

**LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
July 13, 2021**

A. CALL TO ORDER/DETERMINATION OF QUORUM

The meeting of the Lynnwood Public Facilities District was called to order at 6:05 p.m. by Board Chair Rosario Reyes. The meeting was held at the Lynnwood Convention Center at 3711 196th St SW, Lynnwood, WA as well as electronically. A conference call number was published in the agenda to enable public participation.

Board Members Present

Rosario Reyes, Chair
Taylor Nordby, Vice-Chair
Shawn Walker, Secretary
Michelle Meyer, Treasurer (ex-officio)
Wally Webster II

Staff/Others Present

Janet Pope, PFD Executive Director
Josh Cain, Finance Analyst
Matt Hendricks, Lynnwood PFD Attorney
Sara Blayne, LCC General Manager
Tracey Morrison, LCC Finance Director
David Kleitsch, City of Lynnwood
Sheri Campbell, Auditor in Charge, WA State Auditor
Haji Adams, Audit Supervisor, WA State Auditor
Dan Fenton & Bethanie DeRose, JLL

B. APPROVAL OF AGENDA

Board Member Webster moved, seconded by Board VC Nordby, to approve the agenda as presented. Motion passed, unanimously.

C. APPROVAL OF MINUTES

Board VC Nordby moved, seconded by Board Member Webster, to approve the minutes of June 1, 2021. Motion passed, unanimously.

D. ANNOUNCEMENTS & COMMUNICATIONS

ED Pope reported Josh Cain became the permanent Finance Analyst effective July 1, 2021. Business Assistant Nancy Lambert started work yesterday, full-time for the remainder of this year and part-time next year.

E. APPROVAL OF CONSENT AGENDA

Board VC Nordby moved, seconded by Board Member Webster to approve the Accounts Payable Report in the amount of \$242,844.87. Motion passed, unanimously.

ED Pope reviewed the Convention Plaza R&M Report, highlighting the estimated \$15,000 cost to replace the HVAC in the Body by Burnis space which raises the question of investing substantial amounts in buildings that may be demolished in the future. She will inquire with JLL about their recommended threshold for investment.

Questions and discussion followed regarding the lifespan of the HVAC unit, Body by Burnis' lease, whether the HVAC unit could be reused elsewhere in the future, concern the new HVAC unit only benefits one space, and providing a rent reduction for summer months.

F. BUSINESS ITEMS

The Lynnwood PFD Board's minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.

**LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
July 13, 2021**

1. Audit Exit Report

Haji Adams, Audit Supervisor, described the purpose of an audit (increased trust in government, independent, transparent examinations, improved efficiency and effectiveness of government).

Sheri Campbell, Auditor in Charge, relayed the results of the 2020 Accountability Audit: the District's operations complied, in all material respects, with applicable state law, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources. She identified the areas examined during the audit (financial condition and sustainability, general disbursements and authority and common activities), advising no concerns arose to level of a finding or management letter.

Ms. Campbell reviewed the results of the 2020 Financial Audit and the issuance of a Unmodified Opinion on the financial statements that no significant deficiencies were identified in the processes used by the District to prepare the statement. No material misstatements required correction and the financial statements are fairly presented and can be relied upon by users.

Mr. Adams reviewed a new audit tool (Tracker), audit costs, next audit in April 2022, report publication on the Auditor's website, and audit survey. He responded to a question regarding use of the financial statements in evaluating the PFD for financing. Ms. Campbell expressed appreciation for staff's cooperation and timely responses. ED Pope recognized CPA Tara Dunford who prepared the financial statements.

2. Cash Report & Investment Report

FA Cain reviewed the cash report, highlighting differences with the reporting in NetSuite, relaying that NetSuite makes preparation of this report much faster and easier.

ED Pope advised of a quarterly meeting with Time Value Investments (TVI), recalling a request last year for a report to the PFD Board. She reviewed the portfolio summary, highlighting a bond that will need to be reinvested in November, yields, and whether to reinvest cash. She responded to questions regarding how a decision is made regarding reinvesting the bond, and timing of the reinvestment decision.

3. Convention Center Report

GM Blayne reported on the State reopening that occurred June 30th that allowed all businesses to return to normal capacity and operations, staff recruiting, completion of the LPFD State audit with no findings, a new art exhibit in the Melby Art Gallery, installation of the "I Love Lynnwood" artwork, 2021 Financial Forecast (monthly actuals and forecasts), 2021 Economic Impact Forecast, and financial impacts of the pandemic recovery (labor costs, food costs, building maintenance, marketing and operational systems). She responded to a question regarding visitors to the Visitor's Center.

