

**APPROVED MINUTES**  
**Board of Directors Meeting**  
**Fort Worden Public Development Authority (FWPDA)**  
**Wednesday, April 26, 2017 | 9 a.m. – 12 p.m.**  
**Commons “A” (Building 210), Fort Worden**

**Present** – Board Members: Herb Cook, Lela Hilton, Jane Kilburn, Bill Brown, Norm Tonina, Gee Heckscher; Cindy Finnie, Jeff Jackson (by phone). PDA Staff: Todd Gubler, Diane Moody, Dave Robison, Karolina Anderson; Public: Kevin Alexander, George Randels, Rodger Schmitt, Owen Rowe, Jon Schorr, David Goldman, Jeanie Cardon, Joyce Francis, Lisa Werner, Katherine Baril.

- I. Call to Order:** 9:00 A.M.
- II. Roll Call & Staff Introductions**  
Todd Gubler and Daniele Costello introduced Fort Worden staff Jess Morris, Maintenance Manager and Todd Gubler introduced Carmelo Rosa, Front Office Manager.
- III. Fort Worden Partners Report**  
Kevin Alexander presented the Partner’s Report (see packet).
- IV. Changes to the Agenda** None
- V. Consent Agenda**
  - A. Review and approval of Board Meeting Minutes, March 29, 2017 **Approved**
  - B. Review and approval of Executive Committee Minutes, April 18, 2017 **Moved to May Board Agenda**
- VI. Review and Discussion of March Financials**
  - A. Staff Report**  
Todd Gubler provided highlights of the Hospitality Revenue and Expense report and then turned it over to the department directors to present Q1 results for each of their departments. After the presentations, Diane Moody asked if any members had questions about the organization’s balance sheet or accounts aging. Dave Robison and Moody presented the quarterly Capital Improvement Fund report. Gubler presented that first quarter did not hit budget. As of March, net revenue is (\$362,803) to a budget of (\$254,092). This is 108,711 under budget. The two primary reasons for this shortfall is higher than budgeted personnel costs and utilities.
  - B. Board Discussion**  
Herb Cook asked what the possible implications on cash flow are due to the net revenue shortfall. Moody responded that we received \$110,000 from our main account and she plans to make a payment to the line of credit in May. Todd Gubler noted that fuel costs went up 44% over last year – some units consumed 110% more than last year and the expenses for one unit went up 250% over last year. Cindy Finnie stated that there’s a new fuel provider in town that is less expensive. Dave noted that it would be ideal to have a digital control system that automates the heating in all of the buildings and that we have a sustainability grant and are exploring additional funding. Gee Heckscher asked if we will need to write off the two weddings that still owe money. Diane stated that we are still in dialogue with them.

## **VII. Quarterly Reports**

### **❖ Food & Beverage**

Kristan McCary (Director of Food and Beverage) presented the Food and Beverage Quarter 1 report: revenue came in 20k short of budget goal but 60k ahead of last year, she noted that Conference and Partner sales were down – impacting Mess Hall (Servery) revenues. McCary outlined a plan for Quarter 2 including: reviewing pricing and product mixes, opening a new restaurant in the Café and driving merchandise sales. David Goldman asked about price points for then new restaurant, wondering if it would remain affordable. The board, staff and public discussed pricing, balancing affordability, sustainability, the PDA Lifelong Learning Center mission and rising costs associated with minimum wage increase.

### **❖ Guest Services**

Daniele Costello (Director of Guest Services) presented a Quarter 1 report including; Outlining the maintenance transition and guest-centric goals, roles and responsibilities. Quarter 2 focus areas include: reducing energy consumption, reducing waste costs, furnishing renovated homes, providing in room amenity programs and in room sales.

### **❖ Reservations**

Ken Porter, Reservation and Revenue Manager presented the Reservations Quarter 1 Report including the following key points: Should lodging revenue pace continue we will exceed lodging revenue budget for 2017; Quarter 1 pace exceeded budget by \$34,750.18; Quarter 2 business on the books is already \$28,995.28 ahead of budget. Leisure is currently 50% of Fort Worden sales, and about 30% of the bookings are online.

