AGENDA
Special Board of Directors Meeting
Fort Worden Public Development Authority (FWPDA)
Wednesday, May 13, 2020 | 10:00 a.m. – Noon
Via Zoom (Remote Meeting Per Governor Inslee’s Proclamation 20-28.2)

To join this meeting:
By computer: https://zoom.us/j/94906274258
By phone only, dial by your location: +1 253 215 8782
MEETING ID: 949 0627 4258

Public Meeting Agenda

I. Call to Order

II. Changes to the Agenda

III. Public Comment

IV. COVID-19 Background Information

V. Articles of Interest
   A. Peninsula Daily News, April 8, 2020: “Thing Festival Postponed to 2021”
   D. The Leader, May 7, 2020: “County Wrestles with Lifting Restrictions”
   E. The Leader, May 8, 2020: “Officials Lay Out Timeline for Moving to Phase 2”

VI. Consent Agenda
   A. Review and Approval of March 17, 2020 Executive Committee Meeting Minutes
      Action: Motion to approve the March 17, 2020 Executive Committee Meeting Minutes
   B. Review and Approval of March 25, 2020 Board Meeting Minutes
      Action: Motion to approve the March 25, 2020 Board Meeting Minutes
   C. Review and Approval of April 16, 2020 Finance & Audit Committee Meeting Minutes
      Action: Motion to approve the April 16, 2020 Finance & Audit Committee Meeting Minutes

VII. Review of March Financial Report
   A. Staff Report
   B. Board Discussion

VIII. Review Cash Position and Flow Projections
   A. Staff Report
   B. Board Discussion
IX. Staff Update on Reservations and Cancellations  
   A. Staff Report  
   B. Board Discussion  

   A. Staff Report  
   B. Board Discussion  

XI. Contract with David Timmons and Resolution 20-07 Consideration and Approval  
   A. Staff Report  
   B. Board Discussion  
   **Action:** Motion to approve Resolution 20-07 authorizing the Executive Director to extend the contract with David Timmons through June 30, 2020 and increase the contract budget, resulting in total contracted services not to exceed $15,000.  

XII. Public Comment  

XIII. Next Meetings:  
   May 25th Finance & Audit Committee  
   May 27th Board Meeting  

XIV. Adjourn
Hi All,

Here are the key takeaways from last night’s meeting of the Board of County Commissioners (BOCC), Board of Health (BOH), and City Council.

First, the timeline for deciding whether or not to submit a Phase 2 Variance. Things could still wiggle around, but pencil these dates in:

- Tuesday 5/12, Dr. Locke releases his recommendation on the relative safety of each Phase 2 element and where he would draw the line (he cited draw from high-prevalence areas as a main factor, so expect anything that attracts travelers to be ranked as less safe)
- Thursday 5/14, Special BOH meeting where they review his recommendations, public comment accepted (prefer written)
- Friday 5/15, State releases guidelines for business sectors allowed to operate in Phase 2. Businesses who want to weigh in on the 18th/19th should watch for these guidelines from the State and be able to speak to their readiness at the public meeting.
- Mon or Tue 5/18 or 19, a stakeholder meeting with City/County/Port/businesses, discuss readiness for sectors recommended by BOH
- Thursday 5/21, Regular BOH meeting, action taken to recommend variance or not
- Tuesday 5/26, BOCC vote on BOH recommendation (cannot make changes, can only approve or deny BOH recommendation)

Other Notes:

The biggest risk for our area (relative to the state-defined readiness requirements) is the rate of our population who are at-risk for complications, as age is the primary risk factor for complications and 36.9% of JeffCo residents are over 65 (highest in state)

Seven counties have submitted variances so far, including Mason which was not on the list. Van de Wege, Tharinger, and Chapman submitted a letter on behalf of Clallam asking for them to be considered eligible, which Dr. Locke thought sounded reasonable since they have had lower rates than Jefferson and their most recent set of cases came from out-of-county exposure. It was noted that our county was the only on the list on this side of the state and so close to King County, so it might be safer if we had a regional variance (i.e. including Clallam and Mason, or even Kitsap), so the “draw” was more spread out.

Dr. Locke cited hair and nail salons as businesses that would attract people to the area if they were opened before other parts of the state, so it’s not just the more obvious draws of sit-down restaurants and camping that are likely to be excluded from the variance request. He cited maritime, construction, manufacturing, and housecleaning/domestic services as low-risk, so is more likely to recommend those sectors for the variance.
On the requirement for the hospital to submit a letter assuring their readiness, they are ready (surge beds and PPE inventory beyond recommendations, testing right at the edge but improving and Dr. Locke expressed comfort with their level/progress). So don’t expect that to be a hurdle. JHC can expand to 60 beds, 75 with other facilities, and they have 21 days of PPE supplies in a separate COVID19 surge inventory, plus their normal inventory is above the state-defined levels. The models suggest this is more than sufficient for a surge during the suppression-oriented plan.

Lastly, just FYI a Board of Health member mentioned Fort Worden and worries over the nice weather drawing people here over the weekend, said they were interested in whether any cases result from this.

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Follow along to learn more about what’s happening at Fort Worden year round!

FORT WORDEN PDA NOTICE REGARDING PUBLIC DISCLOSURE
Public documents and records are available to the public as required under the Washington State Public Records Act (RCW 42.56). The information contained in all correspondences with a government entity may be disclosable to third party requesters under the Public Records Act.
PORT TOWNSEND — THING festival has postponed its second year to take place in summer of 2021 because of the state’s stay-at-home order to slow the spread of COVID-19.

The multi-day multidisciplinary festival is slated to return to Fort Worden State Park the weekend of Aug. 27, 2021, organizers announced Monday.

THING was the idea of Adam Zacks — the founder of the Sasquatch! festival and chief programming officer for the Seattle Theater Group — and is put on by the Seattle Theater Group.

On its inaugural outing last summer, the two-day event sold out and had more than 5,000 people attend each day, organizers said.

The first festival held a variety of events such as live music, guided hikes, on-stage podcasts and many other forms of entertainment.

Programming and event scheduling will be announced closer to the new date.
KPTZ keeps community informed, connected in crisis

Barney Burke, lead of the emergency response team for KPTZ 91.9 FM, continues to rock on as one of the station’s DJs during the coronavirus crisis.
While many state residents are staying at home to help prevent the spread of the novel coronavirus, others continue to work at jobs considered essential, from grocery workers and first responders to those who keep the public informed.

Starting in March, KPTZ 91.9 FM combined its emergency response and news teams to form a new virus watch “V-Team.” On March 13, the station closed its doors to the public, even as it continued to broadcast, and it remains open only to those volunteers who are on premises to accomplish essential work.

KPTZ DJ Barney Burke, lead of the station’s emergency response team, said the “E-Team” has been part of KPTZ since the station first went on the air, ready to embed at the Jefferson County Emergency Operations Center and broadcast during earthquakes or other disasters.

“For COVID-19, we spawned the V-Team because this pandemic is a whole new scope,” Burke said, noting that the station’s already capable staff has been augmented by registered nurse Lynn Sorensen, retired after 36 years, and Kate Keenan, a San Diego Public Health communicable disease investigator, retired after 20 years.

KPTZ already has more than 100 active volunteers, which the station’s general manager, Kate Ingram, deemed fortunate, “because there’s a learning curve required to navigate the station’s functions and procedures, so this hasn’t been a time for us to bring in new people.”

Based on calls and emails the station has received, Ingram believes KPTZ’s audience is largely homebound and listening for both entertainment and reliable information.

“The V-Team members have put in a lot of time and energy to assure all the on-air and website messaging has been vetted,” Ingram said. “The challenges of coronavirus have been a call to action for our personnel and have inspired a lot of creativity, as our DJs and support staff have risen to the occasion.”

By shifting from in-studio to phone conversations, Ingram said the station is able to ensure only one host is in the on-air studio at a time. Likewise, several of the station’s shows are now recorded from staff members’ homes, which has required them to replicate the capabilities of on-air studios in their living spaces.

Either way, Burke agreed that many members of the station have been ramping up their hours.

“I’m averaging three hours a day on this, and I’m glad to have the time to pitch in,” Burke said.

KPTZ supports all the local organizations, food vendors, restaurants and businesses comprising the local economy,” Ingram said. “We offer messaging to get the word out to listeners as to how everyone can help to keep the overall community afloat.”

As the county’s emergency response team—which includes Jefferson Healthcare, the local health department and other agencies—implements programs for medical care, temporary housing, food and other services, we’ll be working hard to get that information out quickly,” Burke said.

Ingram said KPTZ is reeling from the cancellations of a score of community events the station normally features on the air—including the Kitchen Tour, Wearable Art Show and Rhody Run—but this has only renewed her resolve to support continuing community activities such as the scaled-back Farmers’ Markets, as well as the needs of the county’s food banks and OlyCAP, with free public service announcements to further spread the word on behalf of area nonprofits.
Siobhan Canty of the Jefferson Community Foundation will chime in weekly on Tuesdays during Chris Bricker’s ‘Morning on the Salish,” to let listeners know about the activities and needs of area services.

‘All of us are still wrapping our heads around the loss of this year’s Northwest Maritime Center ‘She Tells Sea Tales’ event, the Port Townsend ‘Women and Film’ Festival and all the Centrum festival events, from choro to acoustic blues,” Ingram said. “Normally, KPTZ airs live broadcasts of the Centrum summer concerts, and the loss of us all is heartbreaking.”

The KPTZ staff even experienced its own close call with coronavirus in mid-March, when a V-Team member developed symptoms, but didn’t meet the criteria for testing.

‘Our public health-savvy volunteers offered the wisdom that anyone who had spent more than 10 minutes with his volunteer, over the 14 days prior to their onset, should self-quarantine preventively,” Ingram said, noting that this included herself, Burke, Phil Andrus and Charlie Bermant. “Thankfully, we’re all on the other side of that and feeling fine, but it was a worthwhile drill, leading us to realize that anyone not at the station, in an essential role to keep us on the air, should instead work from home in order to minimize overall contact.”

Burke has experienced a few previous disasters, including the 1989 Loma Prieta earthquake in the San Francisco Bay Area.

‘In sudden catastrophes, there’s the initial shock and trauma, then a long road putting things back together,” Burke said. “That’s stressful. But coronavirus is stressful because it’s a slow-motion disaster. It’s distressing to hear about the hardest-hit communities and the difficulty of helping people who become critically ill. We know the infection rate is climbing now, but we really don’t know when it will subside or return. So, in addition to programs and announcements keeping people informed on COVID-19, we also need programs that cultivate a feeling of community, stories about people being there for each other—and music, of course.”

KPTZ Board President Robert Ambrose said the station’s mission is to build and strengthen the community through high-quality radio programming that is educational, entertaining and service-oriented.

“That’s what community radio is all about, and that’s why KPTZ is uniquely positioned to provide information and solace throughout our community, allowing each of us to feel a little less isolated during this most unsettling time,” Ambrose said. “That always has been the purpose of my show, ‘Rhythm Connection,’ and why I am determined to keep on keeping on.”

Comments

0 COMMENTS ON THIS STORY | ADD YOUR COMMENT

OTHER ITEMS THAT MAY INTEREST YOU

Local musicians to play in parking lots of Avamere, San Juan Commons May 4 (/stories/local-musicians-to-play-in-parking-lots-of-avamere-san-juan-commons-may-4,69077)

Driveways’ showcases Dennehy’s soft touch after his passing (/stories/driveways-showcases-dennehys-soft-touch-after-his-passing,69005)

PT filmmakers stream documentary of oyster farmers to raise funds for shellfish industry (/stories/pt-filmmakers-stream-documentary-of-oyster-farmers-to-raise-funds-for-shellfish-
A barricade blocks the north entrance to Robin Hill Farm County Park west of Sequim on Saturday, May 2, 2020. (Keith Thorpe/Peninsula Daily News)

CORONAVIRUS

Some Peninsula parks reopening for day use

National park areas to stay closed this week

By Michael Dashiell
Tuesday, May 5, 2020 10:35am I NEWS CLALLAM COUNTY

CORONAVIRUS JEFFERSON COUNTY

State and county parks on the North Olympic Peninsula — along with two city parks in Sequim — will reopen for day use with some restrictions on Tuesday after they closed in March due to COVID-19 precautions.

