



APPROVED Minutes
Special Board of Directors Meeting
Fort Worden Public Development Authority (FWPDA)
Thursday, September 10, 2020 | 9 a.m.
Via Zoom (Remote Meeting Per Governor Inslee's Proclamation 20-28.8)

Regular Board Meeting

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

The September 10th 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 PDA website, in a meeting notice to the media, and in emails to the stakeholder mailing list.

II. Executive Session Announcement

Board co-chair Norm Tonina stated that the board will meet in executive session towards the end of the meeting to discuss potential litigation in accordance with 42.30.110(1)(i). Tonina said that no action will be taken.

III. Introductions and Attendance

Fort Worden PDA Board Members: Norm Tonina, Todd Hutton, Jeff Jackson, Jane Kilburn, Cindy Finnie, Gee Heckscher, Herb Cook, Lela Hilton, Terry Umbreit

Staff: Dave Robison, David Timmons, Sonya Baumstein, Cody Griffith, David Beckman, Aislinn Diamanti, Holly Height, Joan Rutkowski

Public & Staff Guests: David Goldman, Renee Klein, Claudia Zysk, Owen Rowe, Seth Rolland, Brian Hageman, Don Englebach, Holly Rebert, Janine Boire, Barry Mitzman, John Watts, Jon Schorr, Lane DeCamp, Natalie Maitland

IV. Grant Anticipation Note with Kitsap Bank

A. Staff Report

Acting Associate Executive Director David Timmons provided a brief update on the effort to secure a grant anticipation note through Kitsap Bank. He said he has been looking at cash flow requirements for operations and capital to get things closed out and looking at restructuring the PDA's overall debt for capital projects. PDA staff are working to get Kitsap Bank all of the information that they are requesting and nothing is ready today for action, Timmons said. A resolution will be before the board if the effort is successful, he said.

B. Board Discussion

No discussion.

Board Secretary Jane Kilburn joined the meeting.

V. Round Robin Staff Status Report on Reopening

- Food and Beverage: Human Resources Director Holly Height, who is overseeing the Food & Beverage department, reported that Labor Day weekend sales were strong. She commended Food & Beverage staff for developing new menus and successfully running Taps, Reveille, and the Canteen. Height noted how dedicated staff are to the success of the reopening and the Fort. She noted that food truck operators are having some challenges with permits and the burn ban, but before those issues they were selling out quickly every day. Height said they will return when issues are worked out.
- Housekeeping: Interim Operations Director Aislinn Diamanti said Housekeeping staff have adapted well to the challenges of the pandemic and have embraced what it takes to bring cleaning to the next level. Diamanti said guests have shared positive feedback on the cleanliness of the rooms. She noted that the housekeeping manager provided her with a detailed written report about how well department staff are working together to successfully refine systems and keep guests and each other safe.
- Hospitality Sales and Marketing: Sales and Marketing Director Cody Griffith reported that most bookings continue to be for short-term stays. Cancellations continue but most people are relocating to new dates, and bookings are outpacing cancellations, she said. Griffith said she expects September to be a repeat of August and would love for that to be the case for every month going forward. Griffith noted the positive interactions between departments to support the opening.
- Finance Update: Finance Director Sonya Baumstein presented an update on financial activity relative to the adjusted budget. She said food sales have been above expectations, accommodations have been on target, and expenses have been lower than predicted. Treasurer Jeff Jackson and Baumstein talked about how inventory and cost of goods sold (COGS) show up in financials. Baumstein noted that Taps is using its inventory to the fullest, which is helping with cash flow. Board and staff discussed the strategy with food and beverage menus and inventory. Baumstein said the food outlets are together performing significantly above the budget predictions for the limited reopening.
- Capital Projects: Baumstein said the PDA has closed the gap with Clark Construction and is no longer in arrears. She is working on getting final grants in and shoring up money to make sure the project closes on November 15th. Timmons added that in November State Parks will begin work on the two Officers Row buildings, which will come offline for that work. Water and sewer project work also will be underway, he said.
- Budget: Timmons said that a 2021 budget will need to be adopted in December and the forecasting process is beginning now. He noted the unpredictability of the work given COVID. He said he will soon have another conversation with FEMA, which he said appears to be scaling back instead of ramping up its support. The PDA wasn't eligible for funding and he predicts that won't change. His current focus is on cash flow needs and getting capital projects closed out, as well as working with Kitsap Bank on refinancing to take some pressure off when debt servicing kicks in. Baumstein added that all partners are paid up on their rents to date. Hutton thanked partners for making their lease payments during this difficult time.
- Fort Worden Collaborative: Robison provided a brief update on the collaborative process and thanked partners for their commitment and time to the effort. He said the long-range group has been examining what the Fort could look like in the future, which currently involves a gap analysis of the vision set in 2008 and the present.

Tonina asked staff directors to extend the board's deep appreciation to PDA employees for their commitment to and engagement in the success of the reopening.

VI. Board Reports

- Makers Square Project Budget. Board member Gee Heckscher said he has been working with Baumstein on the final accounting of expenses and grant income. This will help identify what is still owed and where the PDA is cash-wise at the end of the project, he said. Heckscher said he also will help with an analysis of phase 2 for Makers Square to know what's needed to complete the project.
- Dave Robison's retirement. Tonina spoke about the recent announcement of Dave Robison's retirement from his position as executive director of the PDA (effective Nov. 15). The agenda packet contains Robison's retirement letter and a related press release. Tonina said the press release provides a great summary of Robison's career and impact on both Fort Worden and Port Townsend. He said the PDA has been built on the shoulders of Robison, who is owed a deep amount of gratitude for his work. This work includes building and leveraging a broad network of stakeholders, Tonina said. He noted that discussions about Robison's retirement had been going on for a while and search firms had been identified right before COVID hit. That will be the next step in the process, he said. Hutton also extended appreciation to Robison for his work and vision. Robison said it was an honor and privilege to be entrusted with the PDA, and he recalled the work it took to convince the legislature and State Parks to transfer over the campus of the national landmark to what was essentially a local startup. Robison said that despite the challenges of 2020, he is excited about the future of the Fort. He thanked the PDA board for the opportunity to serve. Tonina added that the PDA is lucky to have David Timmons in place to lead the PDA through the next few months, and an amended contract for Timmons will eventually be brought before the board.

Board member Herb Cook joined the meeting during the discussion about Robison's retirement.

VII. Public Comment

No comments were shared during the public comment period.

VIII. Executive Session

The board entered into Executive Session with the presence of legal counsel at approximately 9:45 a.m. to discuss potential litigation in accordance with 42.30.110(1)(i). Tonina said no action will be taken.

IX. Open Session Resumes

The open session resumed at approximately 10:06 a.m. Tonina reported that no board action was taken during Executive Session.

X. Adjourn

The meeting adjourned at 10:07 a.m.