

**Minutes**  
**Board of Directors Meeting**  
**Fort Worden Public Development Authority**  
**Wednesday, April 25, 2018 | 9:00 a.m. to 12 p.m.**  
**Commons B (Building 210), Fort Worden**

- ❖ **Action:** March 30, 2018 Regular Board Meeting Minutes - **APPROVED**
- ❖ **Action:** March 29-30, 2018 Special Meeting Board Retreat Minutes - **APPROVED as AMENDED**
- ❖ **Action:** Authorize Executive Director to execute RAS 04, RAS 05 and RAS 06 with Signal Architects. **APPROVED**
- ❖ **Action:** Approve **Resolution 18-04** authorizing Executive Director apply to the Heritage Capital Projects Fund for the renovation of building 305. **APPROVED**

**Regular Board Meeting:**

**I. Call to Order:** 9:03 a.m.

**II. Roll Call & Staff Introductions**

**Board Members:** Todd Hutton, Bill Brown, Jane Kilburn, Gee Heckscher, Norm Tonina, Jeff Jackson (by phone), Lela Hilton, Herb Cook, Cindy Finnie (by phone)

**Staff:** Dave Robison, Diane Moody, Karolina Anderson

**Public:** Cody Griffith, Carla Main, Mike Rainey, Jeanie Cardon, Jon Schorr, David Goldman, Lisa Werner, Kristan McCary, Daniele Costello, Professor R.C. Metro

**III. Changes to the Agenda**

None

**IV. Partner Presentation: Port Townsend School of Woodworking (PTSW)**

Mike Rainey, Executive Director of the Port Townsend School of Woodworking, presented a PowerPoint (also shown to Revitalize Washington Conference participants with Governor Inslee in attendance). Rainey highlighted the success of previous collaborative initiatives between the Port Townsend School of Woodworking and the Fort Worden PDA including grants for storm windows and outdoor furniture for Officers Row. Rainey stated that the Port Townsend School of Woodworking has had an increase in programming (see PowerPoint for details) and that 350 new students enrolled in workshops this year. Rainey noted that PTSW brings business to the Fort in the offseason. Rainey stated that the Port Townsend School of Woodworking will need a new classroom by 2020 and that the school is seeking a pathway to a long-term lease. Rainey expressed that PTSW can be an anchor to Makers Square.

Norm Tonina noted an increased sense of vigor at PTSW. Robison talked about a possible collaboration between the FWPDA, State Parks, Green Forge (a B Corp) and PTSW on a window restoration project.

**V. Consent Agenda**

**A. Review and Approval of Board Meeting Minutes, March 29, 2018**

**Action:** Motion to approve March 29, 2018 Board Meeting Minutes  
Unanimously APPROVED

**B. Review and Approval of Special Meeting Board Retreat Minutes, March 28-29, 2018**

**Action:** Motion to approve March 28-29, 2018 Special Meeting Board Retreat Minutes  
Unanimously APPROVED as AMENDED

**VI. Review and Discussion of First Quarter Financials**

**A. Staff Report**

Diane Moody reviewed the key points from the financial memo (in packet).

**B. Board Discussion**

The Board and Staff discussed staffing and recruitment. Robison reported that recruiting is underway to fill fifteen positions in May and another fifteen in June and that staffing needs continue to increase as business continues to improve. Robison noted that there is greater camaraderie among staff. Staff and board discussed need for additional office space – Robison outlined the challenge of recruiting staff when there is no office space. The Board and Staff discussed employee housing – noting that it must be a high priority. Todd Hutton mentioned that there is a group in Port Townsend meeting to discuss housing solutions and suggested the possibility of collaborating in some way.

**VII. 2017 Annual Report**

**A. Staff Report**

Robison presented the draft annual report (see PowerPoint) and reviewed highlights from his presentation to the City Council. Robison noted that the PowerPoint presentation did not include investments the FWPDA has made in meeting rooms -including painting and refinishing the floors of JFK, refinishing the stage floor of the Wheeler Theater, and a refresh of Building 204 (in progress). Robison reported that he thanked the City Council for passing the resolution that allowed for better benefits for employees through the healthcare plan offered through Association of Washington Cities. Robison reported on recruiting and retaining key staff in all departments – highlighting the hiring Cody Griffith as Sales and Marketing Director and the launching of a leadership development program. Robison noted that Daniele and the Maintenance team have initiated a First Impressions Campaign and made significant investments in normal maintenance and repair (i.e. painting) as well as improving the linen inventory.

