Description
Joyce, Ziker Partners	8635	84.00	Environmental Consultation - BP/Arco Remediation
Slalom, Inc.	8628	5,170.00	Consulting services for new financial software
Joyce, Ziker Partners	8637	300.00	Environmental Services - Dry Cleaners
Geoengineers	8627	3,054.00	Environmental Services - Dry Cleaners
Geoengineers	8634	268.25	Environmental Consultation - BP/Arco Remediation
Ace Internet Services	8625	792.00	IT services -Sept, Oct, Nov, Dec
Electronic Business Machines	8626	65.61	Contract overages
WA Dept of L & I	8629	156.77	Quarterly Payroll expense
WA Employment Security Dept	8630	21.68	Quarterly Payroll expense
Wa Dept of L & I Elevator	8631	134.10	Elevator License fee
Canon Financial Services	8633	110.98	Printer,scanner, copier lease - December
Health Care Authority	8622	1,707.54	Health care benefits
WA State Dept of Retirement System	8624	3,799.93	PERS contributions
Puget Sound Energy	8632	342.42	PFD office Natural Gas
Economic Alliance Sno Co	8638	1,000.00	Annual Investment
US Bank - Credit Card	8636	371.38	Ring Central & MSFT Internet, Office Supp & Data Backup
Jani-King of Seattle	8639	95.00	PFD office cleaning
EFTPS	1/15/2021	2,876.30	Federal payroll taxes
EFTPS	1/31/2021	2,745.54	Federal payroll taxes
<b>Subtotal</b>		<b>23,095.50</b>	

LCC Operations	Check #	Amount	Description
Lynnwood Convention Center	8623	173,865.11	Transfer funds
Monarch Landscaping	7943	913.62	Monthly maintenance landscaping
Transblue	7975	190.51	Lot sweeping - January
City of Lynnwood - Utilitites	7971	2,018.51	Storm Drain
SMG	8608	10,000.00	Management Fee - Dec
<b>Subtotal</b>		<b>186,987.75</b>	

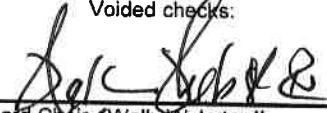
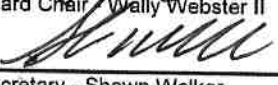
**February 2, 2021 - Accounts Payable**

Payments needing board approval (or	Check #	Amount	Description
<b>Subtotal</b>		-	
<b>NET PAYROLL</b>		6,072.61	J Pope & K Koronko
<b>TOTAL FOR ALL EXPENDITURES</b>		<b>234,692.47</b>	

The following checks are approved for payment as required by the BARS manual

Payroll warrant numbers: 012101 through 012102

Voided checks: 0

	<u>2/4/24</u>
Board Chair - Wally Webster II	Date
	<u>2/4/24</u>
Secretary - Shawn Walker	Date