

DRAFT MINUTES
Fort Worden Public Development Authority Executive Committee Meeting
9 December, 2014, Company B, Fort Worden

I. Call to Order: Scott Wilson called the meeting to order at 3:05 PM

II. Present: Cindy Finnie (via teleconf), Scott Wilson, Norm Tonina, Bill James, Dave Robison, Jaime Hayashi (for PT Hospitality buyout review), Kristan McCary (for food service budget review), Jeff Jackson (via teleconf), Gee Heckscher

III. Review of Executive Committee meeting Minutes November 26, 2014:

- Approved as submitted

IV. Discussion on PT Hospitality transition:

- Jaime reviewed the draft buy-out cost/term sheet.
- Bill James indicated that most equipment prices have been vetted but condition needs to be accounted for. The vehicles are carrying draft numbers pending check on Bluebook prices and review of condition. The current value of \$81,140 will likely drop after these are checked.
- Carla will be staying for up to 3 months to help in the transition. She employs 10 people part-time but they will be doing deep cleaning this winter to prepare for next year.
- We proposed to have the buy-out over two years with no pre-payment penalty.

V. Review of November P&L/Financials:

- The November P&L shows a lower loss than budgeted and has been vetted for accuracy. The \$10,000 donation for NoaNet and the Caldwell spousal insurance will be removed from the final draft.
- May thru August Atrio advance bookings are largely done in terms of corrections and are being entered into Quickbooks to develop P&Ls. October advanced deposits are anticipated to be messy.
- As much as possible will be presented at the 12/17 Board meeting but the final financial year-to-date update will not be available until the January Board meeting. Jeff, Norm and Cindy are providing oversight on a bi-weekly basis.
- The Financial Closure process document was reviewed showing the reporting schedule required to be ready for the Board monthly meeting.

- Review of food service financials - September was a difficult month with events that we were obligated to cater and included the purchase of food from Bon Appetit. October and November are within \$2500 of breaking even not counting \$20,000 reserved for consulting fees. Kristan noted that we need alcohol revenue to be able to hit the industry target of 30% food, 30% labor and 30% other. Repetitive events such as Sunday brunch, football games, etc. would help as well.
- Bon Appetit's numbers show a minimal profit for 2013 even with a subsidy of \$110K from State Parks. They also paid no utilities or rent.
- Kris Nelson is working on a business plan for a Pub and how to use the canteen at the beach.

VI. Review of CERB Grant Application:

- The application for funding has passed the threshold test and the PDA now has to pass and submit a resolution authorizing the ED to provide further information and to sign an agreement. It is for \$50K with a \$15k match which is intended to come from another grant. The grant will allow us to prioritize improvements and have low cost loans available to implement work at a later date.
- Scott moved and Gee seconded a motion to encourage and recommend passage of the resolution (attached in the packet) by the Board. Passed unanimously.

VII. Updates:

- Building 202 – Scott, David Timmons and David King met with Luke Robins December 4th. Luke appears to have started to lobby the state but still wants a funding gap guarantee. He has provided a new draft MOU which will be discussed tomorrow. The concerns for a 50 year (free) lease are to get the college to pay all expenses, allow the PDA to rent the space when not used by the college and have an equitable funding mechanism to meet the budget. The college should move forward with the rebid process once a signed MOU is in place.
- 2015 budget preparation and staffing levels – will be ready to discuss at the end of the year.
- LTAC funding/grants pending - \$45K received from City of PT for marketing purposes.
- Friends of Fort Worden –Currently we are subsidizing the Friends at the Guardhouse and consideration is being given to moving them to Park Headquarters.
- Partner Leases – Staff does not have time to renegotiate leases before end of year. Dave recommends that all leases be extended for a year with a nominal rent increase (3 – 5%). They will be responsible for all utilities.

- Business Development Committee Work Plan – Dave has a foundation that has expressed interest in funding a study for a culinary school. Dave hopes to secure a \$75K grant for a furniture making program for the PTSW which would be aimed at providing training for at-risk individuals and veterans and furniture for Officer’s Row houses.
- Building 306 – Prospective tenant/partner met with Tim and Rob. Current intent is to occupy March 1, 2015.

VIII. December Board Meeting Agenda:

- Will be distributed at end of this week.

IX. Committee Discussion:

- Personnel compensation discussed in executive session.

X. Adjourned at 5:20 PM