### **❖ Facilities**

Larry Sammons, Director of Facilities, presented Quarter 1 achievements and Quarter 2 goals including: renovations to Building 4, Building 235 (Bliss Vista) remodel plans, Point Wilson Lighthouse (possible partnership) and an outline of the 2018 Maintenance transition plan.

## **VIII. Staff Report**

### **❖ Washington State Capital Budget update**

Robison presented an update on the Washington State Capital Budget. The \$1.2 million originally allocated in the Governor's budget to exterior building improvements at Fort Worden (including exterior painting of Officer's Row and NCO row) was eliminated from the Senate and House budgets. Additionally, the \$775,000 we were granted through the WA Heritage Capital Fund for renovations of Maker's Square buildings 308 and 324 is currently in question. The House only funded the top five projects and we are number eleven. Robison stated that it's still possible that we could receive that funding. Also, the \$2.3 million originally allocated to undergrounding electrical lines and replacing failing sewer lines was reduced to \$1.5 million in the budget.

### **❖ Point Wilson Lighthouse Property**

Robison reported that he, Larry Sammons and Gee Heckscher are meeting with the Lighthouse Society President and staff on May 23<sup>rd</sup> and 24<sup>th</sup> to further explore a possible Use Agreement. He also reported that he and Sammons are working on a preliminary building assessment of the Lighthouse property to ascertain utilities to the property (including water line, septic and feasibility of connecting to parks sewer system).

### **❖ Staffing Update**

Diane Moody reported that Krista Hathaway (Human Resources Manager) hosted a Job Fair with Work Source and is publicizing open positions widely and networking. Moody stated that all management and leadership positions are now staffed according to plan. In addition, an employee referral program is being launched to help recruit additional well-qualified job

seekers. Robison reported that Todd Gubler is leaving the PDA but will stay on as a consultant and commended Gubler for his dedication and leadership – stating that Gubler has helped build a strong framework and a strong team.

❖ **All Staff Meeting**

Kristan McCary and Diane Moody presented an eight-week program that was rolled out at the All Staff meeting to educate staff on the Mission and Core values of the Fort Worden PDA, beginning with the mission statement. Robison stated that the goal is for everyone within the organization to embrace, live and embody the mission statement and the Core Values. Robison discussed the goal of becoming an employer of choice in Jefferson County, Krista Hathaway presented FWPDA benefits and Larry rolled out the Emergency Guide.

**IX. Public Comment**

George Randels commended Todd Gubler, stating that all the valuable things he did, he did with style. David Goldman thanked Todd noting the major challenges that have been overcome and progress made, in particular, he noted the creation of financial management systems that now supports adequate reporting and Profit and Loss statements. Lisa Werner from Centrum thanked Todd Gubler for embracing the mission and vision of the Lifelong Learning Center and for his support of partner organizations. Kevin Alexander thanked Gubler as well and Katherine Baril commended Gubler for his refreshing entrepreneurial spirit, being a hospitality professional and his embrace of new ideas. Rodger Schmitt stated that Gubler helped stabilize the FWPDA and set expectations, he thanked him and stated that he hoped for great things.

**X. WA State Parks Report – Rodger Schmitt**

Rodger Schmitt provided legislative updates pertaining to State Parks including challenges they are navigating as a result of budget cuts in the house. In particular, he noted the loss of almost all the recommended projects along the John Wayne Pioneer Trail and that State Parks hopes to influence this preliminary decision during the conference committee process beginning in May. There is a Navy Open House on May 3<sup>rd</sup> at 5:00 p.m. at Blue Heron Middle School. Schmitt stated that the Fort Worden PDA has made tremendous progress and has gone far beyond where the Commission thought that the PDA would be by now, commending the dedicated staff and board. Schmitt stated that next month will be the last meeting that he will be attending. Robison stated that the FWPDA owes Schmitt an incredible debt of gratitude and thanked him on behalf of Fort Worden for his dedication and continued support for the PDA. Schmitt stated that he and his fellow State Parks Commissioners are very happy with the Master Lease and what is occurring at Fort Worden.

**XI. Board Reports/Discussion**

Lela Hilton suggested that the Quarterly Reports be publicized to the community.

**XII. Next Meetings**

- ❖ Executive Committee Meeting, May 16, 9 a.m.
- ❖ Board Meeting, May 24, 9 a.m.

**XIII. Adjourn: 12:00 p.m.**