

SNOHOMISH COUNTY PUBLIC FACILITIES DISTRICT
PUBLIC FACILITY DISTRICT MEETING MINUTES
Snohomish County Main Campus
3000 Rockefeller Avenue, Everett, WA 98201
October 26, 2017
3:00 P.M.

Board Members Present:

Steve Shelton, President, District #3
Debbie Burton, District # 5
Mark Beales, District #4
Bruce Gandal, District #2 (telephonically)

Interested Parties Present:

Nickolis Landgraff, Snohomish County Airport
Grant Dull, Lynnwood Convention Center
Joe McIalwain, Edmonds Center for the Arts
Rick Comeau, Xfinity Arena

Staff Present:

Brad Cattle, Anderson Hunter Law Firm
Sharyl Raines, Snohomish County Finance Department
Robin Selfridge, Snohomish County Finance Department
Misty Terry, Snohomish County Public Works

Guests:

Michelle Corsi, Snohomish County Prosecutors Office
Alan Dashen, Northwest Municipal Advisors

Call to Order

Steve Shelton called the meeting to order at 3:05 p.m.
Introductions were made.

Public Comment / Correspondence

No public comments.

Approval Items

Debbie Burton moved to approve the January 26, 2017, April 27, 2017 and July 20, 2017 minutes. Mark Beales seconded the motion and it passed unanimously.

After review of the vouchers, Debbie Burton moved to approve the vouchers for July through September 2017 in the amount of \$545,609.49. Mark Beales seconded the motion and it passed unanimously.

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Mark Beales moved to approve a Professional Services Agreement with Alan Dashen and his Firm, Northwest Municipal Advisors, for a period of six months and fees not to exceed \$10,000. The specific form of the Professional Services Agreement will be worked out between Mr. Dashen, the Public Facility District President Steve Shelton and attorney Brad Cattle. Upon agreement of those parties, Steve Shelton is authorized to sign that Agreement which will be brought back to the Board at the next meeting for ratification. It is the intent of the PFD Board that Mr. Dashen and his Firm to work with the local PFD's to increase their effectiveness with PFD funding and other source funding. Mr. Dashen is to provide an interim report at the next PFD meeting. Debbie Burton seconded the Motion and it passed unanimously.

Mark Beales moved to modify the 2017 budget by \$24,500 for additional administrative expenses. Debbie Burton seconded the motion and it passed unanimously.

Disbursements:

Fund X10

(July through September 2017)

Voucher/warrant numbers: 1958427, 1961346, 1965132 Total \$71,283.00

Voucher/warrant numbers: 1958445, 1961355, 1965134 Total \$132,410.01

Voucher/warrant numbers: 1958590, 1961454, 1965164 Total \$186,198.00

Voucher/warrant numbers: 1958737, 1961586, 1965189 Total \$114,432.48

Voucher/warrant numbers: 1958247, 1961242, 1965110 Total \$35,659.50

Voucher/warrant numbers: 1962662 Total \$3,084.00

Voucher/warrant numbers: 5011368, 5011568 Total \$1,692.50

Voucher/warrant numbers: 42699 Total \$750.00

Voucher/warrant numbers: 1961459, 1961601 Total \$100.00

Financial Report

Q3 Financial Report

Robin Selfridge presented the financial reports. Interest is at 125% of projection through Q3. Sales tax rebate income is at 77% of projection, slightly above the 75% through Q3. Growth over the 2016 YTD is 8.62% over last year and through Q3 we are at 10.04%. Tier II payments being processed tonight and will be mailed out tomorrow along with the regular monthly payments to the PFD.

Old Business

Amendments to PFD to Bylaws / PFD Charter

The amendments were previously approved in August and are ready to be implemented.

Preparation for Extension of Sales Tax Rebate

Steve Shelton discussed his excitement for new things to come with the extension of the Sales Tax Rebate and the importance of having funds split fairly and equitably. He thanked the four projects for providing information regarding their financial status.

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Project Financial Updates

Edmonds Center for the Arts – Joe McIlwain

- 2017/2018 Season Underway
 - 2017/2018 Brochure Handout
- Currently in bond refinancing process
 - 3-4 month timeline
 - Approximately 8% savings
 - Should be debt free by 2026/2027
- Strategic Business Plan
 - Joint Board Meeting in December
- Roof Replacement Project
 - Just finished second round of bids
- New Director of Operations – Matt Keller

Xfinity Arena – Rick Comeau

- Operating side has fallen behind
- 2018 Budget Proposed to PFD Board
- Several events planned for 2017/2018
- Many recent venues have requested dates for 2018 events
- Currently negotiation a Naming Rights Agreement
- 2018 Projects
 - Replace upper level reader boards and glass as requested by WHL
 - Install metal detectors

Future of Flight – Nickolis Landgraff

- 3rd Quarter Report handout
 - Revenue is ahead by 25%
 - Down .6% from last year
 - Attendance up to 275K
- Discussion about the cancelled Operating Agreement
 - Questions for PFD attorney handout
 - New operator will take over on June 13, 2018
 - Michelle Corsi offered to provide Interlocal Agreement, Lease and Operator Agreement to PFD attorney, Brad Cattle, with the PFD Board's approval.

Lynnwood Convention Center – Grant Dull

- Revenue up 1%
- Convention Center is ahead of budget and, for the 5th year in a row, will have the best year ever
- Convention Plaza requires a few repairs and most of the buildings need a new roof; looking into costs
 - Projecting to spend \$1.5M-1.6M in capital expenses in 2018
- Property Clean-Up
 - Entered into a voluntary clean-up program with the Department of Ecology
 - This past spring, submitted first of three reports to DOE before clean-up can begin
- What Lynnwood needs is more parking

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New Business

Breakfast Meetings of Local Snohomish County PFDs

Grant Dull discussed the 2 breakfast meetings that have already taken place. Usually one or two members from the local PFDs attend the meetings to network and discuss each project's needs and how to fund those needs. They've realized the process of trying to determine how to fund the projects is very complex. Believes an outside financial advisor may be helpful.

Northwest Municipal Advisors

Alan Dashen submitted a proposal for a Professional Services Agreement between Northwest Municipal Advisors ("NMA") and the Snohomish County PFD. Alan admits NMA has a conflict of interest as it has worked with several of the local PFDs, however, this is a good conflict in that NMA has special knowledge of local projects, etc.

Annual Washington Association of PFDs Convention Hosted by Lynwood PFD

Grant Dull discussed how this annual event came about 12 years ago. This year, there were approximately 14 or 15 of the 24 Washington State PFDs represented. The 2018 Annual Washington PFD Meeting will be at the Seattle Convention Center – a date has not been set yet.

Revised 2017 Budget

Robin Selfridge discussed the need to modify the 2017 budget to include the following fees:

- \$4,500 for past-due Washington State PFD Association dues;
- \$10,000 for the Northwest Mutual Advisors Agreement; and
- \$10,000 for additional attorney's fees.

Revenue Projections through 2041

Sharyl Raines discussed the projections through 2041 and estimated the LTD through 2041 to be approximately \$132 million to \$133 million.

2018 PFD Meetings

PFD quarterly meetings will be held at the following PFD locations:

- January 25, 2018 – Lynnwood Convention Center
- April 26, 2018 – Xfinity Arena
- July 19, 2018 – Future of Flight
- October 25, 2018 – Edmonds Center for the Arts

Steve Shelton adjourned the meeting at 4:36 p.m.

The January 25, 2018 meeting location is at the Lynnwood Convention Center.



Chairperson Signature

1/25/18
Date