

PFD Snohomish County  
Public Facility District Meeting Minutes  
Willis Tucker Conference Room  
January 11, 2002  
3:00 P.M.

Attendance:

**Board Members Present**

Steve Juntwait, District #2  
Liz Loomis, District #5  
Boyd McPherson, District #1  
Erik Nelson, District #3  
Travis Snider, District #4

**Staff Present**

Dan Clements, Finance Department  
Sylvia DeZordo, Finance Department  
Wanda Johnson, Finance Department

**Others Present**

Warren Cornwall, Hearld  
Doug Ferguson, Anderson Hunter  
Bill Lewallen, Paine Field Airport  
Bob Ormsby, Museum of Flight  
Barry Smith, NFIC  
Dave Waggoner, Paine Field Airport

**Call to Order**

Travis Snider, President, called the meeting to order at 3:00 P.M.

**Minutes**

There were two corrections made to the minutes of December 14, 2001. The corrections were made and the revised minutes would be sent to the appropriate parties.

Boyd McPherson approved the minutes with corrections, seconded by Erik Nelson and unanimously approved by the PFD Board.

**New Business**

*Voucher Approval*

Invoice dated November 30, 2001 submitted by Anderson Hunter in the amount of \$2,691 and PFD Board Reimbursements totaling \$200 were approved by the Board.

## *Business Plan Discussion*

Dan stated at the last meeting the PFD Board discussed establishing a date at the end of January, 2002 for the Museum and Edmonds to submit business plans. The Museum's business plan may need to be refined. Edmonds has sent out a Request for Proposal to prepare a business plan tentatively scheduled for January 28. The business plan would then be submitted to the PFD Board by the end of January.

Dan also stated that the PFD Board wanted to have a discussion on what the Board is looking for in a business plan, and; if the Board was looking for specifics, that those specifics are covered in the plans submitted by Edmonds and the Museum of Flight.

Travis Snider stated that the business plans submitted should have a thorough description of the project and indications that it is doable. Also, the key elements of what they are planning to do should be achievable. The plan should explain the property involved, type of facility, how it would operate and financing.

Travis distributed a Memorandum from Boyd McPherson for discussion purposes listing criteria needed to be in place to determine viability of future projects (See Memorandum dated January 11, 2002). The Museum and Edmonds need to have their business plans submitted to the PFD Board by January 31, 2002.

Larry Springer mentioned that the Board needs to be clear on what their expectations are and that those expectations need to be clarified to the Museum and Edmonds. Once the applications are submitted, the Board could make a choice on a project based on the criteria.

Dan stated that the Board needs to find out who is going to use the facility, the use of the facility, what are the anticipated revenues and how do they would cover the M & O cost. In regards to capital acquisition, where would the facility be located, what type of facility, how are they going to finance the facility, and the revenue and expense forecast.

Doug Ferguson, Anderson and Hunter, stated that the PFD Board needs to list criteria that fits all applicants and is relatively consistent. The PFD Board would then make a decision based on how the applicants respond to the criteria. The Board needs to communicate to the applicants that they submit a business plan which would have the following elements:

Description of Project

Scope

Purpose

Functions

Market Analysis discussing services provided

Geography

Who the competitors are

Physical development plan which discusses the design

Construction Plan

Schedule

Cost estimates

Financing Plan – Sources of Uses

Who would be managing the construction over sight

Operating Plan

Revenue and Expense Forecast

Risk Analysis  
Plan for Acquisition.

The above information would provide the PFD a basis to make a decision on a project.

Dan stated that the applicants need to complete the Hotel-Motel formal application.

Larry stated the applicant needs to convince the PFD Board that they can be under construction before the end of the year. The application also needs to convince the Board that the business plan is viable and the operational plan would work over the long haul.

Doug stated that the Board should develop the criteria and judge the project on the basis of applicant's presentation.

Dan would compile a document listing the major elements on Boyd's memorandum. The list would also include Doug's criteria list. Dan stated that under the Use and Purpose the applicant should include marketing (who would use the facility). Doug stated that operating budget should be included under Financing.

Boyd would electronically submit the revised criteria list to Doug for his review prior to submitting to the applicants.

Travis asked that draft be completed by the end of the week and then submitted to the PFD Board for their review. Once the PFD Board approves the criteria, the criteria would be communicated to the Museum and Edmonds. The applicants must submit their projects to the Board by January 31, 2002.

#### *Project Construction Criteria and Timing*

The PFD Board discussed the meaning of "commencement of construction". Boyd has discussed commencement of construction with attorneys; and, from a legal point of view, it means that a permit is in place and the applicant is working under that permit.

Dan and Doug discussed that when we talk about commencement of construction within the interlocals - this is when we can distribute cash to the projects. Doug also stated that the applicants would need to give the PFD Board a notice that they have commenced construction as the statute requires along with an opinion from their legal counsel.

Dan stated that if an applicant cannot commence construction by January 1, 2003, the money would be returned to the PFD.

The PFD would like a progress report from each project in the middle of 2002.

The PFD Board scheduled a meeting for February 8<sup>th</sup>. The Museum and Edmonds would present their projects on that date. The two business plans need to be submitted to the PFD Board by January 31<sup>st</sup>.

## **Project Up-Dates**

### *Museum of Flight*

Dave Waggoner, Paine Field Airport, stated that they have refocused on their project so that it meets the statute requirements. The business plan would be submitted by January 31<sup>st</sup>, but the project would be completed in phases. Phase 1 would meet the regional facility criteria.

### *Edmonds*

Dan stated that he would be having a meeting with the consultant to review the business plan.

### *Everett*

The City of Everett is working on some issues of concern expressed by the citizens.

### *Lynnwood*

Dan stated that there was a slight problem in the interlocal agreement in regards to accessing. Larry stated that Snohomish County is working with the Prosecuting Attorney on an issue concerning the County having an ownership interest in the project.

## **Correspondence**

### *Official Interpretation of Commence Construction*

Has previously been discussed by PFD Board members at the meeting (see above discussion).

### *Edmonds Extension of the Project Viability Deadline*

Edmonds submitted a letter of appreciation for extending the deadline.

## **Old Business**

### *Council's Action on Extending Viability Deadline*

Dan stated that Resolution No. 01-015 had been approved by County Council on December 12, 2001 expressing its interest in considering an amendment to extend the deadline for submission to the Council of its final project list from December 1, 2001 to April 30, 2002.

### *Ordinance*

Dan stated that an ordinance has been submitted to County Council to provide additional authority for the Snohomish County Public Facilities District to Explore joint acquisition, construction, operations and/or financing of one or more regional centers with Snohomish County and modifying the submittal date for proposals.

## **Public Comments**

None

## Adjournment

Meeting adjourned at 4:30 P.M.

### Items for Discussion:

Boyd would revise the criteria list and submit to Doug for review. Dan would distribute the criteria list to the PFD Board for their approval. The list would then be sent to the applicants (Museum and Edmonds).

Business Plans need to be submitted by Museum and Edmonds by January 31<sup>st</sup>.

