

MINUTES
Spokane Public Facilities District
Board of Directors
Spokane Veterans Memorial Arena Board Room
Tuesday, October 10, 2017
12:30 PM

ITEM #1 TO ORDER

Board Chair Larry Soehren convened the 719th meeting of the Spokane Public Facilities District at 12:30 PM.

ITEM #2 ATTENDANCE

In attendance were Board Chair Larry Soehren, along with members Mick McDowell and Marty Dickinson. Nate Greene and Rita Santillanes were absent and excused. District personnel included Kevin Twohig, Mike Gaffaney, Stephanie Curran, Matt Gibson, Becca Watters, Brittany Garwood, Stephanie Huff and Dave Gebhardt. Guests included Travis Tramp from Princess Properties, Eric Sawyer from the Spokane Sports Commission, Tobby Hatley from the Washington Hospitality Association, and Mark Williams and Charles Rainey from StaffPro. Robert Enriquez and Cheryl Kilday arrived at 12:37 PM, Clancy Welsh from Garco Construction arrived at 12:40 PM, and Dave Pier from Brett Sports Entertainment arrived at 12:44 PM. Marc Greenough from Foster Pepper called in to the Board Meeting at 12:39 PM.

ITEM #3 CONSENT AGENDA

Ms. Dickinson moved to approve the Consent Agenda, Mr. McDowell seconded and after discussion the motion passed unanimously including the following:

- Approval of minutes from September 26, 2017.

ITEM #4 DISTRICT BUSINESS

Executive Committee

The second and fourth Wednesday has been proposed as the new meeting days for the District Board. The Board will be polled to confirm that these days will fit their schedules. More to come on this topic.

Project Committee

Arena Renovation – Mr. Welsh gave the Board an update on the Arena Renovation. Discussion followed about when it would be completed. Mr. Welsh indicated that Garco Construction would be out of the building at the beginning of November.

There was discussion about what is included on last month's Garco invoice. Mr. Welsh told the Board there are many things that have not yet been included on an invoice to the District. Mr. McDowell asked specifically if the project budget will accommodate the completion of the project. Mr. Welsh indicated that he had no concerns in this area. Ms. Dickinson moved to approve the payment of the Garco invoice for \$864,135, Mr. McDowell seconded and the motion was approved unanimously.

INB Renovation – The Project Committee met this morning to review and score the Proposals from the Design-Build teams for the INB Renovation Project. Mr. McDowell moved to have the District CEO, Mr. Twohig engage the Lydig/Integrus Design-Build Team in contract negotiations for the project. Ms. Dickinson seconded and the motion was unanimously approved.

The topic of Resolution 17-03 was moved to a later time to allow for Marc Greenough from Foster Pepper to call in to the meeting, which he did at 12:39 PM. Resolution 17-03 is an amendment to Resolution 13-05. Mr. Greenough explained that the District has several bonds outstanding, and these bond resolutions all have the same basic structure. There is an opportunity to edit some of the bond provisions to be more favorable to the District. Mr. McDowell questioned whether or not this action could be taken without the consent of the bond holders. Mr. Greenough explained that there were provisions made in previous prospectuses and bond documents to give the District the latitude to make these changes. After discussion Mr. McDowell moved to approve Resolution 17-03, Ms. Dickinson seconded and the motion was unanimously passed.

Sportsplex – The LTAC Committee will meet on Thursday to discuss funding of the Sportsplex and Mr. Twohig has met with the Spokane Convention Center, Spokane Sports Commission, and Visit Spokane staff to discuss 2018 funding for their organizations. He also has met with the City to discuss funding for the entire project, to include the ice house, as the District Board has been seeking a plan to build the full model. The City has suggested using LTAC funds to build the Sportsplex and has indicated that the City Council will likely not be willing to buy in to the project if there isn't a contribution from the hospitality industry. Mr. Twohig reviewed the existing commitments including covering operating losses that are projected for the first several years of operation.

Mr. Twohig requested that the Board give him authorization to include Travis Tramp in the discussions as he will replace Ms. Santillanes on the District Board and also as Chair of the LTAC Committee. Mr. Soehren and the Board encouraged him to do so. Discussion followed about building the Sportsplex with the ice house because, although the cost would be higher up front, this model will be more successful in the future. There was discussion about the allocation of funding if the Sportsplex was put on a City ballot measure with other city-wide projects. There is concern that using District money to build the Sportsplex would be at the expense of the regular maintenance and operation of existing District facilities. Ms. Dickinson requested an analysis of the impact of sporting events leaving the Convention Center and how well they would fill the proposed Sportsplex. Ms. Curran told the Board that moving many of the existing sporting events would create an opportunity to book more national conventions. Discussion followed about Mr. Twohig's meeting with the City of Spokane today.

Operations Committee

Final Reading of Policy/Procedure 5.22 Public Safety Inspections – After a second reading Ms. Dickinson moved to approve Policy/Procedure 5.22 for Public Safety Inspections as edited, Mr. McDowell seconded, and the motion was approved unanimously.

Finance Committee

Mr. Twohig reported that the District received its bond rating for the INB Renovation Project bond sale with Moody's rating coming in at A1 and S&P's rating coming in at A+. These are the

best possible ratings that the District could have received and will allow for the sale of bonds at a lower interest rate.

Art Committee

Spokane Arts Grant Awards (SAGA) has compiled data for this year's grant applications and awards. Mr. Twohig pointed out how professionally the Spokane Arts Fund presents their data.

ITEM #5 MISCELLANEOUS

Mike Gaffaney outlined the events coming to the Convention Center and INB Performing Arts Center. Becca Watters presented the events coming to the Spokane Veterans Memorial Arena.

On December 1 the last of the Arena bonds will be retired and there will be a celebration that evening. Mr. Twohig plans to speak with the Spokane Fire Department about actually burning the bond, which is a traditional way of celebrating this kind of event. At that time the North Food Court will be finished and open during events. This will be a great opportunity to showcase the accomplishments of the Arena and the District to the community.

The 2018 budget planning is under way. Numbers are being compiled, District staff and the Project Committee have met with the Chiefs for CIP review, and the Operations Committee will meet tomorrow to review the personnel budget.

ITEM #7 EXECUTIVE SESSION

The Board adjourned to Executive Session at 1:21 pm per RCW 42.30.110 (g) Personnel for approximately 15 minutes. No action was taken. They resumed to regular session at 1:36 pm.

ITEM #7 ADJOURNMENTS

There being no further business, the Board adjourned at 1:36 pm.

Brianna Scott
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.