Today, the city of Port Angeles’ Ediz Hook boat launch will re-open, Corey Delikat, Parks and Recreation director, said Friday.
Most city parks had never been closed although, as with county parks that remained open, most services were not provided.

Olympic National Park will not reopen any areas this week. Plans are being made to begin to reopen some park areas mid-to-late May, said Penny Wagner, park public information officer, who added that the Pacific Coast beaches and other areas on the west side of the park are likely to be among the last to be reopened.

Gov. Jay Inslee announced last week a partial reopening for outdoor activities beginning Tuesday. That includes some fishing, hunting, golfing and day use of state lands.

On Friday, Inslee extended his stay-home order through May 31.
City, county and state parks across the North Olympic Peninsula, including Miller Peninsula State Park — pictured in this file photo — closed in late March to help stem the spread of the novel coronavirus. Some parks are scheduled to reopen this week for day use only. (Michael Dashiell/Olympic Peninsula News Group file)

Here is rundown of the park options on the Peninsula:

**State parks**

Washington State Parks reopening will apply to some state-managed parks, wildlife areas, recreation land and boat launches.

However, it may take several days for gates to be unlocked and sites to be serviced at remote areas due to limited staff capacity.

“Some parks may not open immediately because of impacts on rural communities and the potential for crowding,” park officials said in a statement. “State Parks is working with local communities and its partners to determine the best approach and timing to reopening these areas.”

State visitor centers, camping and other overnight accommodations on state-managed lands will remain closed until further notice, they said.
Fort Worden, Fort Flagler and Fort Townsend state parks will reopen to vehicles and for day use starting Tuesday. Because of lost revenue during the shutdown, parks have not been able to rehire all of their staff back, so it is unknown when smaller state parks in Jefferson County will reopen, said Ranger Brian Hagerman, parks manager.

Campgrounds, group facilities, shelters and staging areas will remain closed to the public until further notice, he said.

See parks.state.wa.us for more information.

Jefferson County

• The Fort Worden Public Development Authority will continue to be closed this month, said Dave Robison, executive director.

Staff members are working on a plan for reopening, tentatively scheduled for July.

• Jefferson County parks did not close to day use; however, the playgrounds, basketball and tennis courts, campgrounds (Oak Bay, Lake Leland and Quilcene), park restrooms, indoor recreation facilities and picnic shelters will remain closed until further notice, said Matthew Tyler, Jefferson County Parks and Recreations manager.

The Larry Scott Trail and other trails along the parks are open, he said.

Portable toilets have been provided at parks with locked restrooms.

• The city of Port Townsend did not close its parks. The Mountain View Pool, playgrounds, sport courts, picnic shelters, restrooms, dog parks, skate park, campgrounds and indoor facilities remain closed until further notice, City Manager John Mauro said.

City staff members are discussing when and how to reopen the rest of the facilities with county and state officials, but no specific plans had been made as of Friday.

Clallam County
Clallam County will reopen all day-use-only parks as well as the day-use portions — not the campgrounds — at Dungeness Recreation Area near Sequim and Salt Creek Recreation Area near Port Angeles.

All day-use areas with restrooms (those with running water), along with campground restrooms will remain locked but will have portable toilets delivered for public use, said Joel Winborn, director of Clallam County Parks, Fair & Facilities.

Vault toilets located in day-use areas will be open for public use.

To encourage public safety, county park staff members will put together signage with guidelines about social/physical distancing based on Centers for Disease Control and Prevention (CDC) guidelines, Winborn said.

Camp David Jr. on Lake Crescent is closed until further notice. It will open “likely very late into the summer, if it opens at all,” he said.

Clallam County Fairgrounds will remain closed until further notice, Winborn said.

Winborn said Inslee’s restrictions on large gatherings may put the annual Clallam County Fair in jeopardy.

Dr. Allison Unthank, Clallam County health officer, urged county parks to open in coordination with other parks during an Emergency Operations Center (EOC) briefing last week.

“I know any time we start to reopen things after we close them, it causes some anxiety,” she said. “The thing to know is I think it is very possible to do outdoor recreation well.”

For more about Clallam parks and updates on closures/re-openings, see www.clallam.net/parks.
The Ediz Hook boat launch will be back in operation today, but nothing else will change, Delikat said in an email.

“Right now, we are not changing anything as far as our public policies for our parks” in Port Angeles, Delikat said.

“Basically, we have closed everything we can physically close and just told people to use open spaces and physical distancing.”

He referred residents to the city’s website at [www.cityofpa.us](http://www.cityofpa.us) for updates.

In Sequim, Carrie Blake Community Park — including the Water Reuse Demonstration Area, dog park, skate park, fishing pond and community gardens — will partially reopen Tuesday, as will Pioneer Memorial Park, said Jason Loihle, arts and parks manager.

The playground areas, horseshoe, bocce ball and shuffleboard areas at Carrie Blake Community Park will remain closed, and no city facilities will be available for rent.
Restrooms near the pickleball courts will be reopened, but restrooms at the Water Reuse Area will remain closed until further notice.

Kirner Park and Dr. Standard Park will remain closed until further notice.

Public gatherings are not allowed at the reopened parks, including events and team sports such as soccer, football, baseball, pickleball and basketball.

Sick people should not go to parks.

Social distancing — and masks when needed — are required, and recreation partners must be limited to only those who live in the same household.

“Any city park may be closed at any time if there is reason to believe unsafe conditions exist or social distancing practices are not being followed,” Loihle stated in a press release.

For more about city parks, contact Loihle at 360-582-2458 or jloihle@sequimwa.gov.

• Day-use-only Tillicum Park in Forks will remain open, City Attorney-Planner Rod Fleck said.

“They are working to keep it clean, going through and disinfecting everything, things like that,” he said Friday.

The city’s Calawah River boat launch off North Forks Avenue will remain closed.

The Makah and Quileute tribes have closed their reservations in Neah Bay and La Push to all who don’t live there.

National park

Olympic National Park officials are beginning to plan for a phased reopening of certain day-use facilities mid-to-late May.

“We can start with facilities that we know may not attract a great number of people from King County or other environs all on their own, and service more of the local folks who want to do their daily exercise or go for a day hike,” said Park Superintendent Sarah Creachbaum during a question-and-answer session last week during an EOC briefing.
Park officials are coordinating with health officials, tribes and communities about when and how areas will be reopened, Wagner said.

The first park areas to be reopened are likely to be on the north side of the park, Wagner said, such as the Lake Crescent area and the Elwha Valley, which remains closed to vehicles because of a washout near the Elwha Campground.

Additional measures will need to be taken before Sol Duc and Hurricane Ridge are reopened, Wagner said.

It is not now known when the final areas to be reopened will welcome visitors on the west side of the park, including the ocean beaches.

Park openings are predicated on having adequate personal protective equipment (PPE), adequate supplies to keep restrooms clean, and adequate enforcement to keep people from crowding around restrooms and other areas, Creachbaum said.

Unthank had previously said she would recommend the federal government reopen Olympic, Mount Rainier and North Cascades national parks at the same time to prevent an influx of tourists from the Seattle area converging on one park.

Olympic National Park’s seasonal workforce likely will be reduced by about one-third this summer because of a federal requirement that one person reside in one room, Creachbaum said.

Visitor center employees, interpretive park rangers and others who work with crowds may not start working until May 24, Creachbaum said.

See www.nps.gov/olym for more about Olympic National Park.

Find the full list of state parks and properties that will reopen Tuesday here.

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Micahel Dashiell, editor of the Sequim Gazette, Peninsula Daily News reporters Zach Jablonski and Paul Gottlieb and PDN Executive Editor Leah Leach contributed to this story.
The governor announced May 1 his plan for a four-phased approach to reopening businesses and social gatherings. Jefferson County is one of ten counties able to move to the next phase earlier than the rest of the state.
The Board of Health will convene in a special meeting at 5 p.m. on May 7 with county commissioners and Port Townsend City Council members to discuss whether Jefferson County can move forward into the state’s “Phase 2” of reopening businesses during the coronavirus pandemic.

During a press conference May 1, Gov. Jay Inslee surprised county officials with news that while the state would not be lifting the “Stay Home, Stay Healthy” order on May 4, 10 counties in Washington—Jefferson, Garfield, Columbia, Ferry, Pend Oreille, Lincoln, Wahkiakum, Skamania, Kittitas and Grays Harbor—could loosen restrictions sooner than the rest of the state.

It is up to local jurisdictions, including the county’s Department of Health, Board of Health, and county commissioners to decide if Jefferson County will lift restrictions.

“We had about five minutes’ warning before the governor’s press release on Friday afternoon,” commissioner Kate Dean said. “Given the national media and public outrage over this issue, I immediately felt anxious at the enormity of this decision.”

Washington as a whole moved into the governor’s first phase of lifting restrictions on May 5. This includes allowing some outdoor recreation, such as hunting, fishing, golf, boating and hiking. It also allows construction to resume under agreed-upon safety measures, as well as landscaping, automobile sales, car washes and pet-walking. Drive-in spiritual services are also allowed.

The next phase, which Jefferson County could move to immediately, allows outdoor recreation such as camping and going to beaches with fewer than five people, social gatherings of no more than five people, and limited non-essential travel within proximity of one’s home.

It also allows certain businesses to reopen, including manufacturing, new construction, domestic services, retail, real estate, professional services, hair and nail salons and restaurants at less than 50% of normal capacity and with tables that seat five people or less.

“There are people here and everywhere across the country with such strong opinions and feelings: that we should open up, allow the economy to resume and let the virus work its way through or that we should absolutely stay on lock-down until there is a vaccine,” Dean said. “Most people fall clearly to one side of this argument or another, and I know that trying to find an informed, nuanced solution would be tough and still ultimately offend a lot of Jefferson County residents. I suspect it will be the hardest decision I’ve made to date in this job.”

There are many factors that go into deciding whether to lift some restrictions.

“It’s not a simple process,” said Tom Locke, Jefferson County’s public health officer. “It’s a thorough one, and it is very much evidence-based. We paid a huge price to get as far as we are, and we don’t want to lose ground.”

No decisions have been made whether to proceed, Locke said. The May 7 meeting of the Board of Health will be a “scoping meeting” to discuss how to make the most community-minded decision.

“We want the community to be united on this,” he said. “We’re thinking it will be a two-week process at the shortest.”

Other counties are eager to reopen, he said. For example, Kittitas County had its board of health meet and submit a plan to move to Phase 2 on May 4.

If the county chooses to proceed, there are specific processes that must be followed.
The public health officer must make a recommendation to the board of health, which will vote on the plan in an open public meeting. The seven-person board consists of the three county commissioners, Pamela Adams who represents the city council, Kees Kolf who represents the Jefferson Healthcare board of commissioners, and citizens-at-large Sheila Westerman and Dennis Stearns.

After the Board of Health approves a plan, the Board of County Commissioners must vote to approve or deny the plan. It will then be submitted to the state’s Department of Health for review. The plan must include input from Jefferson Healthcare.

A key factor to opening up businesses and social gatherings is having a higher testing capacity. According to Amy Yaley, communications director at Jefferson Healthcare, the hospital is now capable of processing tests in its lab.

