

MINUTES
Spokane Public Facilities District
Board of Directors
Spokane Veterans Memorial Arena Board Room
Wednesday, August 14, 2019
12:30 PM

ITEM #1 TO ORDER

Board Chair Larry Soehren convened the 761st meeting of the Spokane Public Facilities District at 12:30 PM.

ITEM #2 ATTENDANCE

In attendance was Board Chair Larry Soehren along with members Marty Dickinson, Travis Tramp, and Mick McDowell. Board Member Nate Greene was absent and excused. District personnel included Stephanie Curran, Matt Gibson, Monte Koch, Mike Gaffaney, Ryan Wittstruck, Andrew Dolan, Jene Iceberg, Kay Riplinger, Antwone Whaley, Holly Williams, and Ryan Wilson. Guests included Stanley Schwartz from Witherspoon Kelley, Marc Greenough from Foster Pepper, Stanley Hoff, Deyonna Batacan and Megan Kasper from Centerplate, Dusty Kurtz from TicketsWest, Sheryl Brandt from Enduris, Ashley Blake and Eric Sawyer from the Spokane Sports Commission, Toby Hatley from Washington Hospitality Association, Bobby Brett and Dave Pier from Brett Sports and Entertainment, and Meg Winchester, Ruth Fitzgerald and Jamie Rand from Visit Spokane.

ITEM #3 CONSENT AGENDA

Mr. McDowell moved to approve the consent agenda, Ms. Dickinson seconded and the motion was approved unanimously, including the following:

- Approval of Minutes from July 10, 2019
- June Legal Invoices from Witherspoon Kelley totaling \$5,261.00
- June 2019 – Payroll Vouchers: #3390-3416 + 2 Wire Transfers
Accounts Payable Vouchers: #102351, #102593-102647, #102728-102750,
#102752-102844, #102847-102887, #102889-103099, #103101-103136, #103138-
103147

ITEM #4 DISTRICT BUSINESS

Art Committee

No Report

Finance Committee

Ms. Dickinson gave the Board a report on the District's June 2019 financials, mentioning that expenses continue to look good. She commented that the Arena continues to do well, that the Convention Center had strong attendance, and the First Interstate Center for the Arts is on par with previous months of June. Ms. Dickinson concluded the report by expressing kudos to everyone at all of the facilities.

Operations

Mr. Tramp shared that they met with District Staff and Centerplate regarding Centerplate's proposed pricing. He touched on the concession and catering related pricing changes, which includes a Service Charge increase of 1%. He noted that the Service Charge rate change will result in Centerplate increasing the hourly rates paid to catering and concession employees. Mr. Tramp asked Mr. Pier for the Chiefs' perspective on the proposed concession rates. Mr. Pier shared that they have reviewed and are onboard with the changes, however they request that any changes go into effect prior to the beginning of their season. Mr. Tramp expressed that he has requested a Chiefs representative be in attendance at future meetings related to concession pricing adjustments. Questions were raised and answered regarding the service charge and pricing, as well as some caution expressed to Staff and Centerplate in determining how often prices should be adjusted. Mr. Tramp moved to approve the new catering menu, catering and concession pricing, and the service charge, as proposed by Centerplate, effective September 1, 2019. Mr. McDowell seconded, and the motion passed unanimously.

Mr. Tramp shared that the District is approaching the end of their current agreement for Event Management and Booking Software. District Staff will be issuing a Request for Proposals for this software to explore the options currently available on the market. The RFP will be issued by the end of August 2019 and the findings will be shared with the Operations Committee once submissions have been reviewed and received.

Project Committee

Sportsplex

Mr. McDowell reported that they met yesterday and discussed several items related to the Sportsplex. At this meeting, it was determined that the GMP will be ready for Board consideration at the end of September. Dialogue regarding the design of the building continues and he mentioned the significant size of the structure. Based on the look of the building and the glass window paneling, the look is quite artistic and is reflective of a District facility. Ms. Dickinson asked Mr. McDowell what is currently the biggest challenge with the Sportsplex. He responded that the biggest challenge relates to lack of full site control.