Robison talked about the sustainability plan and noted delays caused by the departure of the consultant hired to manage the project. However, the Recycling Committee is making headway and FWPDA installed two water bottle filling stations (Friends of Fort Worden purchased the machines). Robison reported that the NCO Row feasibility study is moving ahead and noted improved operational efficiencies including implementation of staff onboarding, standard operating procedures, training programs and safety meetings.

Robison noted that the growth of the hospitality business has been key to being able to support the maintenance transfer since the FWPDA will take on \$580,000 in annual maintenance costs after the transfer on May 1, 2018.

Robison reported on Capital Improvements including closing on the Kitsap Bank bond to improve Energy Efficiency across the campus (LED bulbs across the property and solar panels on building 210 pending State Park approval).

Robison discussed efforts to increase collaborative programming including Fortopia (previously “Fall Break”) and Girlfriends Weekend. Robison noted that partners are developing good processes for identifying core programming strengths.

Moody and Robison reviewed the 2017 Year End Financial Report and the 2017 Year End Financial Mix noting that accommodations were ahead of budget and that 60% of total expenses went to personnel costs.

Robison reviewed the Four Major Goals of 2017: Maintenance Transition, Improve Internal Communications, Achieve Consistency and Shape the Culture – noting significant progress in every area.

Robison noted that FWPDA will take on \$580,000 in yearly maintenance costs starting on May 1, 2018 when maintenance duties are transferred to the FWPDA from Washington State Parks.

Robison reviewed 2018 to 2021 Strategic Priorities.

#### **B. Board Discussion**

Todd Hutton asked if Partners can access our healthcare benefit package – Moody said that Partners are not able to access benefits through the AWC benefit package. Staff and the Board discussed lodging revenue, including increasing bookings in the offseason and possible reasons for reduced lodging revenues from partner programming.

### **VIII. Makers Square Request for Additional Services**

#### **A. Staff Report**

Heckscher reviewed the Makers Square timeline and stated that everything is on target except the new State Parks Maintenance building - which has not yet passed inspection. Heckscher stated that the SEPA Checklist is underway and that he does not anticipate that there will be significant delays. Robison stated that Heckscher, Sammons and he have worked closely with Signal Architects and that the LEED efficiency project has kicked off. Heckscher stated that he and Robison had a very productive meeting with the City of Port Townsend and that it was determined that the original design included overdesign for seismic.

Robison reported that a grant was received and that details will be shared once they are obtained. Robison discussed conversations with legislators and potential grant opportunities.

Hutton asked whether State Parks allows for naming of buildings and Robison replied that buildings may be named with State Parks Commission approval.

Robison reviewed RAS 04, RAS 05 and RAS 06 and stated that the National Parks Service requested revisions and that the revisions are required as a prerequisite for applying for Historic Tax Credits.

Robison recommended developing a phasing plan in case the fundraising goal for all buildings in Makers Square is not met and proposed that a phasing decision be made by August 2018.

Heckscher discussed the goal of easing away from fossil fuels. Robison stated that he and Heckscher will review the final service request and supporting documents in detail. Robison discussed the proposed geothermal heating system and schematic design. Heckscher stated that he will work directly with Signal Architects separating funds spent vs. money to be spent.

**B. Board Discussion**

Board and staff discussed the timing of the building 305 move and Building 305 fundraising strategy. Herb Cook and staff discussed retroactive fund request and the master contract. The Board discussed recruitment for a Project Manager and posting the position to the American Institute of Architects site and a construction management group site.

**Action:** Motion to authorize Executive Director to execute RAS 04, RAS 05 and RAS 06 with Signal Architects. Unanimously APPROVED

**IX. Resolution to authorize Executive Director to apply to the Heritage Capital Projects Fund for building 305**

**A. Staff Report**

Robison reviewed the details of the Heritage Capital Projects fund request and noted that available funds have increased. Robison reported that he is submitting a request for \$1 million for building 305.