“This allows us to do rapid testing for patients who need to be hospitalized and urgent procedures,” she wrote in an email response to questions from the Leader. “If we can eliminate them as COVID-positive, it will assist us in ensuring safety of care for our patients and employees as well as proper PPE conservation.”

Dean said she’d like to know what authority the commissioners have to limit out-of-county visitors and whether the county can enforce measures such as requiring masks to be worn in stores.

‘How do we open up parts of the economy without signaling to people that they still must be practicing behaviors such as distancing and sanitizing, when we are already seeing people tire of this and comply less?” Dean said. “Are there ways to re-open that don’t put low-income people at greatest risk? Many service jobs are low wage, don’t have benefits and require a lot of exposure to the public. Many businesses don’t want to open due to these risks.”

Jefferson County’s aging population and tourism-based economy could increase the risk of transmission and strain on hospital services.

Opening up businesses and recreation opportunities might provide incentives for residents outside the county to violate the state’s non-essential travel ban and come to Jefferson County, Locke said.

Right now, Jefferson County has 28 confirmed coronavirus cases. This has not changed for more than 25 days. In the United States, the number of cases has climbed past 1 million. In the state, there are more than 15,000 cases.

“We’re definitely in the post-surge phase of this first wave of the coronavirus pandemic,” Locke said.

But lifting restrictions too early could lead to a new, greater spike in cases, he added.

“We’re a nation that’s getting very tired of being in quarantine,” he said. “A number of states are loosening their restrictions or abandoning them altogether. ... You risk making all your sacrifice for nothing.”

Locke said he does not want Jefferson County to be an “uncontrolled experiment” in reopening early.

‘People who don’t believe in science are going to have to discover the hard way that communicable diseases don’t care what your beliefs or political ideologies are,” he said.
Officials lay out timeline for moving to 'Phase 2'

Board of Health meeting set for May 14
t could be May 25 before Jefferson County sends an application to the state health department to reopen some businesses ahead of the state’s schedule.

At a special meeting of the Board of Health May 7, the Board of County Commissioners and the Port Townsend City Council elected officials mapped out a plan to decide how they would tackle reopening sections of the county’s economy.

Gov. Jay Inslee announced May 1 that 10 counties, including Jefferson County, with populations fewer than \( \geq 5,000 \) and no new coronavirus cases in the past three weeks could move to his “Phase 2” of reopening businesses and social gatherings of a certain size.

The entire state moved into Phase 1 of the governor’s reopening plan, which included opening construction, car washes, automobile sales, fishing, hunting, hiking, and drive-in spiritual services.

Phase 2 allows outdoor recreation such as camping and going to beaches with fewer than five people, social gatherings of no more than five people, and limited non-essential travel within proximity of one’s home. It also allows certain businesses to reopen, including manufacturing, new construction, domestic services, retail, real estate, professional services, hair and nail salons, and restaurants at less than 50% of normal capacity and with tables that seat five people or less.

To apply for some or all of these restrictions to lift, Public Health Officer Tom Locke must first make a recommendation to the Board of Health.

The board must discuss and vote on the recommendation, which will then go to the county commissioners for final approval. The county must also submit a letter from the hospital assuring the state the hospital has adequate bed space for a surge of COVID-19 patients, and adequate personal protective equipment for health care employees.

County officials outlined a timeline for making this decision at the meeting May 7.

On May 12, Tom Locke will release his recommendation based on activities he thinks can safely open in the county.

“As I looked over this list, the lens I look through is a traditional medical approach and that is measuring benefit against risk,” Locke said.

He will weigh which activities have the lowest risk to public health and the highest benefit to the economy.

On May 14, the Board of Health will have a special meeting to process Locke’s recommendation and hear from the public on the issue.

On May 18 or 19—the date is still to be determined—there will be a joint meeting of county, city, PUD and port officials, as well as members of the business community and organizations such as the Fort Worden PDA, the Economic Development Council, the Chamber of Commerce and others to discuss Locke’s recommendation.

The Board of Health hopes to take action on a recommendation at a meeting on May 21. The county commissioners will either approve or deny this recommendation at their regular meeting on May 25.
County and city officials hope to have a transparent process and offer opportunities for public input.

“We might be just the right community to show that we can do this well,” said Commissioner Kate Dean. “Part of this probably is saying, ‘We’re willing to offer more freedoms but with that comes more responsibility and restrictions.’”

Click here (https://media.avcaptureall.com/session.html?sessionid=6b2fe934-49aa-4122-8c58-5191e9fd6967&prefilter=845,5958) to watch the May 7 meeting.

Comments

Austin Kerr

I am grateful for their thoughtfulness about our safety, but wonder if meeting could occur sooner. With this schedule Governor Inslee may open us up to another stage almost as soon.

Nat Hale

It doesn’t seem like it matters much what county officials say. Just went downtown to drop off some groceries for an elderly resident there; the streets are full of cars, and sidewalks filled with people walking around with no masks on. Plenty of the no-maskers seem to be tourists/lookieloos, wandering and windowshopping. It sure is sad to observe people in this nation/state/city exhibiting so little care for one another.

Other items that may interest you


Coronavirus and canceled weddings (/stories/coronavirus-and-canceled-weddings,69094)

Victory Garden movement grows amid pandemic (/stories/victory-garden-movement-grows-mid-pandemic,69102)

County wrestles with lifting restrictions (/stories/county-wrestles-with-lifting-restrictions,69105)
DRAFT Minutes
Executive Committee Meeting
Fort Worden Public Development Authority (FWPDA)
Tuesday, March 17, 2020 | 9 a.m. to 11 a.m.
Commons B, Building 210, Fort Worden

All Executive Committee minutes are draft until approved by the Committee

❖ Motion to approve the February 18, 2020 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, Todd Hutton, Jeff Jackson, Cindy Finnie
Other Board Members: Herb Cook, Gee Heckscher, Lela Hilton
Staff: David Robison, Diane Moody, Rufina Garay, Joan Rutkowski
Public/Staff Guests: David Goldman, Don Englebach, Lisa Werner, Teresa Verraes; Cody Griffith, Holly Height, Lane DeCamp, Aislinn Palmer

Board co-chair Todd Hutton noted that most board members are attending the meeting via a conference call that can be heard in Commons B in order to observe social distancing recommendations. The public can still share comments with the board. Hutton also announced that the scheduled executive session would be for reviewing personnel matters that are exempt from the Open Public Meetings Act requirements. Todd noted that no action would be taken in the executive session.

III. Review of draft March 25, 2020 Board Meeting Agenda
Board and staff members agreed that the draft agenda for the March 25th board meeting would be in flux given the need to adjust to quickly changing circumstances related to the COVID-19 outbreak. The agenda will be finalized closer to the board meeting.

Executive Director Dave Robison stated that this meeting’s agenda is driven by the COVID-19 crisis. He said he has shared with the board details about the proactive measures the PDA has been taking, which include daily emergency planning meetings, adjustments to operational practices to support increased hygiene and social distancing, and scenario planning to protect employees, guests, and the community. He said the PDA is being as nimble and adaptable as possible. Robison said the PDA is doing financial stress testing every day and ramping up its internal and external communications.
Putting staff on furlough or standby is being considered, he said. Robison said today’s executive session will involve consideration of personnel changes, and the board isn’t expected to take any action unless there is disagreement about the staff executive team’s proposed course of action.

IV. Review and Approval of February 18, 2020 Executive Committee Minutes
Action: Motion to approve the February 18, 2020 Executive Committee Minutes. Unanimously Approved

V. Review of Cash Flow Report
Chief Financial Officer Diane Moody reviewed the Cash Flow report (see packet on website). She said it was very difficult to make the projection given current circumstances and uncertainty of this crisis. It was finished right before Governor Jay Inslee ordered the closure of restaurants, which she said now makes the cash flow report irrelevant. Moody said that with the closure of the PDA’s restaurants, the PDA is in a much more dire situation. She said she’ll have updated projections ready for the March 25th board meeting.

VI. Cancellation Policy
Sales and Marketing Director Cody Griffith and Moody shared the PDA’s standard cancellation policy. They talked about efforts to work with guests and partners who are seeking to cancel or reschedule reservations for accommodations, meeting spaces, and/or catering due to concerns related to the COVID-19 illness. The policy has tiered refund or fee amounts based on how close a cancellation is to the event date. Moody said the sales department has done an excellent job working with guests to reschedule to a later date, which doesn’t involve any fees. The existing penalty for last-minute cancellations is being discussed, and the PDA will reduce the catering charge for all dates of cancellation to just 30% of the catering deposit, Moody said. She said partners have been asking for a policy change, such as eliminating charges for venue and accommodations cancellations in the 45-90 day range. For other groups, Moody said the PDA would continue to enforce the standard policy unless a cancellation is needed due to government mandates. In the future, the PDA also is considering requiring customers to carry event insurance policy, which is inexpensive and can help recoup expenses from these situations. Board and staff talked about the value of being able to respond to quickly-changing circumstances without having to recreate policy with each change. Griffith said that by focusing more on moving events to new dates, including into 2021, the policy hasn’t yet had to change. Moody said a revised policy will be drafted and shared with the board at the March 25th meeting.

VII. Staff Update & Board Discussion
● Construction Projects Update
Capital Projects Director David Beckman said Makers Square and Glamping are proceeding on schedule and on budget. Contractors are planning to move forward with these projects unless a COVID-19 related mandate shuts down construction or someone at a site contracts the illness, he said. State Parks’ sewer and water projects are ahead of schedule, Beckman said.

● Makers Square Grants Update
Robison reported that two of the grants awarded for Makers Square construction have been reappropriated by legislators into grant categories that make the funds easier to access. That means the primary project is now fully funded, he said. PDA staff are involved in a lengthy process to prepare invoices that are needed to secure reimbursements from the grants for
construction expenses paid by the PDA. The first invoice project took over 100 hours and involved expenses from 2016, and the second invoicing project is underway, Robison said. With the funding gap completed, the PDA can move forward with the process to secure Historic Tax Credits, he added. Board and staff discussed concerns about timely payments to Clark Construction for their subcontractors. Moody said this issue relates to the lengthy invoicing process and delay in being able to seek grant funds. The PDA has been working with Clark on this and trying to get the subcontractors paid as soon as possible, Moody said. Robison also noted that clarification is needed for people who think tax dollars are paying for glamping. He said glamping is funded by a local revenue bond. No public dollars or grants are being used for the glamping project.

- **Leasing Update**
  Though the draft of general lease terms is in the packet, Robison said the document doesn’t need to be discussed at today’s meeting given the focus on immediate concerns. Hutton noted that the lease issues are important and the PDA is committed to returning to the matter as soon as feasible.

- **Coronavirus Response Plan**
  Robison provided a summary of the PDA’s response plan earlier in the meeting. Tonina commended the PDA’s leadership team for working seven days a week on the coronavirus response plan, adjusting to constantly changing information. Hutton thanked Chief Strategy Officer Rufina Garay for her summary of partners’ coronavirus response plans. Robison said he and Moody will share the PDA’s personnel plan for the next two months with board members in executive session.

VIII. **Public Comment**
David Goldman said that he expects business won’t return to usual until 2021. He said that an economic system that doesn’t work has been shored up since the great recession of 2008; with this pandemic, major systems that shouldn’t have been put together in the first place will be crashing. He believes private funds will be needed to provide support. With this as the climate, he said the PDA project should consider simply surviving with integrity in 2021. He added that he will be pushing for the Washington State Parks and Recreation Commission to remove the lease provision that calls for the PDA to pay 3.5% of its gross revenue to State Parks, beginning in 2021.

IX. **Executive Session**
At approximately 9:45 a.m. Tonina announced that the Board will enter into an executive session to review personnel matters in accordance with RCW 42.30.140 (4). He said the board would not take any action during the session, which he expected to last for one hour.

