



Fort Worden

— PORT TOWNSEND —
A HISTORIC GATHERING PLACE

APPROVED Minutes
Executive Committee Meeting
Fort Worden Public Development Authority (FWPDA)
Tuesday, July 16, 2019 | 9 a.m. to 11 a.m.
Commons Building 210, Room A, Fort Worden

- ❖ Motion to approve the June 18, 2019 Executive Committee Minutes. **Unanimously Approved**

Regular Executive Committee Meeting:

I. Call to Order: 9:00 a.m.

II. Roll Call

Committee Members: Norm Tonina, Gee Heckscher, Jane Kilburn, Jeff Jackson (by phone)

Immediate Past President: Cindy Finnie

Other Board Members: Todd Hutton

Staff: Rufina Garay, Diane Moody, Joan Rutkowski, David Opp-Beckman

Public: Lane DeCamp, David Goldman, Linda Henriksen

III. Changes to the Agenda

Board chair Norm Tonina stated that the committee will go into Executive Session at the end of the public meeting to review lease terms and conditions in accordance with RCW 42.30.110(c): A governing body may hold an executive session during a regular or special meeting “to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price. However, final action selling or leasing public property shall be taken in a meeting open to the public.” Tonina noted that no action will be taken in Executive Session. The committee also added time for public comment to the beginning of the meeting in addition to the scheduled comment opportunity at the end of the agenda.

IV. Public Comment

Port Townsend resident Linda Henriksen expressed concerns about the State Parks proposal for an elevated boat launch at the Fort Worden beach. Henriksen said she believes that despite the State’s public meetings many people don’t know about the proposal, and she decided to raise awareness and capture people’s concerns. Henriksen presented the committee with a petition with approximately 375 signatures asking the State to reconsider the location of the elevated boat launch at Fort Worden or to withhold funding for that aspect of the larger shoreline improvement project. Petitioners are concerned that the boat launch and the trucks and trailers it would bring would adversely affect the beach environment and the pedestrians, bicyclists, and non-motorized watercraft users who use the

area. Henriksen said she hopes the PDA will ask the Commission to find a different location for the elevated boat launch.

Executive Director Dave Robison provided an update on his communications with State Parks about the shoreline improvement project. He said he has requested the final preferred alternative and learned that it is still a work in progress. Robison said the board may want to consider whether or not to take a formal position on the project at a later date. Todd Hutton suggested Ms. Henriksen might want to contact the Friends of Fort Worden.

V. Review of Draft July 24, 2019 Board Meeting Agenda

Staff and the Committee reviewed the draft board agenda for the July 24 board meeting.

VI. Review of June Cash Flow Report

Chief Financial Officer Diane Moody reviewed the Cash Flow report (see packet on website). She noted that the only adjustment from the previous report was to June figures to reflect stocking up on Discover Passes for July. Committee members and staff briefly talked about how to increase publicity about dinner hours at Reveille, and Tonina recommended that this topic be discussed at the August Executive Committee meeting.

VII. Review and Approval of June 18, 2019 Executive Committee Minutes

Action: Motion to approve the June 18, 2019 Executive Committee Minutes. **Unanimously Approved**

VIII. Staff Update & Board Discussion

● **Construction Projects**

Director of Capital Projects David Opp-Beckman provided a report on campus construction projects. He said the State's sewer project is both winding down and expanding to address other campus locations. Meanwhile, utility construction for the Glamping sites is underway and on schedule, he reported. The PDA will soon issue a request for bid proposals for the Community Hall (288), which will provide a gathering area as well as restrooms and showers for the four glamping sites that won't have their own. Opp-Beckman said Makers Square also is proceeding on schedule, and he will soon move into value engineering conversations with Clark Construction to get closer to the original budget. He also is working with partners near the construction area to ensure their operations retain ease of access and visibility.

Opp-Beckman said he is meeting with State Parks staff to talk about upcoming projects the Legislature recently funded. Robison added that one of the most notable projects is the continuation of sewer work to NCO Row. The meeting with Parks staff will help with coordination to minimize impact to PDA operations and partners, but the work will still cause the temporary closure of some accommodations, he said.