4. Determine August Board Meeting

ED Pope relayed the schedule does not include a PFD Board meeting in August. There will be items to report on such as the Operator RFP, but no action items. She offered to provide email updates regarding the Operator RFP. It was the consensus of the Board not to hold an August meeting.

The Board requested a bulleted list of the benefits of NetSuite including manhour savings in report preparation. FA Cain described the ability to provide the auditor "audit access" in NetSuite

**LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
July 13, 2021**

- Extended at 8:55 p.m. for 5 minutes to 9:00 p.m.

The executive session was adjourned at 9:00 p.m. and the regular meeting was reconvened at 9:00 p.m.

Board Member Walker moved, seconded by Board VC Nordby, to authorize the release of the RFP for the Convention Center Operator on Friday, consistent with the provisions discussed. Motion passed, unanimously.

ADJOURNMENT

Meeting adjourned at 9:06 p.m.

 11-2-21
Rosario Reyes, Chair Board Member

**LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
July 13, 2021**

instead of physical reports/details, and improvements NetSuite provides for AP. Questions included whether providing “audit access” will reduce the cost of the audit,

5. IT Evaluation

ED Pope proposed having an IT evaluation, primarily for security, and the estimated cost. Discussion followed regarding conducting a breach test, evaluating 3rd party security, location of the backup server, report on the Convention Center’s IT security as part of a previous audit, the consultant developing IT policies, cost of the evaluation (\$6,000-\$10,000), the PFD’s current IT consultant, and getting on the State auditor’s wait list for an IT assessment.

Board members with contracting for an IT evaluation, cost not to exceed \$10,000.

G. EXECUTIVE DIRECTOR REPORT QUESTIONS

ED Pope said the written ED Report is her key communication opportunity with the Board. She invited Board input on the amount of information in the report. Suggestions: Comprehensive written report and highlight significant items for feedback at the meeting.

H. MASTER PLANNING COMMITTEE REPORT

Board VC Nordby reported the committee had not meet since the last Board meeting. ED Pope reported future meetings will include a report from Attorney Hendricks on legal ramifications and a presentation by JLL on next steps, and feedback on KPIs in JLL’s contract. JLL’s KPIs will be presented to the Board in September.

Questions and discussion followed regarding the number of community members on the Master Planning Committee, adding more community members, preference to keep the committee small until topics warrant adding experts, making key board-level decisions first, and past efforts to gather public input.

I. UPDATES ON CITY PLANNING

Director Kleitsch reported the City hired an Economic Development Manager, Ben Walters. He will introduce him at the Board’s September meeting and would like to have him be part of the PFD’s Master Planning discussions. He reported Home Depot will open by end of summer, first phases of Avalon at Alderwood and Lynnwood Place are opening by year end, and the City’s commitment to maintain access to the Convention Center during construction on 196th. He plans to present PFD reappointments to Council in September, interview candidates in September and approval in October. He reported on the progress of the 196th Street project.

J. EXECUTIVE SESSION

The Board went into Executive Session at 7:35 p.m. for 20 minutes as authorized by RCW 42.30.110(1)(d) to review negotiations on a publicly bid contract. The executive session was extended as follows:

- Extended at 7:55 p.m. for 15 minutes to 8:10 p.m.
- Extended at 8:10 p.m. for 15 minutes to 8:25 p.m.
- Extended at 8:25 p.m. for 10 minutes to 8:35 p.m.
- Extended at 8:35 p.m. for 10 minutes to 8:45 p.m.
- Extended at 8:45 p.m. for 10 minutes to 8:55 p.m.

