

LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
March 6, 2018

A. CALL TO ORDER

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

B. Board Members Present

George Sherwin, Chair (excused)
Andy Olsen, Vice Chair
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
David Kleitsch, City of Lynnwood
Council Member Shirley Sutton

Guest

Becky Mackenstadt, CPA, CMA, Vine Dahlen PLLC
Arlene Ho, Vine Dahlen PLLC

C. MINUTES

Board Member Melby moved, seconded by Board Member Reyes, to approve the February 6, 2018 minutes as presented. Motion passed, unanimously.

D. ANNOUNCEMENTS, ORAL AND WRITTEN COMMUNICATIONS

None

E. CONSENT AGENDA

Board Member Melby moved, seconded by Board Member Reyes, to approve the Accounts Payable Report in the amount of \$159,402.62. Motion passed, unanimously.

F. BUSINESS ITEMS

1. CONVENTION CENTER FINANCIAL AUDIT

Becky Mackenstadt of Vine Dahlen PLLC presented the LCC's audited financial statement report. Becky stated that they are issuing an unqualified opinion on the LCC's special purpose statements.

2. FINANCIAL STATEMENTS

ED Dull presented the financial statements for January 2018. Net income for the month of January was \$87,684 (before depreciation), the budgeted net income was \$116,937.

Sales tax revenue received in late February reflects retail sales in the City of Lynnwood during the month of December 2017. Sales tax receipts generated within the City of Lynnwood was \$106,715, which is 6.5% more than what we received in February 2016.

The Convention Center required a subsidy of \$108,542, which was \$43,800 more than projected. One major convention that originally booked in January moved the event to

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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September. The number of “last minute” bookings in January was lower than projected. Sales pace for 2018 is slightly behind the pace at the same time last year.

3. CONVENTION CENTER REPORT

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

- The LCC required a subsidy of \$108,542 for the month of January.
- January guest feedback surveys scored an average of 5.0 without parking. Food and Beverage scored a 5.0. Audio Visual scored a 4.8.
- For the month of January, the Convention Center generated an estimated 887 room nights and approximately \$993,000 in direct and indirect economic impact.

4. LONG TERM PLANNING

Board Member Webster lead a discussion regarding the long-term vision/planning of the Lynnwood PFD.

5. CEC OFFICE LEASE

Long term office tenant Mykut Real Estate ended their lease in January 2018. The PFD is in the process of negotiating a lease with a prospective tenant, who would operate a training business for adult caregivers. This prospective tenant has been reviewed with the Real Estate Committee.

Motion made by Board Member Melby, seconded by Board Member Webster, to authorize the Executive Director to sign an office lease with North Care Training as discussed and approved by the Real Estate Committee. Motion passed unanimously.

6. AUDIO VISUAL 2017 GUEST SURVEY SCORES

GM Blayne provided the Board an analysis on the 2017 A/V scores. The 2017 guest survey score goal for SMG to achieve was a 4.6 in the audio visual category. The 2017 survey score that they received was only a 4.4.

G. EXECUTIVE DIRECTOR’S REPORT

ED Dull has signed a lease with Kona Kitchen to occupy the former Taco Guaymas site. The remodel of the restaurant is underway.

The 2018 IAVM Region 4 Conference will occur in Spokane from May 7-9. The Spokane PFD is a leader in the State in the number of projects it has undertaken and in the way it has changed downtown Spokane.

H. OLD BUSINESS/NEW BUSINESS

None

I. EXECUTIVE SESSION

The Board went into Executive Session at 7:50 pm for 10 minutes as authorized by RCW42.30.110(1) (d) to discuss matters on the performance of a publicly bid contract. At

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8:00 pm, the Board extended the session for 5 minutes. At 8:05 pm, the Board came out of Executive Session.

Board Member Webster moved, seconded by Board Member Melby, pay the full incentive fee as discussed in Executive Session to SMG. Motion passed, unanimously.

J. ADJOURN

The meeting adjourned at 8:07 pm.

George Sherwin, Board Chair