

SNOHOMISH COUNTY PUBLIC FACILITIES DISTRICT  
PUBLIC FACILITY DISTRICT MEETING MINUTES  
SNOHOMISH COUNTY ADMINISTRATION EAST,  
6th Floor, CONFERENCE ROOM 6A02  
July 15, 2010  
3:00 P.M.

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**Board:**

Travis Snider, District #4  
Janice Greene, District #2  
Debbie Emge, District #5

**Interested Parties:**

Kim Bedier, Comcast Arena at Everett Events Ctr  
Dave Waggoner, Airport  
Barry Smith, Future of Flight Foundation  
Joe McIalwain, Edmonds Center for the Performing Arts  
Grant Dull, Lynnwood Convention Center

**Staff:**

Roger Neumaier, Finance Department  
Cristy Schelm, Finance  
Karina Viltova, Department of Public Works  
Doug Ferguson, PFD Attorney  
John Amos, Council Staff

**Call to Order:** Travis Snider called the meeting to order at 3:09 PM.

**Public Comment** No public comments.

**Approval Items:**

After review of the vouchers, Janice Greene moved to approve the vouchers for January, February, March, 2010 in the amount of \$594,228.44. Debbie Emge seconded the motion and it passed unanimously.

After review of the vouchers, Debbie Emge moved to approve the vouchers for April, May, and June, 2010 in the amount of \$458,792.52. Janice Greene seconded the motion and it passed unanimously.

Janice Greene moved to approve the January 21, 2010 and April 15, 2010 meeting minutes with changing the spelling of LaCrosse to include the e. Debbie Emge seconded the motion and it passed unanimously.

**Review Financial Statements**

Roger reported to the PFD that we have a 2.93% growth in the last 6 months on a cash basis and he is hopeful that as the year goes on that will get higher.

Tulalip and Seattle malls are doing more strongly than Everett and Lynnwood

Cities are lagging behind, except Snohomish who is up 5% over last year

Travis asked, what does it look like through the end of the year?

Roger answered that they are forecasting that it will not stay as strong as it looks now. Projects are better off not counting on the 2nd tier. It would be very painful to be wrong.

John commented that we don't know what would create a double dip so we shouldn't rule it out – we are hitting and exceeding our targets for the first time in a couple of years so it is hopeful but it is safer to be conservative

**Project Financial Updates**

EDMONDS PFD – Joe McIalwain

- Handed out list of events for the upcoming fourth season
- Ticket prices have dropped a little and the lineup is good
- Number of events per season is still down but ticket sales are holding up
- Capacity is around 70% per show, up from 50% during the first couple of seasons
- Handed out a simplified copy of the financial report – this is the 1<sup>st</sup> time they are running in the black
- Already looking ahead of last year, new Development Director, Jamie Herlich is very skilled and the community is responding well to her – contributions are up
- Rentals are up
- Will be adding two part-time volunteers in the admin office, people like what the EAC is doing and are approaching them offering help
- Used grant funds received in 2008 to do some life/safety repairs and upgrades to the older part of the building and will have another meeting room online to rent soon
- Made their June bond payment – brought in \$111,000 in outstanding pledges that had just not come in yet, part of it was a HUD grant that was stuck for a while
- Talking to City of Edmonds in preparation for making the December payment, expect to need their help
- Centennial Celebration of the campus on September 25<sup>th</sup>
- Brochures will be done in a couple of weeks and will be out in the mail soon after

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Roger commented that things are working better and better in the operations of the Art Center.

Joe responded that it helped to get the two boards working together and improving communications between the boards and staff has helped make a big difference.

EVERETT PFD – Kim Bedier

- Still running about \$150,000 ahead of budget, handed out a quarterly report
- Record setting concert in ticket sales just last night
- Stealth won the National LaCrosse League Championship
- Several graduations in June, Lots of people through the doors and growing
- Hosted a hugely successful ethnic wedding
- Won the award for Venue Excellence in the Arena category from the International Association of Assembly Managers
- This has been one of our strongest summers yet and things are still improving

Travis commented that the financial picture is really strong, what has caused this?

Kim responded that ticket sales are up and family attendance is still on the rise, this continues to help improve ticket sales.

