

**LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
September 7, 2021**

A. CALL TO ORDER/DETERMINATION OF QUORUM

The meeting of the Lynnwood Public Facilities District was called to order at 6:01 p.m. by Board Chair Rosario Reyes. The meeting was held 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
Wally Webster II

Staff/Others Present

Janet Pope, PFD Executive Director
Josh Cain, Finance Analyst
Nancy Lambert, Business Administrator
Matt Hendricks, Lynnwood PFD Attorney
Sara Blayne, LCC General Manager
David Kleitsch, City of Lynnwood

Board Members Excused

Michelle Meyer, Treasurer (ex-officio)

B. APPROVAL OF AGENDA

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

C. APPROVAL OF MINUTES

Board Member Walker moved, seconded by Board Member Webster, to approve the minutes of July 13, 2021. Motion passed, unanimously.

D. ANNOUNCEMENTS & COMMUNICATIONS

ED Pope introduced Nancy Lambert, Business Administrator. She reported on plants sent to Board Member Webster and Chair Rosario on the loss of their sisters. She and Board Member Webster plan to deliver an award to former Board Member Simmonds recognizing his contributions to the LPFD Board. Board Member Webster and Chair Rosario expressed their appreciation to the board for their condolences and thoughtfulness.

E. APPROVAL OF CONSENT AGENDA

FA Cain reviewed the AP report, highlighting the annual insurance payment to Enduris. Board Member Webster requested the AP report and detail be in larger print and that the payments be printed by category rather than check number. FA Cain and ED Pope responded to questions regarding the payment to JLL. FA Cain reviewed the Convention Plaza Repair and Maintenance Report.

Board VC Nordby moved, seconded by Board Member Walker, to approve the Accounts Payable Report and payroll in the amount of \$446,201.14. Motion passed, unanimously.

FA Cain reviewed the 2021 Cash In and Cash Out Report, highlighting \$120,000 transfer to the Convention Center in August and sales tax receipts in July and August.

F. BUSINESS ITEMS

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1. Quarterly Financials

FA Cain reviewed Quarterly Financials for the Lynnwood PFD, Convention Plaza and Convention Center and a summary, highlighting Department of Ecology grants, environmental remediation expenses, and net income. Staff responded to questions regarding the amount of the ecology grants and whether to adjust the budget based on trends.

2. NetSuite Improvements

ED Pope highlighted time savings as a result of NetSuite which allow FA Cain to focus on higher level financial issues. CA Cain pointed out NetSuite is fully customizable and scalable to the business. Discussion followed regarding increased staff efficiency with NetSuite, expectation that audit fees will not increase from the original estimate, how audit costs are calculated, and freeing up ED Pope's time to focus on the master plan. Board suggested working with the State Auditor to reduce the cost of the upcoming audit given the lower amount of work for the auditor.

3. Convention Center Report

GM Sara Blayne reviewed the report, highlighting decreased event inquiries due to the mask mandate, ASM Global does not require vaccines for their employees although employees are encouraged to get vaccinated and there are protocols in place if a client requests vaccinated-only employees at an event, an application was submitted to Snohomish County for \$864,000 from their American Rescue Plan funds, and Alderwood Community Church is again lending their parking lot to the LCC for overflow parking (except Sundays).

Questions and discussion followed regarding federal ARPA funding, Snohomish County Public Facility Districts advocating for ARPA funding from Snohomish County, ARPA funding request submitted to City of Lynnwood, the use of ARPA funds, and LCC net profits.

GM Blayne reviewed the 2021 Financial Forecast, highlighting higher gross income in July, lower gross income forecast for October, events postponed to 2022, and updated year-end forecast. Discussion followed regarding cancellation fees.

4. JLL Umbrella Contract Outcomes

ED Pope recalled when approving the JLL contract, the board requested staff negotiate JLL delivering outcomes and a schedule within 60 days. The umbrella contract covers services provided by JLL teams that work independently and together on property management, convention center, and development. The teams are presenting to the master planning committee tomorrow. Discussion followed regarding when JLL will present to the PFD board, a suggestion to have an update on the master planning process at the retreat, and a suggestion to share JLL's PowerPoint presentation to the master planning committee with the board.

5. Consolidated Payments for Accounts Payable

FA Cain explained during the audit, the auditor recommended having a board resolution that authorizes the implementation and use of electronic payment technology (ACH payments) to make electronic vendor payments via Umpqua Bank as well as to electronically receive rent payments from tenants. He described the current manual process for processing vendor payables and the various ways that tenants currently submit their rent checks.

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ADJOURNMENT

Meeting adjourned at 8:08 p.m.

 9-7-2021
Rosario Reyes, Chair Board Member

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Discussion followed regarding the cost of ACH payments, when tenants typically pay their rents, starting with a pilot electronic tenant rent payment program, NetSuite making this possible, allowing businesses to request rent transfers not be made, additional security ACH payments provide, and compensating balances.

