

MINUTES

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

ITEM #1 TO ORDER

Board Chair Read convened 858th Meeting of the Spokane Public Facilities District at 12:33 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. District personnel attending in-person included, CEO Stephanie Curran, Mike Gaffaney, Matt Meyer, Melissa Coulter, Jennifer Kletke, Jessica Deri, Steve Marsh, and Ryan Gallagher. District personnel attending virtually included Angela Sanborn, Nic Lawrence, Tina Gallegos, Andrew Dolan, and Jose Angel. Guests attending in person included Emilie Moreshead with EEI, Chris Varallo with Kutak Rock, Dave Pier with Brett Sports and Entertainment, and Katie Harnetiaux and Dustin Cleaver with USL Spokane. Guests attending virtual included Ryan Nackers with Levy, and Brendon Mattis and Ben Talbott from EEI.

Board Chair Read provided a thank you to all staff and vendors of the PFD, along with Spokane Sports, and Visit Spokane for all events recently notably NCAA and PNQ.

ITEM #3 CONSENT AGENDA

Board Chair Read presented the Consent Agenda items.

- **Approval for Kutak Rock, LLP. Invoices for March 2024**

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

ITEM #4 DISTRICT BUSINESS

Clean Buildings Act – PFD Work/Update:

Mr. Bruya explained the PFD Board Operations Committee met prior to the Board Meeting to review work the PFD along with EEI (Engineering Economics, Inc.) has been working on regarding the Washington Clean Buildings Act since November 2021. Ms. Curran added that work needed for the Arena was known last year and budgeted. Work needed for the Convention Center was unknown during budgeting and it what is before the board today. Ms. Moreshead added that the deadline to be compliant is June 2026, however, buildings must show one full year of energy data proving the target has been met. Thus, work needs to be completed one year prior to the June 2026 date; (before June 2025). The fine for non-compliance is over \$800k. The PFD ask today is \$507k to procure/install items believed to result in compliance (including permits, bonds, taxes). Any Avista rebates/savings will come with us (approximately \$445k). All buildings 50,000 sq. ft. and more have to meet an energy use requirement.

Discussion regarding year over year energy costs. Ms. Curran noted that the PFD does have historical data available and taking into account the recent rate increase as of April 1 that will add \$80k to the PFD, we can pull how that changed expenses from last year.

Mr. Bruya moved to authorize staff to proceed with the Convention Center project as presented to and reviewed by the board with the amount at this time not to exceed \$507k; and to continue working with EEI throughout remainder of any elements of Clean Buildings Act compliance. Ms. Eakins seconded and the motion was approved unanimously.

Finance:

Letter from Auditor: Ms. Curran reviewed a letter just received from the state Auditor. It was sent only to the board yesterday.

Mr. Marsh explained that the WA State Auditors sent the letter as likely a housekeeping issue (perhaps not provided at entrance per usual), and does not contain anything out of PFD expectations.

Expo 50th Anniversary: Ms. Curran explained that the PFD as an inaugural partner of Expo '74 agreed to provide Expo 50th with a \$10,000 contribution in 2023 and 2024. The 2024 contribution will be put towards the PowWow held within Expo 50 events. The PowWow had asked to pay after the event which is not a procedure the PFD follows as a public entity. Ms. Curran and Mr. Varallo added the Use Agreement for the event is held with the City in accordance with the PFD/City Interlocal agreement. This provides more security in ensuring payment thus allowing for payment to be received after the event. Mr. Varallo stated the risk has been lowered as much as possible and PFD is insured.

County: The County sent a letter today regarding the re-finance of bonds in 2021. The County has a provision in the 2021 bonds that they are to receive 25% of net present value of the savings which totals \$1.25m to be paid in three years meaning the

County is expected to take the funds May 1, 2024. It is believed it may have been added as 2021 bonds were guaranteed/back by the County when others were not.

Mr. Marsh discussed with Bond Advisor Scott Bauer and signature is under Barclays.

This was not a budgeted item. We have not encountered this situation in previous bond re-financing prior to now. PFD legal was not/has not been involved in PFD bonds, however, will look into as current firm does bond work. Discussion; board inquiry if County Commissioners are aware of this provision, how this would effect LTAC, and of note that this was not on the debt payment schedule. (Mr. Sladich will discuss at the next LTAC).

Operations:

Purchasing Policy: Mr. Bruya explained the PFD Board Operations Committee met prior to the Board Meeting to review the PFD Purchasing Policy. The current policy is several years old. The PFD has been working with Hill International to revise the policy and ensure compliance with RCW's and state regulations. The revised policy is in alignment with County procedures.

Mr. Bruya moved to adopt the PFD Purchasing Policy as written/presented, Mr. Sladich seconded and the motion was approved unanimously.

Project:

Mr. Meyer reviewed the Arena Refresh project, RFP, and selection process. Lydig was chosen as vendor to complete this project. Kick-Off meeting is May 7 and will have a tight schedule May 17-late August. There is one event at the Arena in June within this time-frame, Hot Wheels. All the demo for the retractable seats will be done by then.

Project Committee will attend meetings/updates with Mr. Meyer and Ms. Coulter and update board along the process.

ITEM #5 MISCELLANEOUS

CEO Update:

MOU: The PFD will enter into an MOU with SRHD for emergency purposes.

LTAC: Committee will meet tomorrow and review asks for remaining 2024.

STA Downtown Shuttle: Shuttle to go into effect May 4. STA board approved .50 for downtown/Arena shuttle during Expo 50 and \$2 after Expo. Free Saturdays city-wide during Expo. Also working on a plan to offer free to guests with event tickets.

GSI DC-Fly-In: Attended last week. Met with Senators and Congress.

Grants Pass: Boise vs. Martin case; claim not constitutional. Mr. Varallo said pundits seem to think is the Supreme Court will overturn thus allowing cities to once again enforce camping.

FreshVue: Cross-Collaborative Presentations is Wednesday, May 8. FreshVue is inviting all boards and integral staff from Visit Spokane, Visit Spokane, and PFD.

IAVM: Industry conference in Tacoma next week.

ITEM #6 PUBLIC COMMENTS

Board Chair Read opened the Board Meeting for Public Discussion.

Mr. Pier stated a few Chiefs players participating in championship in Finland.

Katie Harnetiaux stated Velocity is the top of USL league. The women's team players will be announced shortly.

ITEM #8 ADJOURNMENT

There being no further business the Board adjourned at 1:24PM.

Michelle McIntyre, Clerk of the Board

Approved by the Board of Directors at following meeting.