

LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
June 7, 2011

A. CALL TO ORDER

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

B. Board Members Present

Mike Echelbarger, Chair (via conference call)
Bob Fuller, Vice Chair
George Sherwin, Secretary
Andy Olsen (excused absence)
Lynn Melby
Lorenzo Hines, ex-officio Treasurer
(excused absence)

Others

Grant Dull, Executive Director
Arletta Voter, Finance Analyst
Matt Hendricks, PFD Attorney
Kelvin Moore, General Manager
Angie Mykel, LCC Director of Sales & Marketing
Will Christison, LCC Director of Operations & Events
Tracey Morrison, LCC Director of Finance
David Kleitsch, City of Lynnwood
Councilmember Ed dos Remedios, City of Lynnwood

C. MINUTES

Board member Sherwin moved, seconded by Board member Melby, to approve the May 3, 2011 Board Meeting Minutes. Motion passed.

D. ANNOUNCEMENTS, ORAL AND WRITTEN COMMUNICATION

None.

E. CONSENT AGENDA

Board member Melby moved, seconded by Board member Sherwin, to approve the Accounts Payable report in the amount of \$65,943.50. Motion passed.

F. BUSINESS ITEMS

1. Financial Statements

Executive Director Dull presented the financial statements for April 2011; overall, net income without depreciation, is 38% better than budget.

ED Dull also updated the Board on the latest Sales Tax receipts received in May 2011 for the month of March 2011; year-to-date receipts through May 2011 are 7.5% higher than the same time last year.

ED Dull stated that the PFD and SMG will present a six month report to the Board in August, with year-end projections.

2. City Center Development Regulations

Reid Shockey with Shockey Planning Groups Inc. joined the meeting at 6:20 pm. Board Chair Mike Echelbarger also joined the meeting at 6:20 pm, via conference call.

Reid Shockey summarized his role as a consultant for the PFD; the upcoming City of Lynnwood Planning Commission public hearing on the proposed amendments to the development regulations and design guidelines of the City Center plan; and the next steps with working with the City on development guidelines for Hotel Planning or other future site development. The Board directed ED Dull and Reid Shockey to request a one month

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extension for open public comment, as more time is needed to study and understand the specifics of the revisions, in order for the PFD to comment on the proposed amendments.

3. Convention Center Report

General Manager Moore provided an overview of business for the month of April:

- April's net income was \$13,662; or \$35,856 greater than budget;
- The average score for April customer comment cards was 4.71 out of 5;
- Indirect Expenses were under budget by \$38,590 year-to-date;
- The Economic Impact Analysis Report indicates an estimated \$6.1 million in economic impact through April 2011; and
- The booking pace is ahead of last year's pace by \$21,000; tentative and prospect bookings are \$55,000 better than last year.

4. Resolution Amending Purchasing Policies

ED Dull reviewed the Procurement Policy Amendment No. 11-02. The Board discussed the amendment to the personal services limits and recommended that the competitive acquisition minimum be raised to \$10,000. Board member Melby moved, seconded by Board member Sherwin to adopt Resolution No. 11-02 with the revisions. Motion passed.

5. B & O Tax

ED Dull and GM Moore discussed the details of the Washington State Department of Revenue (DOR) audit. SMG hired the accounting firm, Deloitte & Touche to assist with the audit. PFD staff and legal counsel will review the information provided by the DOR, SMG, and Deloitte and Touche; the PFD and SMG will then request a meeting with the DOR to resolve and clarify the reporting requirements.

6. SMG 2012 Goals

ED Dull presented 2012 SMG goals, which direct the budget process for next year. ED Dull will also be preparing a PFD goal summary to be incorporated into a Master Plan, using the SMG hotel "need statement"; Convention Center needs, including shared parking and future expansion; and consistent with future PFD development.

SMGs 2012 Goals and will presented to the Board again at the August 2011 Board meeting for discussion and approval.

G. STAFF REPORTS

1. Executive Director

Director Dull reviewed the 2012 Budget Process and timeline. ED Dull discussed the summer meeting schedule and the Board discussed the possibility of cancelling the July meeting.

ED Dull summarized the latest Arcadis work; a corrective action statement should be received within two months and will be reviewed by GeoEngineers.

ED Dull stated that both Board member Melby and Board member George Sherwin's Board appointments end in October; both have stated that they wish to remain on the PFD Board. David Kleitsch will send the reappointment letter to the PFD, requesting the PFD's formal response.

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Board member Sherwin asked about the 2011 PFD Conference. He recommended a discussion with the other PFDs regarding the request for a Sales tax extension and collaboration with other PFDs concerning common goals. ED Dull will email the 2011 PFD Conference information to the Board.

H. EXECUTIVE SESSION

The Board went into Executive Session at 7:47 pm for five minutes to discuss Real Estate Matters. The Board came out of Executive Session at 7:52 pm.

I. ADJOURN

The meeting adjourned at 7:52 pm.

Mike Echelbarger, Chairman