Board Member Webster moved, seconded by Board VP Nordby, to approve Resolution 21-03 Authorizing the Use of Consolidated Payments. Motion passed, unanimously.

G. EXECUTIVE DIRECTOR REPORT & BOARD CALENDAR

Written report provided in the packet. ED Pope highlighted tenant updates, environmental remediation (testing found no contamination into ground water which result in a considerable savings), and the request submitted to Snohomish County for \$875,000 in American Rescue Plan funds. She responded to questions regarding contamination on the Washington Energy Services site, Tropical Tan's decision to vacate, tenant improvements required in the Tropical Tan space, and removal of tanning beds from storage.

ED Pope reviewed the 2021 Board calendar, highlighting the October 15th board retreat that will include budget assumptions, new board member orientation, approve fiscal, HR and ED Review policies, and approval of the draft of LCC Operator Contract to finalize negotiations.

H. MASTER PLANNING COMMITTEE REPORT July 22nd

Board VC Nordby reported the committee met with JLL regarding the RFP for the Convention Center operator and discussed involvement of the operator in master planning, future of the property, envisioning the future in the current COVID world, and JLL conducting market research.

ED Pope reported on JLL team leads who are addressing property management, the convention center, and development.

Board Member Walker reported following outreach to Snohomish County about the master plan.

I. UPDATES ON CITY PLANNING

Director Kleitsch reported on the construction schedule for 196th improvements. Sound Transit will kick off the Everett link extension project in September and begin discussing preliminary alignments and station locations in November; selection of an alignment will take 3-4 years as an EIS will be required. Applications for the LPFD Board Position 3 were due today; he will reach out to the Council's Executive Assistant tomorrow and strive to take action by October 11th. Other projects in the city are on schedule. He will attend the Lodging Tax Advisory Committee on Thursday; increasing COVID cases have affected tourism. City Hall will likely not reopen to the public until 2022.

J. COMMENTS FROM COUNCILMEMBER SMITH

K. EXECUTIVE SESSION

The Board went into Executive Session at 7:48 p.m. for 20 minutes as authorized by RCW42.30.110(1)(d) and (i) to review negotiations on a publicly bid contract and discuss with legal counsel representing the agency. The executive session was adjourned at 8:06 p.m. and the regular meeting was reconvened at 8:07 p.m.