X. **Regular Meeting Resumes**
Tonina reopened the board meeting at approximately 11 a.m. Tonina noted that no action was taken in the executive session.

XI. **Regular Meeting Adjourned:** 11:04 a.m.
DRAFT Minutes
Board of Directors Meeting
Fort Worden Public Development Authority (FWPDA)
Wednesday, March 25, 2020 | 9:30 a.m.
Remote meeting per State Proclamation 20-28

❖ Action: Motion to approve the February 26, 2020 Board Meeting Minutes. Unanimously approved
❖ Action: Motion to approve Resolution 20-06 recognizing the public health emergency due to COVID-19 and authorizing the Executive Director to engage the PDA in emergency management efforts that assist with the protection of public health during the COVID-19 crisis. Unanimously approved

Regular Board Meeting:

I. Call to Order: 9:30 a.m.

The March 25th board meeting was a remote Internet- and phone-based meeting in accordance with the “Stay Home” emergency proclamation issued by Governor Jay Inslee on March 23, 2020. Remote access information to the meeting was published on the Fort Worden website and in public notices to the media, along with an invitation to submit written public comment.

Board Co-Chair Norm Tonina stated that there would not be an executive session following today’s meeting.

II. Attendance

Fort Worden PDA Board Members: Norm Tonina, Todd Hutton, Jeff Jackson, Cindy Finnie, Gee Heckscher, Herb Cook, Lela Hilton, Terry Umbreit
Staff: Dave Robison, Diane Moody, Joan Rutkowski
Public/Staff Guests: Owen Rowe, David Goldman, Jeanie Cardon, Shelley Leavens, Bill Drath, Lisa Werner, Renee Klein, David Beckman, Lane DeCamp, Sonya Baumstein, Cody Griffith, Aislinn Palmer

III. Public Comment

Sebastian Eggert, who runs a small contracting business, said he has been working as a subcontractor on Makers Square under the direction of Clark Construction. He shared that he and his workers are not being paid on time due to PDA cash flow issues. Eggert said it’s important for him to bring family wage jobs to the community, and he is concerned about delaying payment to his workers. He said he understands the financial stress that the PDA is under and encourages staff to do all they can to get tied up funding released.
IV. **Correspondence**
See board packet on the website for PDA-related articles and communications.

V. **Consent Agenda**
Review and approval of regular Board meeting minutes, February 26, 2020
**Action:** Motion to approve the February 26, 2020 Board Meeting Minutes. **Unanimously approved**

VI. **PDA COVID-19 Response**

A. **Staff Report**
Robison provided an update on the PDA’s response to the COVID-19 pandemic. He said that since the statewide “Stay Home” order was issued on May 23rd, the PDA has kept on employees who do essential work for the PDA. Robison also noted that State Parks has closed all of its parks, which means Fort Worden is closed to vehicle access. Clark Construction has chosen to suspend Makers Square work after deeming themselves nonessential, he said. Robison added that he is reviewing the Governor’s mandate and definition of essential work to determine whether glamping construction can continue. Capital Projects Director David Beckman said the glamping crew is working with safe distancing measures in place and working with one person per tent platform. Robison said he and Chief Financial Officer Diane Moody will be identifying a few more people to put on standby now that the park is closed.

B. **Board Discussion**
Board members confirmed the need to maintain facilities and communication networks while operations are scaled back. Board member Lela Hilton commended staff for clear and compassionate written public communications about the PDA’s response to the crisis.

VII. **Resolution 20-06 to Assist with the Protection of Public Health**

A. **Staff Report**
The proposed board resolution recognizes the public health emergency due to COVID-19 and authorizes the Executive Director to respond to emergency management needs during the COVID-19 crisis. Attorney John Watts said the PDA’s charter and formation documents direct the PDA to engage in activities that further the lifelong learning center. Watts and Robison said the City is considering drafting a proclamation that would expand the PDA’s scope of authority to engage in emergency management activities. Watts said the PDA board resolution also recognizes that strict compliance with processes for entering into contracts can be waived if needed to respond quickly to the emergencies. He said those contracts must be explicitly necessary and directly relate to the emergency. As required by law, the Executive Director must seek board approval for such actions, which gives the board opportunity to approve or disapprove the action, Watts said. The resolution also provides for the Executive Director to request all available local, state, and federal assistance for the PDA to respond to the COVID-19 emergency.

B. **Board Discussion**
Board co-chair Todd Hutton asked if the resolution would sunset when the City determines there is no longer an emergency. Watts said the resolution implies that it sunsets when emergency declarations are no longer place, and the board could also take official action to terminate the resolution when needed.
**Action**: Motion to approve Resolution 20-06 recognizing the public health emergency due to COVID-19 and authorizing the Executive Director to engage the PDA in emergency management efforts that assist with the protection of public health during the COVID-19 crisis. **Unanimously approved**

VIII. Review and Discussion of Financials/Cash Flow Projection

A. Staff Report

Moody provided an overview of the financial reports (see board packet). Year-to-date net revenue (through February) is 80 percent to budget. Moody said February revenue from accommodations and food service was stronger than budgeted. She said the shortage in other revenue is primarily due to lower than expected sales of Discover Passes. Moody said personnel costs for February were about 10 percent over budget, but that will change dramatically in March and April. The majority of other expenses have been under budget, she said. The balance sheet shows more than $800,000 in accounts receivable, most of which is grant funds that will come from the Department of Commerce and pay Clark Construction, Moody said.

Moody also presented a cash flow report for hospitality services and a cash flow report for Makers Square construction. She said the hospitality projections, which show a negative cash position for May and June, are based on the worst-case scenario of not having lodging or food service revenue from activity in those months. The projections show a significant drop in both income and expenses due to an overall decline in hospitality activity at Fort Worden. Moody noted that the PDA is drawing down on advance deposits from cancellations, but there has been a greater amount moved to future dates. She thanked the sales team for helping guests to find future dates for their visits to Fort Worden, which has provided cash to get through April. She noted a significant drop in projected personnel expenses beginning in April and remaining lean through June. Hutton noted that this all means the PDA is virtually shut down through May. Moody said the cash flow projection for Makers Square construction through October reflects grant income that has been delayed, creating the current negative cash flow position. Robison discussed the status of delayed grant income. Grant funds from two state sources have been re-appropriated into grant programs that involve an easier submission process for expense reimbursements, he said. Federal grant contract issues should be resolved in the next few weeks. Moody said that $800,000 from historic tax credits should be available in October to use beyond Makers Square. She also said Kitsap Bank has suggested that the PDA consider getting an accounts receivable line of credit to help with the timing of funds that may be difficult to access.

B. Discussion

Board and staff members briefly discussed the use of an accounts receivable line of credit through Kitsap Bank for Makers Square, which can help with payments to contractors and subcontractors. Moody said she feels good about the line of credit option because the contracts are guaranteed. If the option is pursued, the PDA would need to seek approval from the board, Moody said. Moody and Robison also said they are drafting a “ramp up” plan to guide a return to normal operations for when that becomes possible, and it would be proposed to the board. Board member Herb Cook shared that a few board members and staff leaders also have been discussing how PDA and Fort Worden Foundation board members could provide financial assistance to employees who have been placed on standby status. Cook said the best option may be to seek donations from board members to cover health insurance premiums for 90 days, which would cost approximately $135,000. Some donations have already been received, he said. Board
members expressed support for the effort, and Tonina said he would send a letter with details to both boards. Donations would be received through the Fort Worden Foundation.

IX. Staff Report

A. Current Construction Projects & Major Repairs
Robison said Clark Construction and its subcontractors temporarily suspended Makers Square construction beginning on the 24th in accordance with the Governor’s “Stay Home” order. Makers Square does not immediately appear to qualify as an essential capital project, he said. Robison is seeking more clarity from the Governor’s office on this; he said the PDA would like to continue with the construction because Makers Square is critical to the PDA’s revenue picture. Robison and Beckman are talking with State Parks staff about the timing of their campus infrastructure projects. Robison said he anticipates that the PDA’s energy efficiency project work can continue.

B. Makers Square Update
Robison said that in addition to the cash flow information discussed earlier, he wanted to share that the PDA’s finance director is working almost exclusively on the invoicing needed to secure grant funds for construction expenses. Moody said the process is time consuming and includes tracking expenses back to 2016.

C. Audit Follow-up Regarding Foundation/PDA Relationship
Moody reported on the response to the audit team’s feedback that the PDA should include the Fort Worden Foundation and its component units in its financial statements. She and Robison consulted with an attorney with expertise in public development authorities. She said there is agreement that as of 2019, the Foundation is seen as a component unit of the PDA, but that has yet to be defined further. Moody said this means decisions will soon be needed about financial reporting. She recommended that the Finance and Audit Committee consider how to proceed at its next meeting and then report back to the board in April.

D. Events Update
Robison provided an update on upcoming and summer events. He said that the Seattle Theater Group (STG) has postponed announcing the lineup and selling tickets for this year’s THING event. He said organizers are anxious to see how long COVID-19 remains a concern. Robison said planning for the 4th of July event is on hold. Robison asked Lisa Werner about Centrum’s event plans. Werner said Centrum staff and board members are discussing their summer programming and considering creative options for the worst-case scenario. Werner asked about Centrum’s request for having up to 45 days to cancel events without penalty, and Moody said this will be honored. Hutton added that the State Parks Commission has cancelled its May 6th and 7th meetings, which were to be held at Fort Worden.

X. Public Comment
Renee Klein expressed appreciation for efforts made during the extraordinary time people are working in and said she’s enjoyed hearing how creative people are being with their offerings. Klein said she has heard many positive comments from people about the importance of Fort Worden.

David Goldman said the crisis is providing quite a difficult learning experience, and he believes that the PDA project will go forward one way or another. Goldman suggested that the board consider
allowing the public to contribute to the fundraising effort to cover employee health insurance premiums. He thanked board and staff members for all their work to keep advancing the PDA.

Sebastian Eggert thanked PDA staff for their work to free up grant-based reimbursements.

XI. Meeting Adjourned at 10:46 a.m.

Board meeting materials are available at: https://fortworden.org/category/pda-documents/
Regular Finance & Audit Committee Meeting:

I. Call to Order: 8:32am

II. Roll Call
Finance & Audit Committee: Jeff Jackson, Todd Hutton, Cindy Finnie, Herb Cook
Other Board Members: Norm Tonina, Jane Kilburn, Terry Umbreit, Gee Heckscher
Fort Worden Foundation Board: Jeff Krida
Staff: Dave Robison, Diane Moody, Sonya Baumstein, Aislinn Palmer
Fort Worden Foundation Staff: Lane DeCamp

III. Review of March Financial Report
Chief Financial Officer Diane Moody reviewed preliminary financials. Final financials will be presented at the April Board Meeting. As expected, the PDA did not meet budget goals for March. Revenue was under budget in every category. Expense was also under budget in all categories but personnel; much of the staff was put on “standby” unemployment in the middle of March, so scheduled payrolls were relatively unaffected and this line will show the reduction in April. This leaves March about $176,000 over budget at this time.

Accounts Receivable were also reviewed, noting that about half of what was on the books for events as of 3/31 has been received in April, with the rest expected by the end of April. Partner tenants’ rents and services owed totaled $25,515.57, and partners were encouraged to pay those as the PDA is still paying utilities.

IV. Review of Cash Position & Flow Projections
Executive Director Dave Robison and Moody presented potential business scenarios and cash flow projections through the next few months. The current cash position includes the employee health care fund, donated by board members and community members, which will allow the PDA to cover standby staff health care through the end of June. Reservations on the books were reviewed, acknowledging that this could change radically based on state restrictions.