Riverfront Park Request

Ms. Curran introduced an email request from the City of Spokane Parks & Recreation Department, to borrow chairs for their concert facility in Riverfront Park and to establish an MOU to share resources in the future. After Board and Staff discussion, which included past history related to sharing of equipment and the District's inventory and facility needs, the Board concluded that it is not interested in entering into this type of agreement at this time.

Enduris Invoice and Renewal

Sheryl Brandt, the Executive Director of Enduris, introduced herself and her organization. She reflected that it has been a good year from an insurance pool perspective. She explained the Loss Ratio calculation and commented that they have added Keller Allen to their team, as an employment attorney. District Counsel, Stanley Schwartz, posed questions about coverage for violence related acts. Ms. Brandt explained that Enduris has been reviewing new types of coverage products, as they aim to write the broadest coverage documents available for its members. She continued by discussing various types of crime-related products they currently carry, which includes cyber-crime coverage. Ms. Brandt answered a few other coverage and claim related questions. Mr. McDowell then moved to approve the invoice submitted by Enduris in the amount of \$213,193 for the coverage

period September 1, 2019 through August 31, 2020. Mr. Tramp seconded and the motion passed unanimously.

Spokane Arena – Khalid Sales Comparison

Mr. Gibson reviewed the results related to the recent Khalid concert held in the Spokane Arena. The numbers represent a comparison of the ticket sales in Spokane to Seattle and Portland. He explained the significance of booking a Top 40 act and the impact of its success on the Arena and Spokane. This success is useful in helping to book future events of this type. The data shows promoters how successful they can be in Spokane. Questions were asked and addressed regarding Top 40 type events. Mr. Gibson shared that Spokane is hungry for this type of show. Ms. Watters answered questions regarding the Arena's Bucket List promotion.

Spokane Sports Commission

Ms. Blake recapped the Spokane Sports Commission's activities and sports-related travel over Q2 2019. She presented a video from the USA Wrestling Cadet Duels held in the Convention Center in June 2019. She shared event bid updates for the World Taekwondo President's Cup, USA Karate National Championships, and five Indoor Track & Field events. She reviewed the numerous NCAA Event Leads they are considering for years 2022-2026. The Sports Commission is working closely with the Sportsplex Design Team to ensure their bid submittals are in line with the design and amenities of the new facility. They are currently aiming for March 2022 to book the first event in the Sportsplex.

Visit Spokane

Ms. Fitzgerald reviewed Q2 2019 sales results, reported on the lead PFD nights for the period 2019 – 2024, and expressed some concern for future years. She reviewed the current booking window and how they are working with hotel partners to increase base business further into the future. She provided information relating to a major hotel chain adjusting their commission structure to a lower rate, and other chains have followed suit. This change has impacted how far out business is booked. Ms. Curran offered that the current booking policy may need to be reviewed and adjusted to make sure it is still effective. Ms. Fitzgerald shared the hot leads currently in play and provided sales activity by type. She discussed how Visit Spokane is working to fill the void and narrow the universe, which includes the marketing piece shared with the Board. Mr. Rand also commented on their marketing efforts to work toward filling the void. Ms. Fitzgerald and Mr. Rand answered follow-up questions related to hotel commission structure and activities be explored to help increase the base business.

SPFD – Convention Center and First Interstate Center for the Arts

Mr. Gaffaney reviewed the Q2 2019 sales efforts, which included sales trips and site visits. He shared 2019 goals compared with the Q2 contracts signed. The Economic Impact for the quarter is \$20,855,080 and 27,892 Room Nights. He reported that the attendance at the First Interstate Center for the Arts for Q2 was 59,918 and 129,408 for the Convention Center. He mentioned some of the events held during the quarter, which included the Unitarian Universalist Conference, which boasted a 94% waste diversion rate. He reviewed the Customer Survey Response scores and the Secret Shopper Results for the Quarter.

ITEM #5 MISCELLANEOUS

There were no miscellaneous items to discuss.

ITEM #6 PUBLIC COMMENTS

Mr. Pier shared that the players will report in one week, with camp to follow. The Chiefs will be hosting a lunch in the Moss Adams Club on Thursday, August 22 and he extended an invitation to the Board.

ITEM #7 ADJOURNMENT

There being no further business the Board adjourned at 1:55 pm.

Stephanie Huff

Deputy Clerk of the Board

Approved by the Board of Directors

The SPFD Board's minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.