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Kennewick Public Facilities District

Regular Meeting

August 28, 2008

Minutes

5:00 p.m.

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## CALL TO ORDER

President Dean Strawn called the meeting to order at 5:03 pm.

## ROLL CALL

Roni Gierke called the roll.

Present: President, Dean Strawn; Treasurer, John Givens; Board Member, Calvin Dudney; Board Member, Kathy Blasdel

Absent: Secretary, Barbara Johnson: Excused

Also Present: Jeff Kossow, Executive Director; Roni Gierke, Executive Assistant; Kim Shugart, Tri-Cities Visitor and Convention Bureau; Marie Mosley, City of Kennewick; Shelley Ellis, Operations Manager; Adam Dyes, Sales Manager; Jude Strode, Marketing Manager; Paul Robinson, Centerplate; Steve Mallory, Arculus Design; Bob Dowle, Business Manager; Steve Peters, VenuWorks

Shelley Ellis led in the Pledge of Allegiance.

## APPROVAL OF AGENDA

Kathy Blasdel moved to approve the agenda, John Givens seconded the motion. The motion carried unanimously.

## CONSENT AGENDA

*All matters listed within the Consent Agenda have been distributed to each Board Member of the Public Facilities District for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request.*

- a) Minutes of July 31, 2008 Board Meeting  
*(Each Board member received adjusted minutes prior to Call to Order)*
- b) Claims Roster dated July 2008 for \$ 52,199.14 (TRCC)  
Warrants: 6299 – 6350 Voids: 6335, 6337
- c) Claims Roster dated July 2008 for \$329,176.17 (TC)  
Warrants: 6711-6793
- d) Claims Roster dated July 2008 (Box Office)  
Warrants: No Transactions to Report  
Total payroll paid out: \$71,528.03

John Givens moved to approve the Consent Agenda with adjusted minutes.

Kathy Blasdel seconded the motion, with the removal of the Claims Rosters for discussion.

Motion carried unanimously.

Kathy Blasdel asked for clarification on lost check procedures and stop payment fees. Bob Dowle explained that no charges are incurred for stop payment on lost checks. Discussion incurred, and no action was taken.

Kathy Blasdel asked if KGH, EMT services are a flat monthly rate. Jeff Kossov explained that EMT services are billed by event per hour. Discussion incurred, and no action was taken.

Dean Strawn explained the gap in check numbers, and informed the Board that all checks have been accounted for.

Kathy Blasdel moved to approve the Claims Rosters dated July 2008. John Givens seconded the motion.  
Motion carried unanimously.

## **VISITORS**

Dean Strawn opened the floor to any visitors who wish to address the Board. There were none who responded.

Dean Strawn welcomed Steve Peters, President of VenuWorks, and explained that the contract negotiations with VenuWorks are going well.

## **NEW BUSINESS**

### **a) Financial Report**

John Givens reported that the Three Rivers Convention Center currently has \$1,442,000.00 in a certificate of deposit at State Farm Bank in Bloomington, Minnesota. John Givens recommended that, at the maturity of that certificate, the Board considers moving that concentration to a bank closer to home.

John Givens informed the Board that the Three Rivers Convention Center total revenue variance for July was a negative \$15,250.00; revenue year to date continues to be above the budgeted projection. The Three Rivers Convention Center expense variance for July was a positive \$12,076.00; year to date expense is also above budgeted.

John Givens reported that the Toyota Center and Arena, year to date, income to budget shows a positive variance. Toyota Center and Arena payroll expenses are below budget by \$7000.00 for the month of July; year to date payroll expenses are above budget by \$27,000.00.

Toyota Center and Toyota Arena expense variances were discussed ( positive variance; Natural Gas, negative variances; building insurance, crowd management, contracted labor and services, and outside expenses)and no action was taken.

John Givens informed the Board that Toyota Center and Arena year to date operating loss variance is \$90,867.00.

John Givens reported that because of the variance the Board will have to amend the 2008 budget by the end of October. The City of Kennewick will vote on it in November.

John Givens moved to accept the financial report. Kathy Blasdel seconded. The motion carried unanimously.

**b) Attendance/Marketing Report**

Adam Dyes explained the changes to his report. He has added year to date numbers for room rental and food and beverage. The Three Rivers Convention Center currently has a 14% increase over last year in room rental and a 41% increase over last year in food and beverage.

Adam Dyes reported that the sales team booked 9 new events in the month of July and rebooked 2 events.

Jude Strode updated the Board on the current Toyota Center and Arena marketing strategies and signage increase.

**c) Executive Director Report**

Jeff Kossow reported that the Christian Congregation of Jehovah's Witnesses just finished another year at the Toyota Center and they have been pleased with the facility.

Staff has been getting ready for the event season in all three facilities.

Jeff Kossow informed the Board that some of the staff had the opportunity to attend the VenuWorks Management Symposium in Davenport, Iowa. Staff will have the opportunity to use the customer service skills they learned.

**d) TCVCB Report**

Kim Shugart reported that the VCB generated eight leads since the last meeting, with 100% participation. The TCVCB had two site tours in July, one of which was WA State Fire Chiefs.

The TCVCB is expecting to move into the new building within the next 4 weeks.

**e) Capital Improvement Budget Report**

Shelley Ellis supplied the Board with a modified copy of the Three Rivers Convention Center FF&E Budget Proposal.

Shelley Ellis informed the Board that the band shell takes first priority of all the items listed.

Discussion incurred.

Calvin Dudney moved to approve the purchase of the band shell with a signed 5 year contract from Mid-Columbia Symphony. John Givens seconded. The motion carried unanimously.

Paul Robinson reported that the first priority on the catering portion of the requested expenditures is \$8500.00 on china, glass, and silver. This is replacement for breakage and to maintain pars. Paul Robinson suggested setting up a line item in the 2009

budget for china, glass, and silver, to help maintain par levels and spread the cost over the calendar year.

Discussion incurred.

Jeff Kossow recommends that the Board authorize spending \$8500.00 on china, glass, and silver.

Calvin Dudney moved to give staff authority to spend up to \$8500.00 on china, glass, and silver to achieve par levels. John Givens seconded. The motion carried unanimously.

**f) September Board Meeting**

John Givens moved to change the start time of the September 25<sup>th</sup> regular KPFDD Board meeting from 5PM to 4PM, due to scheduling conflicts. Kathy Blasdel seconded. The motion carried unanimously.

**REGIONAL OVERSIGHT COMMITTEE**

Nothing to report

**BOARD COMMENTS/DISCUSSION**

General comments from the Board stating staff is doing a great job and making progress. Additionally Calvin Dudney shared a compliment he received from Mr. Moak regarding staff's service with the Kiwanis Conference.

**ADJOURNMENT/RECESS**

Meeting adjourned at 7:45PM

*The KPFDD 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.*

Roni Gierke, Ex Officio Clerk  
Approved by the Board of Directors