Payments to be signed by Janet Pope Executive Director

Bills Paid in July/August

Pay Month	(Multiple Items)		
Type	Bill		
Class: Name	Name	Description	Sum of Amount
Convention Plaza	Enduris	Prepaid Insurance Amortization	42,556.00
Convention Plaza	Fire Protection, Inc.	Fire Alarm Quarterly Fee - Tropical Tan - Q3	193.68
Convention Plaza	Fire Protection, Inc.	Fire Alarm Quarterly Fee - Chuck E Cheese - Q3	193.68
Convention Plaza	Pacific Air Control, Inc.	HVAC Maintenance - Body by Burns	193.68
Convention Plaza	Pacific Air Control, Inc.	HVAC Maintenance - Slatar Insurance	234.81
Convention Plaza	Purcell Legal & Mediation Services, PLL	Legal Services - CEC Bankruptcy	350.84
Convention Plaza	Purcell Legal & Mediation Services, PLL	Legal Services - Real Estate Issues	245.00
Convention Plaza	Reed Smith LLP	CEC Chapter 11 Bankruptcy	1,456.87
Convention Plaza	TK Elevator	Elevator Maintenance Chuck E Cheese - Overtime	4,333.50
Convention Plaza	TK Elevator	Elevator Maintenance Chuck E Cheese 8/1/21 - 10/31/21	938.81
Convention Plaza	City of Lynnwood - Utilities	Water Sewer - Bamboo Tree Site 102 - May 2021	866.40
Convention Plaza	City of Lynnwood - Utilities	Water Sewer - Convention Plaza - May 2021	624.53
Convention Plaza	City of Lynnwood - Utilities	Water Sewer - Tropical Tan Site 124 - May 2021	3,027.77
Convention Plaza	City of Lynnwood - Utilities	Water Sewer - GS Labs Site 142 - May 2021	234.14
Convention Plaza	City of Lynnwood - Utilities	Water Sewer - Parking Lot 3819 - May 2021	842.68
Convention Plaza	City of Lynnwood - Utilities	Water Sewer - Chuck E Cheese - May 2021	473.51
Convention Plaza	Jan-King of Western Washington	Janitorial Services - July 2021	546.52
Convention Plaza	Jan-King of Western Washington	Janitorial Services - August 2021	242.00
Convention Plaza	Lynnwood Convention Center	Parking Lot Labor and Trash Can Users	242.00
Convention Plaza	Monarch Landscaping Holdings, LLC	Landscaping Expense - July 2021	2,004.56
Convention Plaza	Monarch Landscaping Holdings, LLC	Landscaping Expense - August 2021	1,370.42
Convention Plaza	Puget Sound Energy	Natural Gas - Chuck E Cheese Upstairs - Jul 21	1,370.42
Convention Plaza	Snohomish County PUD No 1	Natural Gas - GS Labs 142B - Jul 21	39.07
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Parking Lot 3819 Area Lighting	35.87
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Parking Lot Lighting - Jul 2021	26.62
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese Sign on 37th - Jul 2021	356.10
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Silver Platter / USPS - Jul 2021	45.70
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Large Sign on 36th - Jul 2021	20.50
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese - Jul 2021	58.34
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese - Jul 2021	70.52
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese Office HVAC - Jul 2021	249.80
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese Elevator - Jul 2021	107.98
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese 2nd Floor - Jul 2021	740.62
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Second Floor Lighting - Jul 2021	1,047.06
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese Sign on 37th - Aug 2021	46.36
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Large Sign on 36th - Aug 2021	46.36
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Parking Lot Lighting - Aug 2021	58.06
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese 2nd Floor - Aug 2021	348.65
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese Elevator - Aug 2021	616.39
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese Elevator - Aug 2021	87.80
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Silver Platter / USPS - Aug 2021	26.89
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese - Aug 2021	71.83
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Chuck E Cheese Office HVAC - Aug 2021	217.90
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Second Floor Lighting - Aug 2021	869.56
Convention Plaza	Snohomish County PUD No 1	Electricity Services - Warehouse Lighting - Aug 2021	409.61
Convention Plaza	Waste Management	Electricity Services - Warehouse Lighting - Jul 2021	411.57
Convention Plaza	Waste Management	Garbage Services - Kara Kitchen - July 2021	2,672.68
Convention Plaza	Waste Management	Garbage Services - GS Labs - July 2021	2,454.18
Convention Plaza	Waste Management	Garbage Services - CEC Bldg - July 2021	424.60
Convention Plaza	Zipley Fiber	Garbage Services - USPS Bldg - July 2021	1,287.81
Convention Plaza	Zipley Fiber	Elevator Phone Services - July 2021	59.10
Convention Plaza	Zipley Fiber	Elevator Phone Services - August 2021	69.10
Convention Plaza Total			75,438.88
Lynnwood PFD	Bridgepoint Consulting	NetSuite Implementation Project ID 3620	1,050.00
Lynnwood PFD	Freiheit Architecture, Inc., P.S.	Prepare Historical PFD Master Planning Presentation	2,774.95
Lynnwood PFD	Electronic Business Machines, Inc.	Contract Overages - Copier	59.39
Lynnwood PFD	Enduris	Prepaid Insurance Amortization	9,750.00
Lynnwood PFD	Northshore Business Service	Board Meeting Minutes	892.20
Lynnwood PFD	ProEquities, Inc.	TVI Investment Management	670.00
Lynnwood PFD	Stalom, LLC	Financial System Assessment June 2021	225.00
Lynnwood PFD	Two Degrees	Consultant Fees - Josh Cain	18,480.00
Lynnwood PFD	Oracle America Inc.	NetSuite	4,420.71
Lynnwood PFD	Ace Internet Services	IT Services	4,051.88
Lynnwood PFD	Canon Financial Services, Inc.	Color Copier Fee July 2021	110.99
Lynnwood PFD	Canon Financial Services, Inc.	Color Copier Fee August 2021	135.99
Lynnwood PFD	Geengineers, Inc.	Pilot Study	24,694.07
Lynnwood PFD	Geengineers, Inc.	Data Gap Assessment	36,430.95
Lynnwood PFD	Geengineers, Inc.	Remedial Investigation and Feasibility Study	17,869.75
Lynnwood PFD	Guardian Security Systems, Inc.	Alarm Monitoring 8/1/21 - 10/31/21	85.19
Lynnwood PFD	Health Care Authority	Health Insurance July 2021	85.19
Lynnwood PFD	Health Care Authority	Health Insurance August 2021	851.36
Lynnwood PFD	Jan-King of Western Washington	Janitorial Services - July 2021	95.00
Lynnwood PFD	Jan-King of Western Washington	Janitorial Services - August 2021	95.00
Lynnwood PFD	Joyce Ziker Partners	Legal Services - Dry Cleaner Release	1,837.50
Lynnwood PFD	Lynnwood Convention Center	Board Meeting on 7/13/21	900.96
Lynnwood PFD	Lynnwood Convention Center	Owl Pro for Board Meetings	900.96
Lynnwood PFD	Puget Sound Energy	Natural Gas - PFD 136 - Jul 21	1,103.90
Lynnwood PFD	Tara Dunford, CPA	Audit Services - June 2021	38.01
Lynnwood PFD	US Bank	Audit Services - July 2021	550.00
Lynnwood PFD	US Bank	US Bank CC Charges	651.12
Lynnwood PFD	WA ST Auditor's Office	Audit Fees FY 2020 - June 2021	5,146.05
Lynnwood PFD	WA ST Auditor's Office	Audit Fees FY 2020 - July 2021	2,770.95
Lynnwood PFD	WA ST Dept of Retirement Systems	PERS Payment - May 2021	3,554.59
Lynnwood PFD	WA ST Dept of Retirement Systems	PERS Payment - June 2021	2,632.22
Lynnwood PFD	JLL	JLL Retainer 2021-2022	45,000.00
Lynnwood PFD	Puget Sound Business Journal	Puget Sound Business Journal Renewal	300.00
Lynnwood PFD	WA ST Dept of Ecology	2020 Hazardous Waste Generation Fee	56.00
Lynnwood PFD Total			192,378.10
Convention Center	Enduris	Prepaid Insurance Amortization	34,168.00
Convention Center	City of Lynnwood - Utilities	Water Sewer - Convention Center - May 2021	2,018.51
Convention Center	Lynnwood Convention Center	LCC Operations Funding - Aug 2021	120,370.44
Convention Center	Monarch Landscaping Holdings, LLC	Landscaping Expense - July 2021	913.62
Convention Center	Monarch Landscaping Holdings, LLC	Landscaping Expense - August 2021	913.62
Convention Center	SMG	Management Fee	20,000.00
Convention Center Total			178,384.19
Grand Total			446,201.14