● **Hospitality Leadership Certificate**

Chief Strategy Officer Rufina Garay presented information about the developing Hospitality Leadership Institute, a partnership between Peninsula College and the PDA to expand educational support for hospitality workforce needs on the peninsula. The program would expand the college's current online program to include in-person classes, she said. Peninsula College's written proposal regarding a for-credit option and a not-for-credit option is

forthcoming, she said. Garay said she recently presented information about the institute to the Lodging Tax Advisory Committee and received positive feedback. She continues to meet with other organizations with an interest in the certificate. Board member Cindy Finnie stated that the program will benefit all hospitality and food workers in the area, and it's important to build the community's awareness of the program and its benefits for area employers.

Board member Jane Kilburn expressed support for the program as well as concern about whether it amounts to original programming by the PDA, which partners might find threatening. Garay said the PDA is not doing the programming or writing curriculum; it's among a coalition of employers shaping the program through a relationship with Peninsula College. She noted that the PDA also is meant to be an economic driver for the community, and Fort Worden provides a great learning lab environment for hospitality skills that can be brought into the broader community. Kilburn noted the need to be careful about how the PDA talks about our role in the effort and suggested that the full board explore the topic of programming in either a full board meeting or a board retreat.

- **Makers Square Operations Plan**

Robison reported that staff members are meeting weekly to develop an operations plan for Makers Square and are also communicating with board members Norm Tonina, Jeff Jackson, and Todd Hutton about their progress. He said staff plan to bring a draft framework to the August Executive Committee meeting.

- **Old School 4th of July Review**

Robison referred the board to the report on the Old School 4th of July event (see agenda packet on website). Despite difficulties securing corporate sponsorships, the PDA brought in nearly \$18,000 in sponsorships.

Kilburn noted that Port Townsend School of the Arts had a successful fundraising BBQ dinner on July 7 that featured an auction, music, and the creation of art. She thanked PDA staff for quickly establishing a fabulous setting in the Commons dining room when weather changed the original plans for an outdoor event.

- **Five Year Strategic Direction**

Robison shared a draft of a PowerPoint presentation that is designed to provide context for the PDA's mission and plans for the next five years. He said the presentation will be used for many audiences, such as the PDA's partners, the City Council, and the general public. He will show the presentation at the July 24 board meeting.

- **Leasing Update**

Garay referred the Executive Committee to a draft Memorandum of Understanding (MOU) between the PDA and the Port Townsend School District to guide development of a shared space agreement that supports an outdoor learning center for K-12 students at Fort Worden (see board packet on website). She also referred the committee to the draft Memorandum of Agreement (MOA) with KPTZ, which sets forth terms that would govern the construction of and payment for improvements to the basement space that KPTZ seeks to lease in building 305 of Makers Square. Garay said the PDA's intention is to negotiate a lease with KPTZ within 90 days of signing the MOA.

Garay also presented a PowerPoint about the PDA's preliminary framework for approaching long-term leasing arrangements (see board packet on website). The presentation identifies the need to gradually move to market-rate lease arrangements to help the PDA remain financially sustainable and address approximately \$100 million in unfunded capital needs for the campus. Garay noted that the committee will conclude the meeting in Executive Session to talk about possible pricing for lease options (per RCW 42.30.110c). She said the PDA seeks transparency and an equitable application of lease guidelines across the campus, and this is a main reason why the PDA engaged an appraiser to identify market rates for campus buildings (see appraisal documents on website).

The committee and staff discussed a draft of the process the PDA may use to guide the negotiation of long-term leases. Gary said the document also will help make the process transparent for partners. Kilburn questioned the predicted timeline of up to one year for negotiations and expressed a desire for a shorter duration. Garay said the goal is to move more quickly, but that the process can take longer when partner submission materials are in process and being revised. Kilburn suggested that the PDA only begin new long-term lease negotiations after all submission materials are complete so that it's clear at the outset what is needed for success. Committee members said they will provide Garay with additional feedback before the July 24 PDA board meeting.

IX. Public Comment

David Goldman commented on the relationship between the PDA and its partners and on how that relationship can inform the effort to clarify and rebrand the lifelong learning concept. He said he believes capital constraints are the underlying issue. Goldman said partners have an understanding about the soul-moving reasons participants seek their programs and the transformative experiences their programs provide. He said partners' insights about participants could help the PDA with its branding effort while the PDA is working to overcome capital constraints to help all parties.

X. Executive Session

Tonina announced that the committee will move into Executive Session to review lease terms and conditions in accordance with RCW 42.30.110(c). He noted that no decisions will be made during the session, and he expected the session to conclude by noon.

XI. Adjourned: 11:19 a.m.