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Kennewick Public Facilities District

Regular Meeting

October 22, 2009

Minutes

5:00 p.m.

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**CALL TO ORDER**

President, Dean Strawn called the meeting to order at 5:04 pm.

**ROLL CALL**

Roni Gierke called the roll.

Present: President, Dean Strawn; Secretary, Barbara Johnson; Board Member, Calvin Dudney; Board Member, Kathy Blasdel

Excused: Treasurer, John Givens

Also Present: Corey Pearson, Executive Director, Fritz Smith, Food & Beverage Director; Kim Shugart, Tri-Cities Visitor and Convention Bureau; Roni Gierke, Executive Assistant; Jude Strode, Marketing Manager; Steve Mallory, Arculus Design; Heather Breymeyer, Sales Associate; Shelley Ellis, Operations Manager; Ben Bolander, Event Manager; Marie Mosley, City of Kennewick; Cathy Smith, Food & Beverage Manager. Tim Sullivan, VenuWorks Inc. (via telephone)

Cathy Smith led in the Pledge of Allegiance.

**APPROVAL OF AGENDA**

Calvin Dudney moved to approve the agenda; Barbara Johnson seconded the motion. The motion carried.

**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.*

Kathy Blasdel requested to remove the Minutes of September 24, 2009 Board meeting from the Consent Agenda and place them on the Regular Agenda for discussion.

- a) Minutes of October 8, 2009 Special Board Meeting
- b) Claims Roster dated September 2009 for \$124,174.56 (TRCC)  
Warrants: 7450-7522 Voids: None
- c) Claims Roster dated September 2009 for \$361,251.45 (TC)  
Warrants: 8069-8170 Voids: 8124
- d) Claims Roster dated September 2009 for \$61.60 (Box Office)  
Warrants: None  
Total payroll paid out: \$247,270.75

Barbara Johnson reported that all the warrants in the Consent Agenda have been accounted for. Calvin Dudney moved to approve the Consent Agenda as amended. Barbara Johnson seconded the motion. The motion carried.

### **Minutes of September 24, 2009 Board Meeting,**

Kathy Blasdel requested that the minutes of the September 24 Board meeting, show Craig West in attendance and reflect under "Visitors" that it was Craig West who invited the Board to tour the remodeled locker rooms and not Dan Mulhausen.

Kathy Blasdel moved to approve the minutes as amended. Barbara Johnson seconded the motion. Motion carried.

### **VISITORS**

Dean Strawn opened the floor to any visitors who wished to address the Board regarding any matters that are not currently on the agenda.

### **NEW BUSINESS**

#### **a) September 2009 Financial Report**

Corey Pearson informed the Board that Bob Dowle resigned his position as the Business Manager of the Three Rivers Campus. Tim Sullivan the Director of Finance for VenuWorks, Inc. has been helping, from Ames IA, to fill in the void through the transition. The Financials were not completed prior to Bob's departure; Tim has helped complete the Convention Center Financial Report, and is currently working with staff to complete the Toyota Center and Arena Financial Report.

Tim informed the Board that the Toyota Center and Toyota Arena finished out the month of September with a \$32,510 loss vs. a budgeted loss of a \$29,995.

Tim reported that the Three Rivers Convention Center Food & Beverage income for the month was approximately \$9400 better than budget. Operating revenues for the month were \$101,000 vs. a budget of \$98000. Year to date payroll expenses are running \$11,276 below budget. Net operating loss year to date is \$228,000 vs. a budget of \$255,000. The ending working capital for the month of September is \$1,740,553 vs. a budget of \$1,738,426.

Dean Strawn informed Tim that the Board had requested a comparison between the actual net income for food and beverage and what the net income would have been if food and beverage were still subcontracted out to Centerplate.

Discussion incurred.

Calvin Dudney moved to approve the Three Rivers Convention Center September 2009 Financial Report. Kathy Blasdel seconded the motion.  
Motion carried.

#### **b) Attendance/Marketing Report**

Corey Pearson informed the Board that Heather Breymeyer will be giving the Attendance and Marketing Report until the open Director of Sales position is filled.

Heather reported that the sales team booked eleven events in the month of September. The Three Rivers Bridal Show was a great success. The Holiday Parties are booking well into the New Year, some as far out as February.

The sales team is planning another in-house event, a body art trade show. The research that Heather has been doing has resulted in a lot of community interest.

Jude Strode updated the Board on the sponsorship contracts that are approaching their renewal date, all will be renewed. Jude will be compiling a yearend report for Toyota of Tri Cities and the Board.

**c) Executive Director Report**

Corey informed the Board of the upcoming events that tickets are currently on sale for. The first Broadway Show in the new Windermere Theatre was successful, everyone one involved was pleased. The show settled at a loss, due to having to rent the rigging system. The rest of the Broadway series will not have that expense because the new rigging system will be in place. The new seats are going to be lowered to a comfortable level.

Corey led approximately 35 managers from the City of Kennewick on a tour of the Toyota Center, many of them had attended events but had never been in the operational parts of the building.

Staff is researching the cost efficiency the eco-glow system for lighting the steps in the stands of the Toyota Center. Other lighting options are being looked at as well. Discussion incurred.

With the three open staff positions, Corey has been re-evaluating the campus organization chart, to improve the flow of employees between the buildings.

The possibility of selling naming rights to the rooms in the Convention Center is still being pursued.

**d) TCVCB Report**

The Three Rivers Convention Center bid on 13 of the 17 leads issued in the last month, the Convention Center did not have available dates for the remaining 4. The estimated attendance numbers for the meetings and conventions requesting proposals are much larger than in years past. Kim reminded the Board that The TCVCB Open House will be the first week in December; and the TCVCB Annual Meeting is scheduled for November 6<sup>th</sup> at the Three Rivers Convention Center. The TCVCB will be hosting a Tri-Cities Wine Event on November 18<sup>th</sup> in Olympia this sales blitz should generate some interest for meeting planners. Dean Strawn raised a question regarding the Convention Center bidding on only one of the Pacific Northwest United Methodist Church Annual Conference 3 requests. Kim will research the RFP's and report back to Dean with an answer.

**e) Budget Approval**

**a. Approve 2010 Three Rivers Convention Center Budget**

Barbara Johnson informed the Board of the changes made to the budget since the October 8<sup>th</sup> Special Meeting, the Capital Improvement Projects were broke out of the FF&E line item. A project list is included as attachment "A". Discussion incurred.

Kathy Blasdel moved to approve the Three Rivers Convention Center 2010 Budget as presented. Barbara Johnson seconded the motion, the motion carried.

**b. Approve 2010 Toyota Center and Toyota Arena Budget**

Corey Pearson informed the Board of the large amount in the Toyota Center repairs and maintenance line item, and explained what is scheduled for maintenance and what repairs or replacements will be needed for the twenty three year old building. Corey also explained that the variance in the crowd management line item was due to the type of events expected next year.

Calvin Dudney moved to approve the 2010 Toyota Center and Toyota Arena Budget as presented. Kathy Blasdel seconded the motion. The motion carried.

## **BOARD COMMENTS/DISCUSSION**

General comments from the Board commending staff on the improvements made to the buildings in the last five years.

## **ADJOURNMENT/RECESS**

Regular Meeting adjourned at 7:15 PM.

*The KPFD 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