

MINUTES
Spokane Public Facilities District
Board of Directors
Webinar
Wednesday, July 22nd, 2020
12:30 PM

ITEM #1 TO ORDER

Board Chair Larry Soehren convened the 783rd Meeting of the Spokane Public Facilities District at 12:30 PM.

ITEM #2 ATTENDANCE

In attendance via webinar was Board Chair Larry Soehren along with members Marty Dickinson, Travis Tramp, Nate Greene and Mick McDowell. District personnel included CEO Stephanie Curran, Mike Gaffaney, Stephanie Huff, Brittany Garwood, Jessica Deri, Ryan Wilson, Matt Meyer, and Andrew Dolan. Guests included Andrew Brenner with Lydig Construction, Dave Pier with Brett Sports and Entertainment, Harold Froewiss with Centerplate, Intisar Surur from McBride Public Affairs, Stuart Boylin with Lilac City Decorators, Sandy Kates with Quality Inn Oakwood, Tim Mitchell from Mangia Catering, Toby Hatley from the Washington Hospitality Association, and Lara Estaris from the City of Spokane.

Board Chair Larry Soehren reviewed the Spokane Public Facilities District (SPFD) Board Meeting webinar, call-in process and technology. He added the previous SPFD Board Meeting minutes and current agenda are posted on spokanepfd.org/board. Mr. Soehren further explained the PFD Board and Panelists are open on the call. During Public Discussion, use the 'Raise Your Hand' feature and the Board Chair will recognize attendee inquiries individually. Roll call will not be taken as attendee's registered for the meeting.

ITEM #3 CONSENT AGENDA

Mr. Soehren presented the Consent Agenda items.

Mr. Greene moved to approve the Consent Agenda, Mr. Tramp seconded and the motion was approved unanimously, including the following:

- Approval of Minutes from June 24, 2020
- Witherspoon-Kelley Invoices for May 2020
- Approval of Expenditures for June: Payroll Vouchers: #3798-3823 + 2 Wire Transfers
Accounts Payable Vouchers: #107800-107806, #107810-107826,
#107828-107861, #107863-107951, #107953

ITEM #4 DISTRICT BUSINESS

Finance Committee

Ms. Green reviewed financials for the month of June, reporting a lower loss than in May and April.

The PFD S & P bond rating has been downgraded to triple B with possibly a loss of ten to fifteen basis points. Our financial advisors stated this downgrade hasn't affected much as all facilities are in similar situations due to Covid and Moody's has not contacted the PFD.

A decision to refinance will be made once all 2019 financials are accumulated.

Ms. Garwood stated 2019 year-end work is near completion.

Operations Committee

Mr. Tramp declared the Operations Committee is in ongoing discussion with the Food & Beverage Committee regarding the PFD Food & Beverage contract due to expire at the end of 2020. A recommendation will be presented to the Board at an upcoming Board Meeting. Ms. Huff is working with our consultant on final questions.

Project Committee

Sportsplex:

GMP Amendment #5:

Mr. Koch reviewed the GMP Amendment #5 for \$ 704,545.00. There are four elements included in change-over #4 for this amendment.

- 1) Reimbursement for Traffic Impact Fees. This is a District expense in the amount of \$ 40,933.00 which was paid by Lydig due to its ties to building permits. Lydig has sought all permits.
- 2) Design-Build Pedestrian Ramp to the North Bank Park. The Board has previously approved this agreement with the Parks Department and it is now included in the GMP in the amount of \$ 398,843.00.
- 3) Increased Wet Utilities Scope of Work. The Sportsplex water main on Cataldo Avenue needed to increase from a 6” to an 8” pipe. A coordinated effort was made to work on Cataldo one time and, in order to serve surrounding businesses, the pipe was increased to 12”. The city will reimburse the District for this added cost and legal teams are working on the process for a late-comers fee as services become available. The District will be responsible for the 6”- 8” portion in the amount of \$ 153,948.00.
- 4) Increased Dry Utility & Mechanical Yard Scope of Work. Once the trench was open, a decision was made to include neighboring properties. The Sportsplex portion is included in the GMP. This additional \$ 110, 821.00 is for work on the Selkirk Development. The District has received payment from Selkirk. Lydig needs the Board to approve the amendment in order to invoice. This brings the total project with \$ 46,499,557.00.

Mr. McDowell moved to approve GMP Amendment #5, Mr. Tramp seconded, and the motion was approved unanimously.

Lydig Pay Application for June #21

Mr. Koch presented the June Application previously approved by the Project Committee in the amount of \$ 3,459,505.80.

This Pay Application encompasses concrete work by Lydig and work by American Iron Workers.

GMP #5 items are listed without billings in the amount of \$ 704,545.00.

Board Chair Mr. Soehren noted that in essence of transparency, a previous meeting reviewed the billing line-by-line.

Ms. Dickinson moved to approve the Pay Application, Mr. Tramp seconded, and the motion was unanimously approved.

Sportsplex Project Update:

Mr. Brenner expressed appreciation for Board approval and for the formed partnerships throughout this project including the PFD, city, and neighbors.

Mr. Brenner presented a slideshow of current work and stated the Sportsplex is currently 34% complete.

Inside work is moving along well.

The elevator shaft with wrap-around staircase is progressing.

Stud work, framers, and electrical work is ongoing.

A notable milestone is the 300’ long, 16’ high trusses that will support the roof. There are nine of these trusses, each in three parts. Mounting of large overhead steel work will occur in the next few weeks on specialty shoring towers.

