

LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
October 2, 2018

A. CALL TO ORDER

The meeting of the Lynnwood Public Facilities District was called to order at 6:00 p.m. by Board Chair George Sherwin at the Lynnwood Convention Center.

B. Board Members Present

George Sherwin, Chair
Andy Olsen, Vice Chair (excused absence)
Lynn Melby, Secretary
Wally Webster II
Rosario Reyes
Sonja Springer, Treasurer

Others

Grant Dull, PFD Executive Director
Judy Powell, PFD Finance Analyst
Matt Hendricks, PFD Attorney
Sara Blayne, LCC General Manager
Tracey Morrison, LCC Finance Director
Chris Pilkey, LCC Operations Director
David Kleitsch, City of Lynnwood (excused absence)
Council Member Shirley Sutton

C. MINUTES

Board Member Melby moved, seconded by Board Member Reyes, to approve the September 11, 2018 minutes as presented. Motion passed, unanimously.

D. ANNOUNCEMENTS, ORAL AND WRITTEN COMMUNICATIONS

The 2019 Budget binders were distributed to all Board Members.

E. CONSENT AGENDA

Board Member Melby moved, seconded by Board Member Webster, to approve the Accounts Payable Report in the amount of \$56,500.47. Motion passed, unanimously.

F. BUSINESS ITEMS

1. FINANCIAL STATEMENTS

FA Powell presented the financial statements for August 2018. Net income for the month of August was \$104,376 (before depreciation), the budgeted net income was \$112,023.

The Convention Center had yet another slow month. Net subsidy year-to-date is \$211,407, which is \$130,829 more than budget. However, sales into the future remain strong.

Net income for the Convention Plaza for the month of August was \$58,055, which was \$17,994 better than budget. The difference can be attributed to lower than anticipated CAM expenses and higher than budgeted lease revenue from new leases signed in the first half of the year. CAM expenses are 17% under budget.

Work has continued to demolish the Vet Building and is nearing completion. The "Parking Lot Repairs and Restriping" project started in July and was completed in August came to a total of \$14,187.

2. CONVENTION CENTER REPORT

GM Blayne provided an overview of business for the month of August:

- The LCC required a subsidy of \$111,966 for the month of August.

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.

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- August guest feedback surveys scored an average of 4.9 without parking. Food and Beverage Quality scored a 4.7. Audio Visual scored a 5.0.
- For the month of August, the Convention Center generated 738 room nights and \$950,226 in direct and indirect economic impact.

3. CYBER SECURITY AUDIT REPORT

In the Fall of 2017, the PFD Board requested that a cyber security audit be done regarding the Convention Center. An audit was completed by the of the Lynnwood Convention Center systems by Mike Andrews, Edmonds Community College at no charge. Chris Pilkey, LCC Operations Director presented the report and reviewed it with the Board. No significant findings were found.

4. BUILDING REFRESH

GM Blayne requested SMG Corporate support to evaluate the building's capital investments, infrastructure and soft goods to help prioritize projects and purchases for fiscal years 2019 and 2020. Based on industry trends and customer expectations what capital projects could be completed during this two-year period that would give the Convention Center a competitive advantage without a full-scale remodel. GM Blayne presented a document to the Board that outlines the recommendations above and beyond those projects and purchases identified in the current 3R document due for replacement in 2019 or 2020.

5. NOVEMBER BOARD MEETING DATE

ED Dull proposed moving the November Board Meeting to November 6, 2019 instead of November 13. Motion made by Board Member Webster to move the November Board Meeting date as suggested. Seconded by Board Member Reyes. Motion passed, unanimously.

G. EXECUTIVE DIRECTOR'S REPORT

The Council was scheduled to interview candidates to replace Board Member Olson on Monday, October 1.

H. EXECUTIVE SESSION

None

I. ADJOURN

The meeting adjourned at 8:06 pm.

George Sherwin, Board Chair