July/August Payments

Account Type	1000 - Regular Checking Account		
	Bill Payment		
Document Number	Name		Sum of Amount
9070	Bridgepoint Consulting		(1,050.00)
9071	Canon Financial Services, Inc.		(1,110.89)
9072	WA ST Dept of Retirement Systems		(5,186.81)
9073	Freiheit Architecture, Inc., P.S.		(2,774.95)
9074	JLL		(30,000.00)
9075	Tara Dunford, CPA		(560.00)
9076	Northshore Business Service		(892.60)
9077	Two Degrees		(14,410.00)
9078	Geengineers, Inc.		(78,994.77)
9079	Health Care Authority		(853.77)
9080	Snohomish County PUD No 1		(2,723.64)
9081	Purcell Legal & Mediation Services, PLL		(245.00)
9082	Stalom, LLC		(581.04)
9083	Fire Protection, Inc.		(225.00)
9084	Guardian Security Systems, Inc.		(86.19)
9085	Jan-King of Western Washington		(337.00)
9086	Monarch Landscaping Holdings, LLC		(2,284.04)
9087	SMG		(10,000.00)
9088	WA ST Dept of Ecology		(56.00)
9089	Pacific Air Control, Inc.		(585.65)
9090	City of Lynnwood - Utilities		(7,221.14)
9091	Two Degrees		(4,070.00)
9092	Joyce Ziker Partners		(1,837.50)
9093	ProEquities, Inc.		(870.00)
9094	Lynnwood Convention Center		(1,002.29)
9095	Snohomish County PUD No 1		(411.57)
9096	WA ST Auditor's Office		(5,146.05)
9097	Zipley Fiber		(59.10)
9098	Waste Management		(8,789.27)
9099	US Bank		(145.96)
9100	Ace Internet Services		(4,051.88)
9101	Canon Financial Services, Inc.		(4,811.36)
9102	Health Care Authority		(4,420.71)
9103	Oracle America Inc.		(59.39)
9104	Electronic Business Machines, Inc.		(59.39)
9105	Lynnwood Convention Center		(121,271.40)
9106	TK Elevator		(1,126.21)
9107	Puget Sound Energy		(112.95)
9108	JLL		(15,000.00)
9109	Jan-King of Western Washington		(337.00)
9110	Monarch Landscaping Holdings, LLC		(2,284.04)
9111	SMG		(10,000.00)
9112	Reed Smith LLP		(4,533.50)
9113	Enduris		(96,473.00)
9114	Puget Sound Business Journal		(360.00)
9115	US Bank		(505.16)
9116	Snohomish County PUD No 1		(2,779.41)
9117	City of Lynnwood - Utilities		(545.52)
9118	Lynnwood Convention Center		(2,106.18)
9119	Purcell Legal & Mediation Services, PLL		(1,456.87)
9120	WA ST Auditor's Office		(2,770.95)
9121	Zipley Fiber		(69.10)
Grand Total			(446,201.14)
Net Payroll			37,846.78

Rosario Reyes 11-2-21
 Board Chair - Rosario Reyes Date

Shawn Walker 11/2/21
 Secretary - Shawn Walker

