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SNOHOMISH COUNTY PUBLIC FACILITIES DISTRICT  
PUBLIC FACILITY DISTRICT MEETING MINUTES  
JACKSON BOARD ROOM  
AUGUST 16, 2002  
3:00 P.M.

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*Roll Call:*

**Board:**

Steve Juntwait, District #2  
Boyd McPherson, District #1  
Travis Snider, District #4

**Interested Parties:**

Mike Bailey, City of Lynnwood  
Bill Evans, Lynnwood PFD  
Kjris Lund, Edmonds PFD  
Terry Vehrs, Edmonds PFD

**Staff**

Dan Clements, Finance  
Sylvia DeZordo  
Doug Ferguson, Anderson Hunter  
Wanda Johnson, Finance  
Karen Murphy, Finance

*Call to Order:*

Travis Snider, President, called the meeting to order at 3:00 P.M.

*New Business:*

**Minutes.** It was moved by Boyd McPherson, seconded by Steve Juntwait, to approve the minutes of June 28, 2002 meeting. Motion carried unanimously.

**Vouchers.** Travis reviewed the voucher packet with the Snohomish County PFD Board for approval. Motion was made by Boyd McPherson, seconded by Steve to approve vouchers dated April 1 through August 15, 2002 in the amount of \$61,487.82.

**Elections of Officers.** Motion by Steve Juntwait to appoint existing officers to another year's term. Seconded by Boy McPherson. Carried Unanimously.

**Introductions.** Wanda Johnson introduced Karen Murphy who is the Accountant for Snohomish County Public Facilities District.

**Financial Reports.** Dan Clements discussed the revenue report showing the sales tax projections. Wanda attended the PFD meeting to be available to answer any questions for the PFD Board regarding the July Budget Report and Cash Flow Report. Travis and Wanda discussed the monthly revenues.

**August and September Meeting Schedule.** The Snohomish County PFD Board discussed the need to have a meeting on August 30, September 6,

13 and 20. The PFD Board members would be contacted to see if a quorum could be established for the meeting dates.

Edmonds Update:

**Edmonds Performing Arts Center.** Travis mentioned that he had an opportunity to have a tour of the proposed facility and received updates from Kjris Lund. Travis invited Edmonds to update the PFD Board members on the proposed facility.

Kjris reviewed the work elements of the consulting team which includes the architecture, feasibility study, efforts to get Federal and State behind this project, proforma, business plan and market study.

Kjris reviewed the market study which looks at the practical uses of the property and revenue sources. This information would be presented to the PFD Board in the near future. Kjris discussed the Capital Campaign Report and the interviews that have occurred to hire a fund raising consultant.

Kjris discussed the Sensitivity Analysis. Dan Clements and Kjris discussed the project revenue assumptions. Travis asked the Edmonds PFD to provide conservative numbers for the level of use showing that the project could still meet expenses. Kjris stated that the Edmonds PFD would present letters of intent from regional assemble groups, Seattle Men's Chorus, children theaters and other projects that are linked to education. She also stated that non-profit organizations would hold meetings in the facility. These meetings would not compete with the Lynnwood Convention Center.

Kjris stated they have met with the City of Edmonds and the facility would be applying for a conditional use permit for a master plan constructed in two phases. The City has calculated parking spots that would be on site as well as outlining parking locations.

Kjris also stated that a Draft Marketing Plan is being reviewed by the Edmonds PFD Board. The Marketing Plan would target donors, audiences and organizations that might be using the facility. Travis would like management to identify to the PFD Board when the Marketing Plan would begin.

Kjris and Terry Vehrs discussed the Financial Plans and that the purchase of sale should close very close to the September 11, 2002 deadline. They would have the Edmonds PFD attorney contact Doug Ferguson regarding the purchase and the interlocal agreement.

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Kjris stated that by August 30 the Executive Summary would be submitted to the Snohomish County PFD along with attached reports from consultants. She would review the Executive Summary with the PFD Board at the September 6 meeting.

Lynnwood Update:

**Financing Issues.** Property Acquisition. Bill Evans stated that they are in the process of acquiring four properties. Lynnwood PFD has filed Public Use and Necessity documents with the court for two properties. Bill has met with Video Only and the tenant has asked for a delay until September 4 so that the tenant could review the applicant's records to see if the Lynnwood PFD has the right to condemn the property. Bill stated they would proceed with condemnation and hoped to negotiate settlement on all properties. He did feel that all property owners would like to settle out of court.

Bill stated that their goal is to begin demolition in the spring and open the facility by 2004.

**Marketing Budget and Revised Market Study.** Mike Bailey discussed their marketing budget as follows:

	2002	2003	2004	2005
Pre Opening:	\$50,000	\$100,000	\$300,000	\$0
Marketing:	100,000	150,000	- 0 -	105,388

Travis and Bill discussed the revenues within the Proforma that were adjusted to include some of the revenue from competition going to Everett and Tulalip. Travis felt uncomfortable with the forecast completed by Columbia Hospitality especially if there is an additional 20% drop in the revenue. Dan stated that the PFD Board might wish to present questions to the consultant on what the consultant sees as an impact from the Everett and Edmonds PFD projects.

Mike Bailey stated that the Lynnwood PFD has presented a conservative proforma that the applicant could meet. This information is stated on page 16 of the Competitive Analysis.

Bill and Travis discussed the marketing going on within other cities; and, that the Snohomish County PFD Board would continue to support the marketing of the Lynnwood PFD project.

Mike Bailey stated that the City of Lynnwood has signed the interlocal agreement. Bill stated that they interlocal has been signed by the Lynnwood PFD and would be discussed by their Finance Committee on August 19. Dan stated that the Sales Tax Agreement is being processed;

and, the final form for the Hotel/Motel Tax Agreement is being reviewed by the Snohomish County Prosecuting Attorney. Dan anticipates that County Council will approve two separate agreements.

Correspondence: **Opinions on Marketing and Reserves.** The PFD Board discussed the two opinions submitted by Doug Ferguson. Doug would draft a resolution providing for the allocation of sales and use tax revenues. The draft resolution would be reviewed and adopted by the Snohomish County PFD Board.

Old Business: **ByLaws.** Doug has updated the Bylaws of the Snohomish County Public Facility District which were adopted as part of the formation ordinance. Doug asked the PFD Board to review Section 3.1 regarding regular board meetings. He stated that individual meetings could be announced; therefore, changing the quarterly meeting date to another scheduled date.

Boyd asked the PFD Board to review Section 2.3 regarding Powers and Duties of the Secretary/Treasurer. Dan stated that it could state Secretary/Treasurer or designee. Doug would add a clause indicating that the Secretary/Treasurer could delegate. Steve Juntwait entertained a motion to adopt with change indicating Secretary/Treasurer or designee. Boyd seconded the motion. Doug would present the revised Bylaws at the next meeting.

Adjournment: Meeting adjourned at 5:20 PM

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Follow-up Items:

- 1) Sensitivity Analysis. Edmonds PFD to provide conservative numbers for the level of use showing that the project could meet expenses.
- 2) Identify beginning date for the Edmonds PFD Marketing Plan.
- 3) Executive Summary to be submitted by the Edmonds PFD by August 30. Executive Summary would be discussed at September 6 PFD meeting.
- 4) Doug Ferguson would submit a draft resolution for the allocation of sales and use tax revenues. Resolution would be reviewed and adopted by the PFD Board.
- 5) Doug would submit revised Bylaws revising clause for duties of Secretary/Treasurer.



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