Payments to be signed by Janet Pope Executive Director

Bills Paid in June

Account	Type	Document Number	Amount
100 - Rouser Checking Account	88 Payment		
		1001	1,000.00
		1002	1,000.00
		1003	1,000.00
		1004	1,000.00
		1005	1,000.00
		1006	1,000.00
		1007	1,000.00
		1008	1,000.00
		1009	1,000.00
		1010	1,000.00
		1011	1,000.00
		1012	1,000.00
		1013	1,000.00
		1014	1,000.00
		1015	1,000.00
		1016	1,000.00
		1017	1,000.00
		1018	1,000.00
		1019	1,000.00
		1020	1,000.00
		1021	1,000.00
		1022	1,000.00
		1023	1,000.00
		1024	1,000.00
		1025	1,000.00
		1026	1,000.00
		1027	1,000.00
		1028	1,000.00
		1029	1,000.00
		1030	1,000.00
		1031	1,000.00
		1032	1,000.00
		1033	1,000.00
		1034	1,000.00
		1035	1,000.00
		1036	1,000.00
		1037	1,000.00
		1038	1,000.00
		1039	1,000.00
		1040	1,000.00
		1041	1,000.00
		1042	1,000.00
		1043	1,000.00
		1044	1,000.00
		1045	1,000.00
		1046	1,000.00
		1047	1,000.00
		1048	1,000.00
		1049	1,000.00
		1050	1,000.00
		1051	1,000.00
		1052	1,000.00
		1053	1,000.00
		1054	1,000.00
		1055	1,000.00
		1056	1,000.00
		1057	1,000.00
		1058	1,000.00
		1059	1,000.00
		1060	1,000.00
		1061	1,000.00
		1062	1,000.00
		1063	1,000.00
		1064	1,000.00
		1065	1,000.00
		1066	1,000.00
		1067	1,000.00
		1068	1,000.00
		1069	1,000.00
		1070	1,000.00
		1071	1,000.00
		1072	1,000.00
		1073	1,000.00
		1074	1,000.00
		1075	1,000.00
		1076	1,000.00
		1077	1,000.00
		1078	1,000.00
		1079	1,000.00
		1080	1,000.00
		1081	1,000.00
		1082	1,000.00
		1083	1,000.00
		1084	1,000.00
		1085	1,000.00
		1086	1,000.00
		1087	1,000.00
		1088	1,000.00
		1089	1,000.00
		1090	1,000.00
		1091	1,000.00
		1092	1,000.00
		1093	1,000.00
		1094	1,000.00
		1095	1,000.00
		1096	1,000.00
		1097	1,000.00
		1098	1,000.00
		1099	1,000.00
		1100	1,000.00
		1101	1,000.00
		1102	1,000.00
		1103	1,000.00
		1104	1,000.00
		1105	1,000.00
		1106	1,000.00
		1107	1,000.00
		1108	1,000.00
		1109	1,000.00
		1110	1,000.00
		1111	1,000.00
		1112	1,000.00
		1113	1,000.00
		1114	1,000.00
		1115	1,000.00
		1116	1,000.00
		1117	1,000.00
		1118	1,000.00
		1119	1,000.00
		1120	1,000.00
		1121	1,000.00
		1122	1,000.00
		1123	1,000.00
		1124	1,000.00
		1125	1,000.00
		1126	1,000.00
		1127	1,000.00
		1128	1,000.00
		1129	1,000.00
		1130	1,000.00
		1131	1,000.00
		1132	1,000.00
		1133	1,000.00
		1134	1,000.00
		1135	1,000.00
		1136	1,000.00
		1137	1,000.00
		1138	1,000.00
		1139	1,000.00
		1140	1,000.00
		1141	1,000.00
		1142	1,000.00
		1143	1,000.00
		1144	1,000.00
		1145	1,000.00
		1146	1,000.00
		1147	1,000.00
		1148	1,000.00
		1149	1,000.00
		1150	1,000.00
		1151	1,000.00
		1152	1,000.00
		1153	1,000.00
		1154	1,000.00
		1155	1,000.00
		1156	1,000.00
		1157	1,000.00
		1158	1,000.00
		1159	1,000.00
		1160	1,000.00
		1161	1,000.00
		1162	1,000.00
		1163	1,000.00
		1164	1,000.00
		1165	1,000.00
		1166	1,000.00
		1167	1,000.00
		1168	1,000.00
		1169	1,000.00
		1170	1,000.00
		1171	1,000.00
		1172	1,000.00
		1173	1,000.00
		1174	1,000.00
		1175	1,000.00
		1176	1,000.00
		1177	1,000.00
		1178	1,000.00
		1179	1,000.00
		1180	1,000.00
		1181	1,000.00
		1182	1,000.00
		1183	1,000.00
		1184	1,000.00
		1185	1,000.00
		1186	1,000.00
		1187	1,000.00
		1188	1,000.00
		1189	1,000.00
		1190	1,000.00
		1191	1,000.00
		1192	1,000.00
		1193	1,000.00
		1194	1,000.00
		1195	1,000.00
		1196	1,000.00
		1197	1,000.00
		1198	1,000.00
		1199	1,000.00
		1200	1,000.00



 Janet Pope, Executive Director

 Date: 11-2-21

 11/2/21

Secretary - Shawn Walker