**B. Board Discussion**

None

**Action:** Motion to approve **Resolution 18-04** authorizing Executive Director apply to the Heritage Capital Projects Fund for the renovation of building 305. Unanimously APPROVED

**X. Staff Report**

**A. Washington State Budget Request**

Robison reviewed the Washington State budget request and discussed ensuring that projects are well coordinated and meet deadlines. Robison and the board discussed the NCO Row remodel and Todd Hutton asked whether the closure could coincide with the State Parks water/sewer project. Robison stated that the planned NCO closure is scheduled to occur between January and April 2019 and that the goal is for the remodel to take place at the same time as the work by State Parks to reduce loss of revenue and inconvenience to guests and partners. Robison thanked State Parks Manager Brian Hageman and State Parks Program Specialist Bill Drath for supporting this process. Jane Kilburn asked about painting exteriors of buildings – in particular, Officer's Row. Robison reported that it would cost approximately \$500,000 to paint the exterior of each of the buildings (including lead abatement) on Officer's Row and that no funds were allocated to that project under the last State Parks biennium budget. Robison reported that he's looking into a possible corporate paint sponsorship. Robison reported that the FWPDA will be responsible for painting building exteriors starting May 1, 2018 and that painting of some buildings is planned for this summer - the FWPDA team will be certified and trained in lead abatement.

## **B. Property Management System**

Moody reported that final contract negotiations are underway and should close next week and that she is connecting with management at the Port Ludlow Resort to discuss their experience with the Maestro property management system.

## **C. Retreat Follow-Up**

Tonina and Robison discussed next steps and proposed forming the following Board working groups: Developing the Partner Ecosystem, Branding of the Lifelong Learning Center, Capital Projects, Hospitality Program, Fundraising and Board Succession. Robison and Tonina discussed developing charters & deliverables for each of the working groups. Robison asked board members to reach out to Tonina to join one of the groups. Robison requested that a board member help tell the story of the beneficial economic impact of Fort Worden on the local economy— drawing on the 2015 Economic Analysis report by Earth Economics (the study was contracted by State Parks).

## **D. Governors Visit/Revitalize WA**

Robison reported on the visit by Governor Inslee to Fort Worden stating that the Governor's visit was timely and described the collaborative presentation to the Governor and attendees of the Revitalize Washington Conference. After the presentation, Robison led a walking tour of Fort Worden (attended by Governor Inslee). Robison highlighted Washington State investment in the Commons building, the upcoming energy efficiency project, the successful and collaborative Historic Tax Credit application process for Peninsula College Building 202, and Makers Square. Robison thanked Heckscher for leading two walking tours for Revitalize Washington participants on the theme of adaptive reuse.

## **E. Master Lease Amendments**

Robison reported that the first two rounds of Master Lease Amendments (“housekeeping” items) have been finalized but that meetings regarding Lease Amendment 3 continue and will require State Parks Commission approval. Lease Amendment 3 includes the following requests: expanding lease area to include building 409, increasing boundary to include entire glamping area, building 296 (the Mower shop – to accommodate the maintenance transfer), 365 (building next to the wagon shed) and an MSC for a new building. On May 16 and 17, Robison and Moody will be in Spokane for the State Parks Commission meeting presenting the 2017 Annual Report. State Parks Commission action on Lease Amendment 3 will not take place until July.

## **F. Marketing**

Robison discussed the Directors Quarterly report. Jane Kilburn expressed appreciation for the information included in the report.

## **G. Energy Efficiency Update**

Robison reported that the energy efficiency project starts next week and stated that it is on track.

## **H. Maintenance Transition Update**

The Board and Staff discussed details of the maintenance transition and Tonina thanked staff for everything that they have been able to execute against during a lot of growth and change.

**XI. Public Comment**

David Goldman talked about the beginnings of the FWPDA and commented on cultural changes resulting from FWPDA being an entrepreneurially oriented public entity stating that the public at first didn't understand what was necessary to manage and maintain this property (especially after FWPDA took over Food Services and Housekeeping). Goldman talked about deferred maintenance at the Port of Port Townsend. Goldman encouraged self-sufficiency if the ambition is to become regionally and nationally known as a model for Lifelong Learning and noted that being a private entity in service to the public is part of a bigger cultural change. Goldman stated that he is not aware of another organization that has had to be more entrepreneurial than the FWPDA. Goldman encouraged the board to pursue endowments.

Todd Hutton agreed that it's important to pursue planned giving and endowments.

Carla Main suggested that the FWPDA consider workforce issues of partners and to look for opportunities to work collaboratively with others to address the housing crisis.

**XII. Next Meetings**

- ❖ Executive Committee Meeting May 15, 2018
- ❖ Board of Directors Meeting, May 23, 2018

**XIII. Adjourn: 11:15 a.m.**

*Board Packets and PowerPoint Presentations are available on our website at: [www.fortworden.org](http://www.fortworden.org) under public documents>agendas & documents>public meetings>PDA Board Meeting 4.25.18*