



Fort Worden

— PORT TOWNSEND —
A HISTORIC GATHERING PLACE

APPROVED Minutes
Executive Committee Meeting
Fort Worden Public Development Authority (FWPDA)
Tuesday, November 19, 2019 | 9 a.m. to 11 a.m.
Seminar Building 297, Fort Worden

All Executive Committee minutes are draft until approved by the Committee

- ❖ Motion to approve the October 15, 2019 Executive Committee Minutes. **Unanimously Approved**

Regular Executive Committee Meeting:

I. Call to Order: 9:02 a.m.

II. Roll Call

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

Other Board Members: Herb Cook, Todd Hutton

Staff: David Robison, Rufina Garay, Diane Moody, David Opp-Beckman, Joan Rutkowski; Lane DeCamp (Fort Worden Foundation Staff)

Public: David Goldman, Carla Main

III. Review of Board Meeting Agenda

Executive Committee members and staff reviewed anticipated agenda items for the November 27th board meeting. It was agreed to delete the branding update and add an update for the RFP process. Chief Financial Officer Diane Moody said that in addition to the December 18th holiday party, a staff social committee is planning an employee holiday potluck for Dec. 20th.

IV. Review of Cash Flow Report

Moody reviewed the Cash Flow report (see packet on website). She noted that the PDA is ahead of last month's projections for November, partly because the sales team is succeeding with leisure package deals. December and January numbers are still conservative, she said. The challenge to having a surplus at year-end largely comes from keeping up with maintenance needs, Moody said. Board Treasurer Jeff Jackson suggested that the addition of a comparison between projections and actuals for a one- or two-month period could provide helpful information.

V. Review and Approval of October 15, 2019 Executive Committee Minutes

Action: Motion to approve the October 15, 2019 Executive Committee Minutes. **Unanimously Approved**

VI. Nomination of PDA Board Member to Fort Worden Coordinating Committee

Executive Director Dave Robison reviewed the purpose of the Fort Worden Coordinating Committee. The five-member committee is composed of two PDA leaders, two State Parks leaders, and an at-large member. Robison serves as one of the PDA representatives, and he said the PDA board needs to designate the board appointee at its November 27th meeting. The PDA's master lease with State Parks calls for the committee, and Robison said the intention was to help referee any disputes as the PDA began to take over operations and management of the campus from State Parks. The committee's bylaws state that the purpose is to review and monitor the overall operation and co-management of the campus, and this includes ensuring communication among all stakeholders. Robison said the committee has never had to referee any dispute over the years and has found that it hasn't needed to meet every year. He said the focus has been on reviewing the annual maintenance plan, developing a maintenance report, and identifying capital requests to submit to the Parks Commission. It was noted that the committee may want to review its bylaws. Board members identified Vice Chair Gee Heckscher, with his background in architecture and historic preservation, as being an ideal candidate for the board member position. Heckscher indicated his interest in the role.

VII. Staff Update & Board Discussion

- **Leasing Update**

Chief Strategy Officer Rufina Garay reported on the effort to establish a framework for long-term leases with partners. She noted that the process seems overall optimistic, positive and collaborative. The PDA's appraiser has offered to update the appraisal of particular spaces that may have other comparables, Garay said. Executive Committee members and staff discussed the challenges of finding comparable arts-oriented or nonprofit spaces in Port Townsend's limited inventory. Board Chair Norm Tonina said the goal is to have a set of common terms that apply to all partner leases, and this may happen by the end of January. This would be followed by working with individual partners to understand their capital investment strategy, he added. Garay said the separate effort to finalize a Memorandum of Agreement with KPTZ is moving forward, and she hopes to have that signed soon with a lease to follow.

- **Construction Projects Update**

Capital Projects Director David Opp-Beckman provided an update on construction projects. Executive Committee members and Opp-Beckman discussed details related to the completion of glamping accommodations. Opp-Beckman is working on value engineering with the two contractors who submitted bids for the construction of the community hall and also is considering whether PDA staff could instead perform the work. He has identified a consultant who could act as a projector manager to guide staff work. Robison noted the loss of two PDA staff carpenters to higher wages elsewhere. Opp-Beckman said the community hall will provide restrooms for four of the glamping units; the other 15 will have their own bathrooms.

Makers Square is moving forward on schedule, Opp-Beckman said. He anticipates installation of slate roofing on 308 will begin soon, depending upon weather. Robison noted that a skylight is no longer in the plans for building 305 in order to save \$35,000.

Other work on campus includes the recent completion of a fire escape stairway to building 275, which is used by Centrum, and repairs due to smoke damage from a small heater fire, Opp-

Beckman said. Executive Committee members and staff talked about how to define where insurance coverage begins and ends for campus buildings that are owned by State Parks, leased by the PDA, and subleased by tenant partners. The group also discussed the timing for State Parks' water and sewer projects on campus in 2020. The projects will require taking NCO and Officers Row housing offline at times, reducing revenue. Moody noted that the construction timeline reflects a lot of analysis about timing in order to minimize revenue losses. She said it will be even more challenging if that timeline isn't followed. Opp-Beckman said ongoing conversations about project details with State Parks staff will include consideration of whether units can be gradually brought back online as sewer and water work progresses.

- **Construction Bridge Financing**

Moody reported that she has applied for construction bridge financing with Kitsap Bank and First Federal Savings and Loan, and she will bring the best offer to the board when she has more information about possible terms.

- **Fort Worden Collaborative Planning**

Robison reported on a collaborative planning effort that is forming between the PDA and partner representatives. The group involves the PDA's executive team (Robison, Moody, and Garay), and Renee Klein (Madrona MindBody), Janine Boire (Port Townsend Marine Science Center), and Teresa Verraes (Port Townsend School of the Arts). Garay said the process will include sharing data to find intersecting needs and interests. Robison said the social learning that will happen in the process will help partners understand the PDA's operations and mandates and will help the PDA understand the partners' needs. Garay noted that the collaboration isn't intended to take away from the PDA's strategic planning process; it will provide scaffolding for that process. Board members commended the group's effort and also discussed the need to ensure that there is clarity about the boundaries between the committee's focus and the PDA board's responsibility, especially regarding vision and strategic direction.

VIII. Public Comment

David Goldman commented on the importance of the trust-building that can happen through the long-term lease discussions and the collaborative planning conversations. He said that if a facilitator is hired for the collaborative planning process, he hopes the person has attended the PDA board's meetings and is familiar with PDA operations. Board member Herb Cook expanded on this comment and added that the partners and the public need a better understanding of what the PDA does.

Carla Main noted that some people had an adversarial relationship with State Parks when it managed the campus and maintained the buildings, and overcoming that legacy is one of the PDA's challenges. Main said all parties need each other to succeed. She also noted the value in acknowledging differences during the collaborative planning effort. Tonina commended Main for her service as a Centrum board member, which will conclude at the end of the year.

IX. Adjourned: 11:14 a.m.