Moody said that current cash reserves and projections can only fund operations through the end of July, and that assumes partner tenants will pay their rent. New financial resources are needed for the PDA to restart hospitality services. If Makers Square is not completed by year-end, then consequences cascade, including potentially having to pay back grants that have already been received. She said that Makers Square construction can only be restarted after the state allows construction to continue, and after the PDA
payments to contractors on the project are current.

Additional liabilities include an employee vacation compensation payout of $89,000, and the refundable advanced deposit balance is $226,000. The timing on when these are refunded is not set in the contracts. If the PDA remains closed, more deposits may need to be refunded, per contracted policies.

Reopening scenarios were reviewed, noting the best-case scenario is to reopen July 1, with the first stage taking at least two weeks to prepare the Fort for guests to return. New regulations, particularly in food service, may make this timeline untenable. Glamping was discussed as a potential for greater revenue in the scenario, while acknowledging risks around launching a new program without sufficient resources. It was noted that when the PDA initially started, there was a mobilization fund, which doesn’t exist at this time. The alternative scenario is to reopen hospitality services in September or later. The longer the delay, the more difficult it will be to re-engage standby staff who are already trained in their positions. The funds required to start up in September vs July will be about twice as much given the loss of revenue during the summer months. This scenario would still require Makers Square and Glamping to resume when State Parks reopen, potentially mid-June.

Staff stressed that in both reviewed scenarios, the PDA will need cash infusions in July and September to continue operating. Business on the books projections include assumptions that fewer groups will be allowed to happen, so leisure is the focus, with limited food revenue from restaurants and no catering. Projections are based on a 25-30% range for occupancy over the summer, and this includes dorm rooms, which weren’t counted in previous tracking of occupancy rates.

Capital Project cash flow projections were reviewed for Makers Square and Glamping. Makers Square funding has been secured, but most of it is reimbursable.

V. Business on the Books and Cancellation Update
Sales and Marketing Director Cody Griffith spoke about their departmental focus on keeping business that is booked by moving it, rather than canceling it. She noted the majority of leisure bookings have an advanced deposit, and they have been able to relocate 83% of those bookings. So far, 36% of those eligible for refunds have been refunded.

VI. Recovery Plan
Robison and consultant David Timmons talked through their strategy for working on the PDA’s Recovery Plan, citing next steps of a deeper assessment of the reopening scenarios to be brought back to the Board. City, County, State Parks, and Partners will all be engaged in this strategy. Timmons stressed there should be a two- to three-year timeframe for full recovery, and that a new model and unified strategy will be key, which will be the focus for the next three months. Timmons also reviewed some federal/disaster funding options that will be pursued.

VII. 2018 and 2019 Annual Filing to Auditor
Moody presented an issue raised by the auditors, who tasked the PDA with determining whether the Fort Worden Foundation is a “component part” of PDA, and if so what type? If a component, then the Foundation needs to be included in annual filings. Foundation Board President Herb Cook responded that the Foundation board has met and is determining whether to do full audit or review for 2019, and determined they will not be going back to audit or review 2018.

Diane stated that means the PDA will likely receive a finding for not including the Foundation in the 2018 audit. The 2019 filing deadline is May 25th, and the PDA will likely face another finding if the Foundation is not included for 2019. Foundation employee Lane DeCamp stated that the Foundation planned to file for an automatic six-month extension on filing their 990, and that they have engaged a new firm to handle both the 2019 990 and the 2020 audit, but have no plans to do a 2019 audit at this time.
PDA Treasurer Jeff Jackson posed that with limited resources during a crisis, the 2019 audit was not a top priority at this time. PDA Board members Cindy Finnie and Todd Hutton agreed, and proposed that the Finance and Audit Committee document the plan to defer work on the 2019 audit to the fall and bring that proposal to the next full board meeting for a vote.

VIII. Public Comment
Rob Birman, Executive Director of Centrum, posed questions on the PDA’s commitment to the Fort Worden Collaborative, the Makers Square budget, PDA staff benefits, and the PDA’s commitment to long-term leases for partners. Robison responded that the PDA remains committed to the Collaborative but lacks staff resources at this time. Moody responded that the Makers Square budget presented was capital only, and that benefits are only a separate line during the standby period and are factored into the payroll line for the rest of the year. Board Member Todd Hutton responded to the lease question, stating that while it was a long-term priority he felt the new operating model may need to be determined before lease discussions are re-engaged.

Heron Scott, Executive Director of the Port Townsend School of Woodworking, asked how Makers Square money plays into reopening scenarios, and if the cash infusions cited will come from Makers Square reimbursements. Moody answered that the Board will make the call on the allocation and source of operating dollars.

Janine Boire, Executive Director of the Port Townsend Marine Science Center, commented that the vision of the Collaborative was to work on strategies and big picture structure for the PDA/partner operating model, stressing that if partners are expected to keep paying rent for facilities they can’t currently occupy, they need to be more involved in the planning process. Robison responded that the PDA is working on waves of funding that could include support for partners, so immediate work will be focused on emergency funding. Timmons echoed this, adding that work on the structure with the Collaborative will be an important step that comes after the first step of securing emergency funds.

IX. Adjourn
Meeting adjourned at 10:08 a.m.
## FORT WORDEN PDA-Hospitality Services
### Revenue & Expense Budget Performance
#### March 2020

<table>
<thead>
<tr>
<th>Ordinary Revenue/Expense</th>
<th>Mar 19</th>
<th>Mar 20</th>
<th>Budget</th>
<th>Variance</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4000 Accomodations</td>
<td>143,670.00</td>
<td>41,386.60</td>
<td>119,612.00</td>
<td>(78,225.40)</td>
<td>34.6%</td>
</tr>
<tr>
<td>4400 Food Sales Revenue</td>
<td>165,723.84</td>
<td>55,376.41</td>
<td>166,204.00</td>
<td>(110,827.59)</td>
<td>33.3%</td>
</tr>
<tr>
<td>4600 Other Revenues</td>
<td>53,874.53</td>
<td>30,367.04</td>
<td>58,418.32</td>
<td>(28,051.28)</td>
<td>52.0%</td>
</tr>
<tr>
<td>4900 PDA Grants/Donations</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>363,268.37</td>
<td>127,130.05</td>
<td>344,234.32</td>
<td>(217,104.27)</td>
<td>36.9%</td>
</tr>
<tr>
<td><strong>Cost of Goods Sold</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5000 Food Service Cost of Goods</td>
<td>55,580.97</td>
<td>18,166.78</td>
<td>45,380.70</td>
<td>(27,213.92)</td>
<td>40.0%</td>
</tr>
<tr>
<td>5008 Merchandise Cost of Goods</td>
<td>881.50</td>
<td>828.30</td>
<td>1,800.00</td>
<td>(971.70)</td>
<td>46.0%</td>
</tr>
<tr>
<td>5010 Discover Passes</td>
<td>14,570.00</td>
<td>5,420.00</td>
<td>13,750.00</td>
<td>(8,330.00)</td>
<td>39.4%</td>
</tr>
<tr>
<td><strong>Total COGS</strong></td>
<td>71,032.47</td>
<td>24,415.08</td>
<td>60,930.70</td>
<td>(36,515.62)</td>
<td>40.1%</td>
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<tr>
<td><strong>Gross Revenue</strong></td>
<td>292,235.90</td>
<td>102,714.97</td>
<td>283,303.62</td>
<td>(180,588.65)</td>
<td>36.3%</td>
</tr>
<tr>
<td><strong>Expense</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6010 Personnel Costs</td>
<td>416,661.19</td>
<td>287,707.44</td>
<td>289,028.71</td>
<td>1,321.27</td>
<td>99.5%</td>
</tr>
<tr>
<td>7000 Repairs &amp; Maintenance</td>
<td>20,670.64</td>
<td>4,008.88</td>
<td>22,710.00</td>
<td>18,701.12</td>
<td>17.7%</td>
</tr>
<tr>
<td>7100 Utilities</td>
<td>40,328.41</td>
<td>33,085.98</td>
<td>49,112.00</td>
<td>16,026.02</td>
<td>67.4%</td>
</tr>
<tr>
<td>8000 Contracts</td>
<td>18,152.38</td>
<td>22,569.53</td>
<td>23,606.50</td>
<td>1,036.97</td>
<td>95.6%</td>
</tr>
<tr>
<td>8500 Operating Expense</td>
<td>55,164.26</td>
<td>41,605.99</td>
<td>70,648.14</td>
<td>29,042.15</td>
<td>58.9%</td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td>550,976.88</td>
<td>388,977.82</td>
<td>455,105.35</td>
<td>(66,127.53)</td>
<td>85.5%</td>
</tr>
<tr>
<td><strong>Net Ordinary Revenue</strong></td>
<td>-258,740.98</td>
<td>-286,262.85</td>
<td>(171,801.73)</td>
<td>(114,461.12)</td>
<td>60.0%</td>
</tr>
<tr>
<td><strong>Net Revenue</strong></td>
<td>-258,740.98</td>
<td>-286,262.85</td>
<td>(171,801.73)</td>
<td>(114,461.12)</td>
<td>60.0%</td>
</tr>
</tbody>
</table>

*Line items that were adjusted at month-end close from draft Financial Report presented at the 4-16-2020 Finance and Audit Committee*
## FORT WORDEN PDA-Hospitality Services
### Revenue & Expense Budget Performance
#### March 2020

<table>
<thead>
<tr>
<th>Ordinary Revenue/Expense</th>
<th>Jan - Mar 19</th>
<th>Jan - Mar 20</th>
<th>YTD Budget</th>
<th>Variance</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
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<td>4000 Accomodations</td>
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<td>4400 Food Sales Revenue</td>
<td>350,095.05</td>
<td>239,134.68</td>
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<td>(124,194.31)</td>
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<td>4600 Other Revenues</td>
<td>116,117.52</td>
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<td>799,114.38</td>
<td>599,321.10</td>
<td>879,532.26</td>
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<td><strong>Cost of Goods Sold</strong></td>
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<td>5000 Food Service Cost of Goods</td>
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<td>73,949.23</td>
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<td>5008 Merchandise Cost of Goods</td>
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<td>2,906.30</td>
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<td><strong>Gross Revenue</strong></td>
<td>657,156.84</td>
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<td>6010 Personnel Costs</td>
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<td>810,654.89</td>
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<td>54,444.33</td>
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<td>8500 Operating Expense</td>
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<td>157,718.45</td>
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<td><strong>Net Ordinary Revenue</strong></td>
<td>-796,767.39</td>
<td>-700,062.56</td>
<td>-500,690.80</td>
<td>(199,371.76)</td>
<td>71.5%</td>
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<tr>
<td><strong>Net Revenue</strong></td>
<td>-796,767.39</td>
<td>-700,062.56</td>
<td>-500,690.80</td>
<td>(199,371.76)</td>
<td>71.5%</td>
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*Line items that were adjusted at month-end close from draft Financial Report presented at the 4-16-2020 Finance and Audit Committee*
## Balance Sheet

**As of March 31, 2020**

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<td>1060 Merchandise for Resale</td>
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<td>1065 Discover Passes</td>
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<table>
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<th>LIABILITIES &amp; EQUITY</th>
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<td><strong>Liabilities</strong></td>
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<td>Current Liabilities</td>
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<tr>
<td>Accounts Payable</td>
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<td><strong>Long Term Liabilities</strong></td>
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<td>Total Long Term Liabilities</td>
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<td><strong>Total Liabilities</strong></td>
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<td><strong>TOTAL LIABILITIES &amp; EQUITY</strong></td>
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**A/R Aging Summary**  
**As of March 31, 2020**

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<tr>
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<td>April</td>
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<td>June</td>
<td>July</td>
<td>Aug</td>
</tr>
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<td>65,377</td>
</tr>
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<td>259,000</td>
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<td>136,000</td>
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Page 40 of 67
### Monthly Cash Flow Projection

