



APPROVED MINUTES
Special Board of Directors Meeting
Fort Worden Public Development Authority (FWPDA)
Thursday, October 22, 2020 | 1 p.m.
Via Zoom (Remote Meeting Per Governor Inslee’s Proclamation 20-28.8)

- ❖ **Action:** Motion to authorize the Acting Associate Executive Director to enter into a professional services contract with Tara Dunford, CPA, to assist in the preparation of the PDA’s 2015-2019 financial statements and to provide other technical assistance as needed, and not to exceed \$16,000.
Unanimously approved

- ❖ **Action:** Motion to approve Resolution 20-17 authorizing the Executive Director (or designee) to execute a Consent to Assignment of the 2012 lease of building 310 from Madrona MindBody Institute to Centrum.
Unanimously approved

Regular Board Meeting:

- I. Call to Order: 1 p.m.**
The October 22nd 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 and subsequently extended. Access information to the meeting was published on the Fort Worden website, in a meeting notice to the media, and in emails to the stakeholder mailing list.

- II. Roll Call/Introductions of Board Members and Staff**
Fort Worden PDA Board Members: Norm Tonina, Todd Hutton, Jeff Jackson, Cindy Finnie, Gee Heckscher, Terry Umbreit, Herb Cook, Lela Hilton
Staff: Dave Robison, David Timmons, Cody Griffith, Aislinn Diamanti, Holly Height, David Beckman, Joan Rutkowski

- III. Changes to the Agenda**
Board Co-Chair Norm Tonina noted that an executive session topic was inadvertently left on the agenda. Today’s meeting does not involve an executive session.

- IV. Partner Presentation**
Janine Boire, Executive Director of the Port Townsend Marine Science Center (PTMSC), and Diane Baxter, PTMSC Board Chair, presented information about the future of the center given the Fort Worden marine facilities plan that has been approved by the Washington State Parks Commission. She proposed that a small ad hoc committee with a few PDA board members work with PTMSC on future plans. Boire described how plans for an elevated boat launch and a new pier will impact PTMSC operations. The current pier that hosts the center’s aquarium will be removed as part of

marine and shoreline improvements. Boire said PTMSC leaders have been grappling with losing their iconic home on the pier. She said they have supported plans for pier improvements that benefit the marine environment and related concepts that would involve accommodating those improvements by largely moving their operations inland. The State Parks plan involves potential inland building sites for PTMSC near the Canteen or the Orca exhibit. Boire said that PTMSC has accelerated planning for the changes since State Parks approved the marine plan. She described how disruption from preparatory geotechnical work has made it clear that PTMSC cannot operate safely on the pier while such work is going on. The Parks effort to seek Federal stimulus money for the project could put the entire project on an earlier timeline, she added. Boire said PTMSC operations will be essentially impossible while work is being done, especially when the timeline for work is during the center's high season. Given sequencing issues, Boire said PTMSC is feeling the pressure to make decisions about its future right away; more time is needed for a capital campaign and design work for a new home. Board President Diane Baxter added that the water will be very turbid from drilling work, which is not healthy for the aquarium animals. PTMSC has to make decisions as if the stimulus money will be awarded, Baxter said.

Brian Hageman, Olympic View Area Manager for WA State Parks, noted that the pier structure is beyond its life expectancy and needs to be addressed. Boire agreed. In response to the request that board members join the PTMSC effort to plan for changes, Hutton said PDA board members wouldn't form their own ad hoc committee and would instead join the PTMSC committee. Hutton and PDA board member Gee Heckscher said they would be happy to join the effort. Hutton said he would be willing to help PTMSC consider all options and would love to see the center stay at Fort Worden.

V. Professional Services Contract with Tara Dunford, CPA

A. Staff Report

Acting Associate Executive Director David Timmons shared that he is working to address a number of matters with the PDA's finances, and he will brief the board on the matters at its October 28th board meeting. Timmons said the work includes developing strategies for each compartment, which includes working with State auditors when they begin their regular audit of the PDA in November. He said State auditors would like to go back to 2015, when the PDA converted from cash basis to accrual accounting, and get those financials converted to cash basis reporting to comply with state reporting requirements. Timmons said he recommends this as well, and this will allow auditors to render an opinion. In his research for this matter he received recommendations about CPA Tara Dunford, who he said specializes in this kind of work. The proposed contract with Dunford is for a maximum of 100 hours or \$16,000 and has a contingency built in. Timmons described the ways in which the conversion to cash basis accounting will give the PDA a solid platform financially, and he said the analytical work will be done on a separate ledger, which he said is consistent with the State Auditor's recommendation. He recommended that the board authorize him to enter into a professional services contract with Dunford for her assistance in the preparation of the PDA's 2015-2019 financial statements. He said some donor sources have been identified to offset the costs and it will be budget neutral.

B. Board Discussion

Board and staff briefly discussed Dunford's qualifications. Board Co-Chair Todd Hutton asked about the status of the 2018-2019 audit, which was delayed due to the COVID-19 crisis. Timmons said he is in the process of preparing for the audit and will share more information at

the next board meeting. Timmons said he expects auditors to begin their work in November. Because State auditors are prohibited from helping to prepare financial statements, Timmons said he has brought in another CPA on contract to help prepare the documents needed for the 2018-2019 audit.

Action: Motion to authorize the Acting Associate Executive Director to enter into a professional services contract with Tara Dunford, CPA, to assist in the preparation of the PDA's 2015-2019 financial statements and to provide other technical assistance as needed, and not to exceed \$16,000. *Unanimously approved*

Timmons noted that Dunford's work will be presented to the board when it's completed.

VI. Resolution 20-17 Regarding Madrona MindBody Lease Assignment to Centrum

A. Staff Report

Executive Director Dave Robison introduced Resolution 20-17, which would authorize the executive director or a designee to execute a consent to assignment of the 2012 lease of building 310 from Madrona MindBody Institute to Centrum. Robison summarized the history of the transfer of partner leases from State Parks to the PDA. Robison said he does not see any issue with signing Madrona's lease over to Centrum and said it won't alter the PDA's financial position, so he recommends that the Board allow this to occur. He said the assignment would facilitate more use and more collaborative programming in the building. Robison noted that resolution recital #7 contains his recommendation and the parties' agreement that the PDA delay reappraisal of building 310 until late 2024/2025 to give Centrum and Madrona a grace period to work on their joint use and planning. A two-year stairstep rent increase to move closer to market rate rent would commence in early 2025, subject to PDA board approval.

B. Board Discussion

Tonina and Hutton said the arrangement is an exciting opportunity for both organizations and a creative solution.

Action: Motion to approve Resolution 20-17 authorizing the Executive Director (or designee) to execute a Consent to Assignment of the 2012 lease of building 310 from Madrona MindBody Institute to Centrum. *Unanimously approved*

VII. Public Comment

No comments were shared during the public comment period.

VIII. Adjourn

The meeting adjourned at 1:46 p.m.