Roger suggested that the projects present this good economic news to the Council in the near future, requested that John Amos arrange that – John agreed.

Doug asked what they make doing graduation ceremonies?

Kim replied that it isn't a lot, they have a set rate for them and it is part of their service to the community

Roger added that that is a very important point, it points out that this arena is a benefit to the community

FUTURE OF FLIGHT PFD – Dave Waggoner and Barry Smith

- Attendance is up 11% over last year – expect to get close to 190,000 visitors this year
- Working with Boeing to arrange some delivery events in about 18 months, there are some upgrades to make and financing to go with them
- They have added another board member and expect to add two more by the end of the year. The board is very active and fully engaged.
- The education program they started last winter is very popular, additional grants and funding are being sought to enlarge the program
- Contributed income is looking significantly better this year than last
- They now have 32 Partners in Innovation and the membership continues to increase as they add specialized events
- Gala at the end of October – costume ball with Teatro Zinzanni to perform

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- Wind tunnel project coming up – 20% of the seed money is raised, they are entering the engineering phase – only proceed as they get the funding
  - GE is giving them a GE90 engine to replace the Pratt & Whitney engine on the floor – the GE90 is currently being used on the 777
  - Retiring the 727 nose section, replacing with a 757 with a complete cockpit in it on it's nose gear
  - Space elevator should be done by the end of the summer
  - Pittsburgh Paint and Glass is going to revamp the carbon fiber barrel display so that it will rotate
  - Japan attendance is back; the fastest growing segment is China
  - Reached an agreement with the Department of Transportation to get signage off of I-5 to the future of flight

Roger commented that the economy has been tough, but in the past 6 months John Amos has worked hard to help the council more fully understand the nature of the business challenges facing the Projects. This has been very important and the Council appreciates it in a way that they didn't before.

Travis asked, how are things going with the Paine Field Passport program.

Dave responded that it is going very well and the discount coupon book should be in place by the fall for next year. Paine Field, Flying Heritage Collection and Historic Flight combined with Washington Pilots to present General Aviation Day, this has doubled in size each of the last two years.

Travis asked, a couple years from now, what might these events look like?

Dave responded, they will be more well known and people will look forward to it – the size of the facility may eventually limit the size of the events – the option is to have more frequent events rather than mega-events. This is also better so that you don't hang all your expectations on a once-a-year thing. They expect these events to become part of a circuit of events over time.

LYNNWOOD PFD – Grant Dull

- The Convention Center is stable at this time
- Sales tax, lodging tax, down
- Income from rentals is down
- Continue to get interest from retail developers – hopefully one day they will get a hotel near by
- Handed out copies of the Economic Impact Study they had done in 2009 – the bottom line is they are doing what they set out to do
- A Newsletter goes out electronically – if anyone isn't getting it and would like to, please contact Grant
- Contract with SMG expires this year – they have gone out for bid on that, 4 firms have expressed an interest, expect to know more by August

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Roger asked if there is anything the county can do to help Lynnwood attract a hotel?  
Grant answered that he couldn't think of anything – but thank you.

Roger commented that Grant should bring the Economic Impact Study to the council presentation

Travis commented that things are looking up from last year and asked if we are working our way out of it or are we in for a double dip?

Dave said that it is still pretty slow for Boeing and they are a lot of the business for the Future of Flight.

Roger commented that the stabilization they are seeing is encouraging, rapid growth would be false. People are scared and growth will be slow. Biggest threat that we face is housing, if this market cannot stabilize it may get bad again.

Revenues in the budget are being worked on by council and executive together

Travis asked, Did we do anything about the annual reports from last year? How do we want to handle the report to Council?

Roger responded that everyone was satisfied with the annual reports from last year and asked John to let the Board know if and when the Council would like to hear from them?

Travis asked, can we see the financial impact of each project?

Roger suggested that they each do it individually rather than as a whole, thinks it will make a much more interesting presentation.

Travis commented that it would be interesting to see the impact these four projects have had – they have been investing in the community and it looks like it has helped the community recover.

Roger would like to get the four projects to embrace it – it is a wonderful idea

Discussion of an economic impact analysis of the four projects – on the next agenda.

Travis adjourned the meeting at 4:31pm

  
Chairperson Signature

  
Date