#### Advance Deposits/Refunds

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<th>July</th>
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<tr>
<td><strong>5. CASH PAID OUT</strong></td>
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<td>Furniture-Fixtures-Vehicles</td>
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<td><strong>Subtotal</strong></td>
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<td>45,000</td>
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<tr>
<td><strong>6. TOTAL CASH PAID OUT</strong></td>
<td>34,262</td>
<td>34,000</td>
<td>45,000</td>
<td>75,000</td>
<td>188,262</td>
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## Monthly Cash Flow Projection

### Makers Square

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<th>Date</th>
<th>Nov</th>
<th>Apr</th>
<th>May</th>
<th>June</th>
<th>July</th>
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<th>Sept</th>
<th>Oct</th>
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<td>1. CASH ON HAND</td>
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<td>State Parks’ Reimbursable Grant (Roofs)</td>
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<td>1,035,552</td>
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<td>1,126,370</td>
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<td>15,310,755</td>
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<td>5. CASH PAID OUT</td>
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<td></td>
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<td>816,000</td>
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<td>449,500</td>
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<td>816,000</td>
<td>650,333</td>
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<td>411,857</td>
<td>128,000</td>
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## Grants Table

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<th>Organization</th>
<th>Planned Match</th>
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<td>BFA</td>
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<td>Camilla Chandler 1</td>
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<td>Complete</td>
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<td>**</td>
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<td>National Parks( Save our Treasures)</td>
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<td>In process</td>
<td>Starting Oct 2019</td>
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<td>WA State Parks (Roofs Only)</td>
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<td>Net Fund Balance</td>
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<td>(413,332)</td>
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<td>(413,332)</td>
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<td>4,927,600</td>
<td>1,566,003</td>
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</tbody>
</table>

**% BFA and HCP requirements**

| Match | 4,927,600 | 1,566,003 | 80% | 68% |

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* Given the time of the contract signing and submitted Scope of Work, total grant funds may not be fully deployed.

** Received 50% of total grant. Remainder will be provided at end of project.

*** Pledge is for Makers Square and for General Operations. Received 4/30

**** Timing and price still need to be determined.

***** Fund Balance does not include Tax Credit or additional $250,000 grant payment from Murdoch.
IDENTIFY CURRENT CONSUMER TRENDS BASED ON INDUSTRY EXPERTS*

CONSUMER INSIGHTS:

- Travel suppressed in 2021 longer to regain
- Historically experience strong travel demand post event catastrophe’s (EX. SARS, 911, 2008 financial)
- Conversion to domestic outbound travel
- 50% decline (as per Diane’s financial projections)
- 80% travelers changing, reducing more than cancelling (as per Leisure tracking report)
- Data shows pent-up demand is beginning to surge as of 4.8.20
  - Leisure to grow 2nd half of 2020 & 2021
- Expect steep decline but strong bounce
- Regional travel to rebound defined social distancing; economy secondary
- Business & group travel lag based on limited profits and high liabilities
- Return to normal will be multi-year ramp up by 2023
- Large volume travelers slower (EX. charters, aviation, cruises)
- Rate no longer drives occupancy
- 3 days between stays
Travelers want to be outdoors
Focus on self-care
Connect to community
Have more time to plan – itineraries

CONSUMER BOOKING TRENDS:
USA Mid-May – July – on par w/ 2019
Takeout food – increased 102%
Adventure, outdoor, self-wellness, less for indoor performances, workshops, excited about travel again

TO BE NORMAL AGAIN MEANS:
Lift travel & stay home mandates
Schools, restaurants and sporting events re-open

WHAT CONSUMERS WILL WANT TO DO:
40% Relax, rejuvenate
31% Make memories w/ family & community
29% Escape

WHAT CONSUMERS WILL NEED:
Value – quality vs. lowest price
Outlook defined by science vs. economics
Q4 travel down 1/3
Good news: gradual re-emergence
Boutique & unique properties of interest

WHAT HOSPITALITY NEEDS TO DO: Focus on:
Brand and property
Loyal client base (who has been coming for generations)
Delight and thrill with social media
Prioritize

*Reference: Adam Sacks, Pres Tourism Economics (Oxford Company); Steve Pagnelli, Trip Advisor Marketing Director; Damien Cook, CEO ETourism Frontier; Greg Klassen, President, Twenty31; Shibani Walia, Trip Advisor Associate Director, Research & Insight
IDENTIFY CURRENT INDUSTRY TRENDS BASED ON INDUSTRY EXPERTS*

WHAT HAPPENED:
- Fear of community spread and through travel and group events.
- Very quickly, events of ALL sizes were cancelled creating an immediate impact in terms of room cancellations.
- In a goodwill gesture, hotel industry allowed cancellation of events without penalties or foresight.

HARDEST HIT:
- Hospitality industry one of the hardest hit industries
- Currently, most hotels in the US are closed; those that remain are at 20% of their regular capacity.

CURRENT SHOCKING STATISTICS:
- Currently, the U.S. hotel industry is losing $3.5 billion per week.
- The American Hotel and Lodging Association estimates almost 4 million jobs will be lost. Most of those have already been lost, but it will reach about 4 million jobs.

FUTURE DESIGNS:
- Designers are considering how this pandemic will change the way hotels, bars and restaurants, meeting spaces, are going to be designed going forward.
- The footprints will expand to allow for social distancing, contract to have less people indoors and there will be a greater design with sensitivity to the spread of infection.

WHAT WILL MAKE PUBLIC FEEL SAFE AGAIN:
- Social Distancing – properties with large outside expanses. (FW Strength)
- Individual rooms/houses with smaller spaces. (FW Strength)
- “Sanitize theatre” – Covid is going to change when meeting facilities clean public areas so that when guests are there, they want to have people out cleaning the public area; they usually do in the middle of the night when everyone is asleep and no one sees people, staff out there with spray bottles and rags. They want to be able to show that they’re cleaning everything. (FW Opportunity)
- Something that comes from the medical world, is antimicrobial materials and surfaces which has been very prevalent in hospital design, healthcare design, for a long time.
Those are materials that inherently, either through chemicals that are added to them or just that by the nature of the natural materials in them, kill microbes and viruses and germs on contact—like copper, for example, kills a lot of things.

There are chemically treated fabrics and floor finishes and wall finishes that are used in hospitals that may be considered for hospitality to give a guest sort of a higher level of confidence that there aren’t viruses sitting on a counter in their guest room. (FW Threat)

**FUTURE SUSTAINABILITY AND LEED:**

Sustainability has been a major challenge from the standpoint that hotels are notoriously expensive and polluting to build. Then also to run, from a standpoint of water use, energy use, and sustainability has gained a lot of traction, but it can go a lot further.

The world of commercial design, hospitals, mixed-use projects, you frequently see Leed gold, Leed platinum, and in hospitality it’s still very rare. So sustainability will continue to be a major challenge in hospitality design.

**FINANCING AND COGS:**

Coming out of this pandemic, how hotels are financed, and how banks finance them traditionally—either traditional financing or private equity—that’s going to be changing quite a bit as well, as well as how hotels are insured.

How things are made and where things are made for hotels, will be a growing challenge, because where we get things made, the supply chain of products, as a result of COVID-19, was broken in many areas. There’s a lot of stuff that’s procured and made and supplied for hotels that comes from various countries in Asia and elsewhere in the world. Having redundant supply chains, will be a focus of hotels in the future.

*Reference; Robert Nieminen, Contributing Editor, Meetings Today*
INDUSTRY IN CRISIS: TRAVEL INDUSTRY AND JOBS IMPACT OF COVID-19 AS SHARED WITH INDUSTRY EXPERT*

TRAVEL INDUSTRY LOSSES:
- A decline of 31% for the entire year is expected. This includes a 75% drop in revenue over the next two months and continued losses over the rest of the year, reaching $355 billion.

GROSS DOMESTIC PRODUCT LOSSES:
- Travel industry losses will result in a cumulative GDP impact of $450 billion in 2020. The U.S. Travel Association projects that decreased travel due to coronavirus will inflict an $809 billion total hit on the U.S. economy when direct, indirect and induced multipliers are factored in. Oxford Economics projects the U.S. economy to enter a protracted recession based on the expected downturn in travel alone. The recession is likely to last at least three quarters with the lowest point in the second quarter of 2020.

TAX LOSSES:
- A decline of $55 billion in taxes will be realized as a result of travel declines in 2020.

EMPLOYMENT LOSSES:
- The U.S. economy has identified a loss of 8 million travel-related jobs as a result of travel declines in 2020. Travel-related employment losses alone will push the unemployment rate up to 6.3% over the next few months.
  - The travel industry is so labor intensive. When you take a factory of the same size as a hotel, that factory might need 30 people to run it and that hotel needs about 400 people to run it all—all the bellmen, that waiters, the waitresses, etc.
  - The Travel industry is so much more labor intensive. The travel industry makes up 3% of the nation's GDP, yet of the unemployed right now, 8 million of the 22 million unemployed as of today, that's 36% of them. When you think of it, 3% of the GDP, but yet over two-thirds of the unemployed come from one specific sector.
DIFFERENCE BETWEEN 911, GREAT RECESSION & COVID-19:

- The coronavirus has already had a more severe impact on our industry than 9/11 and the 2008 recession combined.

- 9/11 was a terrible thing for the economy and the travel economy. In fact, the travel economy came to its knees in one hour, but we were able to recover and it was localized, and was one instance. This is a rolling uncertainty different in different areas of the country and the world. And that big word—uncertainty—is the challenge we're dealing with right now.

- Because we came off 10 years from the Great Recession of the greatest growth ever, of the travel industry. Every month has been better than the month before for 120 straight months. Now we are facing complete decimation and our priorities have changed from growing the industry to surviving.

DMO’S, CONVENTION & VISITOR CENTERS:

- If hotels have a low occupancy rate, or just a dismal occupancy rate, in this case, they're not making revenue. And then that revenue in many cases, according to most DMO funding models, is not going to the DMO. There's repercussions beyond just what people might think of as sort of the frontline workers.

- DMOS (destination marketing organizations), the convention and visitors’ bureaus, of which there are probably 700 of them in the United States—convention and visitors bureaus’ whole job is to get more people traveling to a city or a state, for leisure, for business travel, and to book big conventions.

- Those folks are totally out of business, because the convention and visitors bureaus—the majority of them, I would say 99%--are funded by a portion of the hotel tax and a portion of the rental car tax. That's what funds them.

- So those two revenue sources have gone from what could—California, $125 million a year, Las Vegas, $270 million a year. In many other markets $20 million to $30 million per year—has gone to zero. So, the DMOs, or convention and visitors’ bureaus, have been forced to lay off a high majority of their staff.

- And then one other bad factor is in the PPP, which is the Payment Protection Program. They were covered in that and they're nonprofit. But at the very last minute—and this is where politics comes in—some politician said, “Let's not make any money go to nonprofit organizations.” So, in the process where everybody else is at least being kept somewhat whole, the DMOs, or convention and visitors’ bureaus, their people—they're totally wiped out.
SCOPE AND SCALE:

- When the travel industry stops, it’s just not about you and I going on vacation, or a business trip or a meeting, everything else in the economy is linked to it, whether someone goes and buys a second home, whether someone goes to decide what university their child’s going to go to, when someone opens a new business—everything is linked to travel and tourism. When travel and tourism stop, the rest of the economy stops. And that’s what we’re seeing happening.

- Travel industry is bigger than the automotive industry, than the chemical and financial services industries combined. Let’s put it in perspective: 1 in 10 employees in the U.S., 1 and 10—10%—get their job through travel and tourism, for $2.5 trillion.

