

MINUTES

Edmonds Public Facilities District Board of Directors Meeting February 29, 2024

The Edmonds Public Facilities District Board hybrid meeting convened at 7:31 a.m. in the Edmonds Center for the Arts Green Room, 410 4th Avenue North, Edmonds, and via Zoom.

EPFD Board Members Present

Ray Liaw, President
Bill Willcock, Vice President
Suzy Maloney
David Brewster
Wayne Grotheer

ECA Staff Present

Kathy Liu, Executive Director
Lori Meagher, Associate Executive Director

Guests

Chris Eck, City Council Liaison

ECA Board Members Present

David Schaefer, Immed. Past President
Matt Cox, Vice President

1. Call to Order

Board President Liaw called the meeting to order.

- Attendance of those Attending In-Person for Minutes

2. Land Acknowledgement & Equity Statement

Board Member Brewster read the Land Acknowledgement Statement and the Equity Statement.

3. Agenda Review and Approval

BOARD MEMBER GROTHEER MOVED TO APPROVE THE AGENDA. BOARD MEMBER BREWSTER SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

4. Board President's Comments

Board President Liaw wished everyone Happy Leap Year Day and acknowledged the end of Black History Month and the amazing community programs that occurred during the past month including Kidstock! and the Lunar New Year celebration.

5. Public Comment

There was no public comment.

6. Consent Agenda

- **EPFD Board Minutes**
 - **Joint Meeting with ECA Board & Staff: September 23, 2023 as amended**
 - **January 25, 2024**
- **EPFD Disbursement Report: January 2024**

BOARD MEMBER BREWSTER MOVED TO APPROVE THE CONSENT AGENDA AS AMENDED. BOARD MEMBER MALONEY SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

7. **Old Business**

- **Prior Action Items Review**

Ms. Meagher reviewed progress on action items from the previous meeting and identified outstanding items (see Action Items below).

- **February Staff Report – Questions/Comments?**

Board Member comments included commendation for the amazing work, operating at full capacity, a lot of positive energy, recognizing the accomplishments by the entire team while Ms. Meagher has been on medical leave, and the quality of new staff and the high degree of interest in open positions.

8. **PFD Board Business**

- **Board Committee Update**

Ms. Meagher displayed the list included in the packet.

9. **PFD Board Committee Reports**

Board VP Willcock reported the Philanthropy Committee worked on their charter and reviewed the development report.

Board Member Brewster reported the Education & Outreach Committee reviewed the success of Kidstock! and the Kevin Spencer residency which several staff and board members participated in, initiated “mission moments” where members each mentions something they have experienced in the last month that reflected the mission which he suggested other committees consider doing, and were updated on the passage of the Edmonds School District levies and planning for the Education Preview in June.

Board Member Brewster reported on the Creative District Advisory Committee, advising Kathy Liu, Frances Chapin, Todd Tatum and he met with legislators’ staff in Olympia. They were introduced to Shannon Roach Halberstadt, Department of Commerce, Creative Economy Director, who shared information regarding the state’s approach to the creative economy and how to support it, how it effects Creative Districts, intern programs, etc.

Board Member Brewster reported the lobbyist for the Association of WA State PFDs provided a monthly report. In reading through the Association’s bylaws, there are several gaps in the governance and he recognized opportunities to mature the group. Extending PFD legislation did not move forward this session, but will be considered by the legislature again next year.

Questions and discussion followed regarding information shared with legislators’ staff about the Creative District, legislators’ awareness of the EPFD’s interest in extending the PFD legislation, interns at ECA as a staffing strategy, reestablishing a production team intern program, