

MINUTES

Spokane Public Facilities District - Board of Directors Meeting Via Webinar & at Spokane Veterans Memorial Arena Board Room | Wednesday, January 24, 2024 at 12:30pm

ITEM #1 TO ORDER

Board Chair Read convened 852nd Meeting of the Spokane Public Facilities District at 12:34 PM.

ITEM #2 ATTENDANCE

In attendance was Board Chair Paul Read, Vice Chair Marty Dickinson, and Board Members Harry Sladich, Ed Bruya and Cami Eakins. CEO Stephanie Curran attended virtually. District personnel attending in-person included, Mike Gaffaney, Jennifer Kletke, Jessica Deri, Matt Meyer, Paul Christiansen, Steve Marsh, and Ryan Gallagher. District personnel attending virtually included Nic Lawrence, Melissa Coulter, Andrew Dolan, and Tina Gallegos. Guests attending in person included Chris Varallo with Hawley-Troxell, Dr. Adam Swinyard and Dr. Mark Anderson with Spokane Public Schools, Justin Kobluk with West Coast Entertainment, Aiden Hubbard with The Car Park, and Dave Pier with Brett Sports and Entertainment. Guests attending virtual included Ryan Nackers with Levy, Ashley Blake with Spokane Sports and Tom Stebbins with Vision Marketing.

ITEM #3 CONSENT AGENDA

Board Chair Read presented the Consent Agenda items.

- **Approval of Minutes for December 13, 2023**

Ms. Eakins moved to approve the December minutes as presented, Mr. Bruya seconded and the motion was approved unanimously.

AND

- **Approval of Hawley-Troxell invoices for December 2023**

Ms. Eakins moved to approve the December 2023 invoices, Mr. Bruya seconded and the motion was approved unanimously.

ITEM #4 DISTRICT BUSINESS

Spokane Public Schools Superintendent Dr. Swinyard and Dr. Anderson presented the SPS Bond and Levy; Educational Programs and Operations (EP&O) Replacement “Levy” and School “Bond” Election to be voted on February 13.

Both explained the Bond and Levy process, history, and the specifics of both. Bond focused on buildings, Levy focused on learning adding 80% of budget is people. The Bond is a way for the community to fund new or modernized schools, facility, technology and security system improvements. It cannot be used to operate schools, and requires at least 60% approval. Bonds are held every six years.

The Levy is a way for local community to enhance basic education programs and activities that are not funded by the state to provide a well-rounded education, and need 50% approval. This Levy is a renewal.

Three-year replacement levy for 2025, 2026, 2027 and is necessary for programs not fully funded by the state.

It was noted that 91% of students graduated in 2023.

Discussion regarding that value of a resident’s home is tied to status of area schools.

Discussion about Stadium; communicating to the public that it saved \$30m by building a Stadium vs proceeding with Joe Albi and remodeling.

Mr. Swinyard added that SPS focus is to have every student have an activity every day. Sports, music, theater, clubs, GSL Spirit Games.

Dr. Swinyard and Dr. Anderson expressed their appreciate to the PFD and Board for time to present today.

ITEM #5 DISTRICT BUSINESS

Committees:

Finance:

No Report.

Operations:

Vice Chair Dickinson noted some of the GSL Spirit Games will now be played at EWU. Mr. Meyer stated costs are scaled back as much as possible; the PFD cannot go into negative. He added PFD has invested in scores tables so schools can add advertising and sponsorship.

Ms. Dickison stated STCU is providing digital signage in every school to assist in advertising/sponsorship.

Project:

No report.

Mr. Meyer stated that Friday the PFD will have a call with PRC present the Design Build Arena renovations.

ITEM #6 LTAC

Ms. Curran provided a review LTAC (Lodging Tax Allocation Committee) and current members. LTAC is looking to add a new member; Dania Duke of The Davenport Hotels, or designee, is recommended by the Spokane Hotel Motel Association.

Chair Read moved to approve the Dania Duke or The Davenport Hotels designee of LTAC, Mr. Sladich seconded and the motion was approved unanimously.

ITEM #6 MISCELLANEOUS

CEO Update:

PRC: Presentation Friday to the state regarding Arena project; to approve project, budget, and timeline.

Meetings with Legislators/WA Clean Buildings Act:

Ms. Curran has met with several legislators with support and scheduling by our lobbyist regarding the Act. Senator Billig has agreed to sponsor the PFD. Capital ask was \$3m, possible \$100k available. The need is close to \$10m.

There is a lot of confusion and conflicting information between what the Department of Commerce role is, and communication/information provided about the act. The hope is to extend the deadline or pause the fine. To date there is no discussion that the Act will change.

Ms. Dickinson reported meeting with the Governor's office last week addressing the struggle entities are having- representing WSU and the PFD. Follow up to the meeting and is they are open to a conversation with Ms. Dickinson and Ms. Curran and indicated he is hearing from entities from all over.

Discussion if fined and not paid? Likely will affect future bonding. And, entities such as schools, churches,

History: The PFD lobbyists have been meeting with legislators. Conversations are moving slow; legislators just starting to hear from other entities. No indication of a delay or extension and Act is moving forward. Ms. Curran is working with lobbyists on Capital Budget Request. Mr. Gaffaney has been working with a EEI since 12.2021 to assist the PFD with this Act, and EEI attended a manager meeting to explain the Act and processes. EEI working on metrics for each building. Equipment will need to be replaced that is either newer or still in good working order that would not need replacing at this time if not for this act. There are steep fines for non-compliance and as the PFD works to resolve would be facing \$750k in fines if the Act was implemented today (\$1 per square foot; \$750k+).

The deadline for compliance is June 2026, however, numbers need to be in place for a year; June 2025.

Consensus is to definitely support energy efficiency; it is the enormity of the requirements in a short timeline. Act affects schools, churches.

Fire Marshal:

Still running into issues regarding what is being asked. It is economically and logistically impossible to load, transport, store floor offsite.

Mr. Christiansen stated ALSC will meet with Fire Marshal tomorrow about storing floor at Stadium. He has had conversations with other venues in the state that are allowed to store onsite. PFD (this area) being held to a different standard.

Ms. Curran added that the PFD has added new systems to the FICA to comply with Fire Marshal and having challenges with added regulations/changing regulations. Floor vendors, other venues, other Fire Marshal's reluctant to publicly support.

Velocity: First game is scheduled in seven weeks. Need to have some discussions.

Parking/Traffic: PFD looking into crosswalk. Looking to hire a traffic consultant; not in budget but need a consultant to create a plan and work with the city.

January Events: PFD has had a great January and hosted many events.

Vice Chair Dickinson added STCU has had events at the Convention Center and everything from start to finish was excellent.

ITEM #7 PUBLIC COMMENTS

Board Chair Read opened the Board Meeting for Public Discussion.

ITEM #8 EXECUTIVE SESSION

Board Chair Read adjourned the Board to an Executive Session at 1:45PM per RCW 42.30.110 (i) regarding Litigation for approximately (30) minutes with no action expected. The board returned to the board room at 2:04PM with no action taken.

ITEM #9 ADJOURNMENT

There being no further business the Board adjourned at 2:04PM.

Michelle McIntyre, Clerk of the Board

Approved by the Board of Directors at following meeting.