- The misunderstanding that happens with Congress is we’re often seen as the fun people—‘Oh, they’re not serious like manufacturing, healthcare, financial services’—we’re seen as the fun vacation people. But we’re serious when it comes to business and employing people as in any industry in America.

- There are so many ancillary jobs. People, of course, that are taxi drivers, other transportation people, people cleaning rooms and working in the live events industry who have just been decimated along with people in the meetings industry.

- People think the industry is all the big organizations like United and American Airlines, Marriott and Hilton, Disney and Universal, but we're really made up of small businesses—83% of the businesses in travel.

- All you have to do is stand on the back loading dock of a hotel for one day and you will see car after truck after truck of people with small businesses—cake makers, sign makers, entertainers, all coming in—because this travel industry is made up of small businesses, and these are people that have bet their lives on their businesses, and they don't have the wherewithal that these large organizations have to hang on.

- Thirty-three-thousand small business hotels across the country are facing the difficult decision to close down and lay off their employees in days. We will have 140 million rooms empty in the next 30 days alone.

- This is crippling the hotels that are hit as well as the local communities they’re in and the U.S. economy.
SEATTLE:

- Jon E. Bortz, Chairman of the Board and President and CEO of Peddlebrook Hotel Trust, a real estate investment trust that controls 54 hotels with more than 13,000 rooms and 8,000 employees: Our hotels are in the most of the hardest hit cities: Seattle; San Francisco; Washington, D.C.; New York City; Boston; Chicago and more. In the most recent week, we let go over 4,000 employees—half of our total employees. At the end of the month we expect another 2,000 employees. We’re looking at closing the doors at more than half of our properties.

- Douglas Dreher, President and CEO of The Hotel Group, who owns hotels in the Seattle area, which has been hit hard by COVID-19: It’s really bad out here and it has been from the beginning. We have six hotels in Seattle and 20 nationally. We’ve gone from 80% occupancy to the single digits. One-third of our workforce will be let go in the near term. For us it’s the Great Depression. We need help in every imaginable way. The human toll breaks your heart.

WHEN WILL THIS CRISIS SUBSIDE:

- It's going to come back not all at once—at one moment, not everyone will say, 'Oh, glad that's behind us. Let's start traveling and meeting again'—it's going to come back slowly. It's going to come back regionally.

- People are going to look at parts of the country where, like right now if you want to go to, you know, South Dakota, Oklahoma—there is no problem there. You could go today. But the bottom line, other areas are a little more impacted. It's going to come back regionally.

- The other thing that's going to happen is domestic travel is going to be the backbone. Americans are going to travel around America. For the next year, or at least six months, no American is going to say, I want to go to Italy or I want to go to Spain or Portugal; they're going to want to stay home and they're so cooped up—the demand will come back. I see it starting to come back a little bit in June, more in July, and then starting August, September, we'll start seeing it come back.

- But most important is going to be the protocols that we put place that people say, ‘I got it,’—people will get on a plane and travel, but our neighbors are going be waiting to see how was it and you're going to say, ‘Fine, I had no problem.’ Then they're going to venture out.
So, it’s going to come back slowly. I’m hoping for a stronger fall, obviously, and then a good 2021. Because I think this thing can come back very strongly, but it’s going to take a lot of factors to convince people it’s safe and good to get on a plane, go to a hotel, go to a theme park and go to a meeting.

*Reference: Roger Dow, President and CEO of U.S. Travel Association and member of President’s Industry Recovery Task Force; Jon E. Bortz, Chairman of the Board and President and CEO of Peddlebrook Hotel Trust; Douglas Dreher, President and CEO of The Hotel Group; Chip Rogers, President and CEO of American Hotel & Lodging Association.*
TOP COVID-19 CHALLENGES REPORTED BY HOTELIERS*

(AS ALSO EXPERIENCED BY FORT WORDEN AND CONSISTENT TO MOST MARKET SEGMENTS LOCALLY & REGIONALLY)

*287 total on-line survey responses for the period March 27 – April 1, 2020 by Revinate (LinkedIn guest data platform for hoteliers)

Representation: North America 44%, Europe 8%, Latin America 26%, Asia-Pacific 22%

287 total survey responses for the period March 27 – April 1, 2020
Top challenges reported by Hoteliers

- **Cash flow challenges (46%)**
  (No income + refunds)
  “Complete lack of income, and almost 100% refunds happening in the 4 weeks ahead of each day”
  - Reducing fixed costs
  - Keeping employees on payroll
  - How to run with a skeleton staff
  - Managing refund payments
  - Understanding and applying government packages

- **Uncertainty (18%)**
  (Future is blurry)
  “That you have to go on day by day without knowing what is going to happen next. The biggest challenge is the uncertainty and seeing anything can change any minute.”
  - How to forecast summer season, making up current losses
  - How to develop re-opening strategy
  - How to manage team’s expectations and morale
  - Staff shortage when we reopen
  - How to stand out in attracting staff when we’re ready
Top challenges reported by Hoteliers

- Managing existing reservations (9%) (Cancellations)
  "Moving reservation dates out versus cancellations. Due to the uncertain future, guests are unsure and are choosing refunds instead of credits."
  - How to reassure guests so they move reservations vs. cancel
  - Same for events
  - How to manage summer reservations generally

- Marketing to guests (8%) (How and when)
  "What to do marketing-wise as soon as the 'lockdowns' start to dissolve?"
  - How to ramp up promotions as we rebound
  - Content to engage social audience today
  - How to ensure marketing is empathetic and relevant
  - Strategy for corporate travel/events
  - How to re-launch against all the noise in the marketplace when everyone starts pushing promotions
  - Will our community be ready/accepting when we are
Top challenges reported by Hoteliers

Other
- Managing staff welfare (8%)
- Safety for guests and staff (7%)
- Personal anxiety about working in hospitality industry (4%)
Top challenges reported by Hoteliers

MOST IMPORTANT TOPICS DURING THE CORONAVIRUS CRISIS

<table>
<thead>
<tr>
<th>Topic</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latest News</td>
<td>33%</td>
</tr>
<tr>
<td>Creative Marketing Solutions</td>
<td>58%</td>
</tr>
<tr>
<td>Projections on How and When this will play out</td>
<td>70%</td>
</tr>
<tr>
<td>Advice on Maintaining Personal Resilience</td>
<td>28%</td>
</tr>
<tr>
<td>Planning and Strategy Ideas</td>
<td>71%</td>
</tr>
</tbody>
</table>

Question: Select the topics which are most helpful to you during the coronavirus crisis.
Top challenges reported by Hoteliers

DO YOU SEE VALUE IN TALKING TO YOUR GUESTS RIGHT NOW?

- Yes: 72%
- No: 28%
MEMO

DATE: May 13, 2020
TO: FWPDA Board of Directors
FROM: David Timmons and Dave Robison
RE: Fort Worden COVID-19 Recovery Strategy

We have been in discussions with key staff and the Board’s two co-chairs on assessing how the PDA should respond in this time of uncertainty and constantly changing circumstances created by this COVID-19 crisis. This memo begins to evaluate what we now know and identifies a list of assumptions, strategic goals, objectives and action items on how the PDA could move forward. The strategic and operational assumptions below will begin to outline the roles, responsibilities, and the partnerships necessary to develop a recovery strategy and longer-term plans to guide the Fort to the other side of this crisis.

Strategic and Operational Assumptions for the Recovery Plan

- Ensuring the Fort remains a safe and healthy workplace, learning, and recreational environment
- Adhering to new public health mandates and guidelines will be essential for PDA and all tenants/partners
- Maintaining basic services for partners will be necessary during closure (e.g., utilities, minor maintenance)
- Securing interim funding for basic services and PDA operations to reopen is critical
- Reopening accommodations and meeting spaces will require a detailed cost-benefit analysis
- Timing of the reopening is dependent on entering into Phase 3 and the community’s support to accommodate leisure travelers to come back to Jefferson County
- Delays in getting to Phase 3 by end of August may necessitate postponing re-opening until next year (approximately April 15)
- Reintroducing food service will depend upon meeting health and social distancing mandates and the ability to finance re-stocking and re-hiring staff, based upon a cost-benefit analysis
- Completing Makers Square construction will be a priority to help insure adequate cash flow and funds to sustain operations until reopening
- Introducing more stringent cleaning and sanitizing as well as lower occupancy levels will greatly affect the sustainability of hospitality operations
- Researching a more sustainable business model will be evaluated during recovery planning
- Achieving mission and sustainability may require new revenue sources, reorganized service delivery platforms, and revised administrative and governance structures
- Developing a mutually beneficial recovery strategy with tenant partners, the city, WSP and the community businesses will be essential
- Communicating clearly and frequently with all stakeholders (State Parks, City, County, partners, donors, staff, public) will be crucial throughout the recovery, re-building, and planning process
Strategic Goal 1: Ensure the Fort survives the immediate financial crisis

Objective 1. Assess the current financial situation:

Action Item A. Develop a financial status report that summarizes the PDA’s financial position to date using a program budget model. A program budget is a budget designed for a specific activity or program. This budget includes only revenue and expenses for a specific program. The PDA’s budget would be broken down into activities such as General Administration, Facilities, Hospitality, Debt Service, Capital Projects, and a category for Recovery Efforts. Each activity should have line item details.

Revenues from all sources would be allocated as allowed or required. If there are no revenues to fund an activity, then the PDA can identify a way forward once the PDA has a better understanding of the income streams or grants available to fund an activity.

Action Item B. Using the program budget developed in Action Item A, develop an operating budget with a start date of April 1, 2020 to staff a skeleton crew to protect the Fort’s assets and maintain minimum operations through the remainder of this year. This should be adopted by the full Board as a revised budget for 2020. This budget would not include the reopening of hospitality or food services.

The budget plan should identify and include what recoverable expenses will be allowed under Public Assistance grants from FEMA and State. Expenses relating to emergency response that have been incurred are eligible for assistance. Actual expenses relating to responding to the event would qualify from the date of emergency declaration (January 20th to March 31, 2020). Beginning April 1, 2020, the recovery budget should develop a staffing and response plan for costs incurred that will be over and above what the PDA would have needed pre-event. This could include additional staff, consulting expertise, equipment necessary to sanitize facilities/guest areas, staff training, personal protective gear, security services, etc. Lost revenue is not a recoverable expense.

Action Item C. Secure financing to restart construction and complete the Makers Square project as soon as possible. Completion of the project will provide reimbursable grant funding and provide much needed cashflow to support the ramp up and reopening of Fort operations.

Action Item D: Create interim operating/staffing plan to support Partners’ operations prior to moving into COVID-19 Phase 3 or Phase 4. Depending on the timeline for reopening (July, fall or April 2021), create a staffing plan to support basic maintenance and operations of the Fort’s buildings and assets. This will likely include working with the FW Foundation to create a fundraising strategy to fund operations and to create a mobilization fund to reopen.

Action Item E. Develop a Public Relations Strategy. The public is generally not aware of the PDA’s financial situation, its organizational structure (quasi government entity without tax support) and the challenges ahead. Simple but clear messaging will help raise awareness and build community, legislative and donor support to ensure the Fort can survive and reopen in the future.
**Strategic Goal 2: Develop Recovery Strategy to Reopen PDA Operations**

**Objective 2. Assess the timing and path forward to reopening:**

**Action Item A. Develop a Recovery Strategy.** Appoint the Executive Director to lead a team to develop the recovery strategy. This would include conducting research on best practices for guests and visitors to stay safe and healthy and to comply with the Governor’s Safe Start Plan. These costs should qualify for FEMA and State grant assistance.