Outside work includes a large 20' retaining wall for the back of the house and loading dock. Most of this area will be back-filled and underground at completion.

Overall the project is on budget and two days ahead of schedule.

Ms. Dickinson inquired about upcoming next large steps in the project, progress on the southside of the project, and if there have been any delays due to Covid.

Mr. Brenner responded that the metal deck roof followed by the formal roof would install early fall.

In late September/early October construction of exterior walls will begin.

The Parks Department and their contractor have been great partners. The Parks and Sportsplex stormwater systems are tied together and that project ran smoothly.

Covid has not affected the Parks project.

Board Chair Mr. Soehren inquired if there was Board interest in a site tour. Mr. Koch and Mr. Brenner will coordinate and Lydig will provide PPE.

ITEM #5 MISCELLANEOUS.

CEO Update:

Re-Opening/Covid/Business:

Ms. Curran and Mr. Meyer had been working on a concert series in the Park as well as Convention Center outdoor meetings. The Riverside Terrace tent is up as a city meeting was scheduled for July 23. Recently revealed Governor mandates will not allow for these events to proceed at this time.

The Convention Center and Meetings Coalition had sent paperwork to the Governor last week on meeting guidelines. It was received the day prior to the announcement of the new mandates and its status is unknown.

Visit Spokane received \$ 2.5 million from CARES for marketing. Funds are required to be used by the end of the year, thus it cannot be used for Incentive Funds.

The Spokane Sports Commission is meeting with the city next week to request \$ 150,000.00 for marketing of the Sportsplex.

The 2022 Masters Track & Field event booked at the Sportsplex has moved to 2023. The Sports Commission is working on another large event for February of 2022. This would be the first event at the Sportsplex.

Industry discussion predicts business and events to be delayed until quarter three of 2021 or possibly 2022. PFD Local Sales Managers have reported interest from local partners to book events. Clients are awaiting restrictions to be lifted. All is still an unknown, the PFD is proceeding as much as possible.

Mr. Meyer has some other projects that will be unveiled as they come to fruition.

IAVM has begun a "Save the Venues" campaign.

ESD/Employment Security Department/Staff:

A few staff are departing from PFD. Betsy Hammond is retiring after 24 years.

Three other staff have taken positions outside of the PFD.

Funding:

Ms. Curran stated that the status of tax revenue and debt will be revealed in August when numbers are available regarding the PFD shut-down.

Ms. Dickinson inquired about the PFD monthly run-rate and how long can that be sustained.

Ms. Curran reported monthly expenses at \$400,000. The Arena Shelter and RV Show parking lot sale have been added revenue. Another RV Show will be held at the Arena parking lot in August. Plans for movies in the parking lot have been placed on-hold due to recent mandates. Payroll is approximately \$200,000, the District is self-insured, and the PFD is in hiring freeze thus vacated positions are not being filled at this time.

Ms. Garwood concurred June expenses at \$400,000 and indicated they may decrease.

Ms. Curran added the PFD owes \$7.5 million by December 1, 2020 and \$14.7 million next year.

Ms. Garwood later noted that with current monthly expenses, not including bond payments, PFD may have five years. Mr. Greene added that this information does not include refinance of 2013 bonds which may be an option.

Mr. Greene inquired about status of Arena Shelter.

Ms. Curran explained that the Arena Shelter is on schedule to conclude per contract on Thursday, August 13 at midnight. The Mayor has unveiled plans last week for a new shelter on 55 West Mission Avenue, the former Spokane Housing Authority building.

Board discussion on plausibility of the new building opening on time for transition. Board requested Ms. Curran visit with the Mayor on the possibility of a month-to-month extension noting confidence in future shelter plans and that the shelter process has been smooth.

Ms. Curran noted financially the shelter has been favorable, and in prior board meetings it was clearly relayed to the city that the Arena Shelter end as contracted. An extension would not be welcome news to neighbors.

The Arena Shelter has had very few relative issues considering the presence of close to 100 individuals daily/nightly.

Board discussion regarding the WHL. Mr. Pier disclosed the season is currently scheduled to begin October 2, 2020. If delayed until November 2, 2020, December 2, 2020, or January 2021, a full-season is still planned.

Ms. Curran and Mr. Pier will further discuss league plans and timing of player's camp.

ITEM #6 PUBLIC DISCUSSION

Mr. Soehren opened the Board Meeting for Public Discussion and the conference call was open for all meeting attendees.

Mr. Boylin with Lilac City Decorators asked if there was any upcoming 2020 conferences at the Convention Center.

Ms. Curran communicated that there is booked October business, however, it is dependent upon official mandates and is unlikely. Clients need information well in advance for planning and will need to decide shortly. November conferences have canceled. Further 2020 conference business is not expected at this time.

Mr. Pier noted the process of the Food and Beverage Committee has been challenging as communication have been via Zoom. At the same time, he has appreciated that the committee has put forth great effort, comments, and research.

He added appreciation for the partnership and communication with Ms. Curran and Mr. Meyer.

The next SPFD Board Meeting is scheduled for Wednesday, August 12, 2020 at 12:30 p.m. It will most likely be of a virtual nature and not at the Spokane Veterans Memorial Arena.

ITEM #7 ADJOURNMENT

There being no further business the Board adjourned at 1:12 PM.

Michelle McIntyre
Clerk of the Board

Approved by the
Board of Directors