**Action Item B. Hire a Capital Project Manager to oversee and plan the completion of the capital projects—Makers Square, Glamping, WSP infrastructure projects as well as Action Item C & D below.** While hospitality services are shut down, the PDA and WSP should focus on completing capital projects. Makers Square and WSP water/sewer and O-Row housing repairs should begin as soon as possible. Glamping may need to wait depending on the forecasted reopening timeline (e.g., April 2021). Incorporate this cost into the recovery strategy budget.

**Action Item C. Complete the Red Cross/Jefferson County “Stand By” agreement.** The agreement will serve two purposes. First, it will have terms in place to address the needs of the community in the event of future COVID-19 waves. This identifies how the Fort’s assets may be used for emergency response needs and future events. Second, this also serves as a framework to have the PDA’s assets incorporated in the County’s Hazard Mitigation Plan, which allows the PDA to qualify for future mitigation funding.

**Action Item D. Complete an inventory of possible capital projects that could be eligible for recovery/mitigation funds.** This inventory should be prioritized by how ready the projects are to implement. Funding to advance their readiness should also be considered if available. Another criterion to prioritize is to evaluate if the project will contribute to long term resiliency of facility operations.

**Action Item E. Prepare applications for State and Federal Recovery aid based upon allowed eligible expenses necessary to ramp up services to comply with health guidelines.** This could include additional staff and equipment necessary to reopen as listed in Strategic Goal #1, Action Item B. Lost revenue is not a recoverable cost.

**Action Item F. Steps to recovery should include an evaluation of reintroducing the hospitality and food services when state mandates allow.** The PDA should anticipate that the County Public Health Officer will be issuing best practices to reopen these facilities under Phases 3 & 4 outlined in the Governor’s Plan. Before the PDA can consider reopening it must conduct a thorough review that the cost benefit (profit/loss) of what hospitality operations can be sustainable. This should include a liability risk assessment of operations that would be reopened. The assessment must document specific best practices to safely guide Fort operations so it does not contribute to the spread of coronavirus. The PDA should also consider the impacts of the possibility of a second wave in the fall or the possibility of site contamination shutdown.
Strategic Goal #3: Reassess the Fort’s business model based on COVID-19 mandates and new business realities

Objective 3. Plan for the future of the PDA and the Fort:

Action Item A. Conduct a series of retreats/workshops to identify and examine choices and options to make the PDA business model more resilient and sustainable. When the PDA was first formed it developed a business plan that was valid at the time. But even before the COVID-19 crisis, that model has been negatively impacted by many things: higher than expected facility costs, continued expectation of low rents and subsidized food services, and current lease terms that required the PDA to assume full maintenance. Revenue sharing with State Parks as required beginning in May 2021 could lead the PDA to insolvency. In other words, the PDA would eventually have had to address the business model regardless of the COVID-19 crisis. This crisis only accelerated and intensified the inevitable need for self-examination.

Action Item B. Adopt the best combinations of options and begin to implement actions to put them in place. The reason for the statement to “adopt the best combinations” implies that there will not be any one single outcome. It may well require a series of combinations and partnerships to build a more resilient and sustainable business model.

Action Item C. Research and consider changes to the organizational structure to conduct this process. This will be a challenge because it will require the PDA to develop a funding source for this Action Item. This could also be accomplished via a partnership model with other organizations contributing, similar to how the PDA achieved the Building 202 project in partnership with the City, WSP, and Peninsula College.

Action Item D. Prepare a comprehensive Public Relations and Communication Strategy. The PDA will need to reach out and engage key stakeholders in planning for the Fort’s future. The Fort Worden Collaborative is a good place to begin to explore options. Once preliminary options are developed, a community engagement strategy should be developed. Potential governance options, charter and master lease amendments may need to be considered.

Summary

For safe re-opening, we recognize that our community needs to keep current and stay educated about COVID-19, needs improved access to testing for COVID-19, and needs contact tracing and follow up. These measures will need to be incorporated into the recovery strategy.

Further, any guidance must be adaptable to new developments. Over the next six months or more, new research and breakthroughs in testing and treatment will require changes to the action items and plans that we develop. We are cautiously optimistic that the Fort and our community can navigate through stages of phased reopening. This approach requires commitment from all members of our community to protect ourselves and each other by following safety guidance. Only by working together and caring for one another will we emerge from the COVID-19 pandemic in a new and better normal.
As part of the work the PDA staff is doing to write a reopening plan for hospitality services at Fort Worden, we have been conducting research on best practices for guests to stay safe and healthy. Links to the main sources of our research is provided at the end. The following is a summary of our findings to-date that we will be using to inform the reopen plan. While the determination as to when the PDA reopens has not been officially made, it is assumed that the PDA will consider reopening its hospitality services in line with Safe Start Washington Plan metrics, which is during Phase 3.

1. **HUMAN RESOURCES AND ADMINISTRATION**

It is recommended to revise several human resource policies and update job descriptions. Changes should be made prior to employees returning to ensure a safe return to work.

- **Updated Sick Leave Policy**
  - Increase sick leave allowed
  - Match requirements for high-risk employees as defined by state
  - Establish COVID19-specific quarantine policy and return-to-work protocol
  - Identify when remote work may be substituted for taking sick leave (such as when contact has taken place but no symptoms)

- **Self-Health Reporting and Handwashing Policy**
  - Self-certification of health and temperature at start of shift
  - Handwashing required for starting shifts, breaks, and bathroom breaks

- **Remote Work Policy (position-dependent)**
  - Equipment tracking, VPN protocol, business hour expectations
  - Approved tools for remote work and meeting attendance; file saving requirements

- **Social Distancing & Safe Meeting Protocol**
  - Required 6-foot distance protocols, safe meeting protocol for in-person meetings and safety officer assigned for each in-person meeting (can be org-wide safety officer; recommend we have departmental, list person assigned on each meeting agenda)

- **Uniform Policy**
  - Reusable masks issued to all employees (expected to be required by state for FOH staff in restaurants, many hotels requiring for all customer-facing plus anyone working in teams, safest plan for full compliance is making everyone wear them when not working alone)

- **Cross-training and Coverage Policy** to make sure shifts can be covered without compromising the guest experience.
• All Job Descriptions should be updated before the employee returns to work, as roles and responsibilities will change from before the closure. Updated Job Descriptions should include whether that position is eligible for remote work, and what positions that job is required or eligible to cross-train for.

2. TRAINING

Employees should be issued a training plan with checklists with a focus on health and safety for all.
• Pre-work training (must be paid, but prior to assuming regular duties)
• Individual role training and due dates
• Required cross-training due dates (if applicable)
• Eligible cross-training (due dates not assigned until role approved)

The cross-training program is intended to provide flexibility in scheduling and operations but proper implementation requires clear job descriptions and regular check-ins to avoid responsibility creep and to ensure clear accountability for a task when multiple people are capable of completing it.

Training for all employees should include:
• Self-Health Certification & Reporting
• Handwashing
• Workspace Sanitation
• Safety Reporting – How to report policy violations, unsanitary guest conditions, and make departmental safety recommendations

Training Timeline
It is anticipated that most businesses will have a reopening that brings staff back to work or hire new staff in phases. This will most likely result in some employees return for initial training and create training materials for the next round of employees. Wherever possible, training will be done via video meetings, and recorded. In-person training requires safe meeting protocol – distanced, masked, named safety officer.

3. MAINTENANCE, HOUSEKEEPING, AND JANITORIAL

Guest-facing roles will have increased safety and training requirements. Anticipate higher staffing needs in housekeeping, maintenance, and janitorial service, new protocols should be established for the following areas:
• Public Area Cleaning & Sanitization
  o More frequent, during business hours and visible
• Accommodation Cleaning, Sanitization, and Access Protocols
  o Sealing protocol, limit access when occupied, wait times between use
• Venue Cleaning, Sanitization, and Access Protocols
  o Sealing protocol, tours treated like uses, wait times between use
• Office Cleaning & Sanitization
  o More frequent
Added requirements will be in place for known COVID-19 exposure and other biohazard exposure. Employees should be required to wear uniforms, and masks will be part of those uniforms. For heightened risk situations, disposable Personal Protection Equipment (PPE) such as masks and gowns should be required in addition to regular uniforms.

Policy/protocol updates needed for this department include:
- Teamwork – how many per team, timing of work done
- Equipment – sharing sanitization policy may not go far enough, may need more sets of tools

4. PHYSICAL CHANGES TO WORK ENVIRONMENTS/PUBLIC AREAS

The following actions should be taken prior to reopening certain spaces:
- Barriers erected where physical distancing is not possible (i.e. plastic barriers at registers)
- Contact-free, check-in and room access
- Signage and floor markings wherever people gather/wait
- Restaurant seating rearranged – six feet between all tables and areas where people wait—and limits for number of people per table
- Occupancy limits for all spaces according to state guidelines
- “Strategic subtracting” of items that guest touch in accommodations, like credit card swipers that require sharing of paper and pens.
- Replace kitchen items/or reduce quantities in houses with items that can be commercially washed or are disposable.
- Sanitizer provided for employees and visitors
- Determine whether ventilation or other physical changes (i.e. surface materials) can be made to make the property safer, which may result in an expanded list of work to do (not required before reopening).

5. SHARED WORKSPACES

- Limit to two people per vehicle, one in front and one in back, must wear masks

- Shared workstation and tools protocols need to be established that eliminates all shared workstations where possible, establish cleaning policies for beginning and end of shift where unavoidable
Useful Information and Resources

Links:
- [https://www.osha.gov/Publications/OSHA3990.pdf](https://www.osha.gov/Publications/OSHA3990.pdf)
- [https://pos.toasttab.com/blog/on-the-line/restaurant-cleaning](https://pos.toasttab.com/blog/on-the-line/restaurant-cleaning)
- [https://hub.wahospitality.org/coronavirus-resource/](https://hub.wahospitality.org/coronavirus-resource/)
- [https://www.governor.wa.gov/sites/default/files/SafeStartWA_4May20_1pm.pdf](https://www.governor.wa.gov/sites/default/files/SafeStartWA_4May20_1pm.pdf)
RESOLUTION NO. 20-07

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FORT WORDEN LIFELONG LEARNING CENTER PUBLIC DEVELOPMENT AUTHORITY (FWPDA) AUTHORIZING THE EXECUTIVE DIRECTOR TO EXTEND THE 2020 CONTRACT WITH DAVID TIMMONS FOR CRISIS AND RECOVERY PLANNING AND INCREASE THE CONTRACT BUDGET FROM $10,000 TO $15,000.

RECITALS

Whereas, the Board of Directors adopted Resolution 15-10 providing for master policy directives and the administrative authority of the Executive Director, and;

Whereas, the administrative authority allows the Executive Director to obtain professional and consultant services in the conduct of normal FWPDA operations, not exceeding $10,000 without board approval, and;

Whereas, the Executive Director has entered into a 2020 professional services contract with David Timmons (consultant) to work as a strategic advisor for navigating the pandemic crisis and economic recovery planning;

Whereas, due to additional needs in crisis and economic recovery planning, it is efficient and useful to extend the consultant’s contract through June 30, 2020 and increase the budget amount, not to exceed $15,000, and;

Whereas, the Fort Worden Foundation will issue a grant of $15,000 from its operating budget to the Fort Worden Public Development Authority to pay for the consultant’s contract.

BE IT RESOLVED that the Board of Directors of the Fort Worden Public Development Authority authorizes the Executive Director to extend the contract with David Timmons through June 30, 2020 and increase the contract budget, resulting in total contracted services not to exceed $15,000.

ADOPTED by the Board of Directors of the Fort Worden Public Development Authority Lifelong Learning Center at a regular meeting thereof, held this 13th day of May 2020.

By: ____________________________  By: ______________________________
    Todd Hutton, Co-Chair    Norm Tonina, Co-Chair

ATTEST:

By: _____________________________
    Jane Kilburn, Secretary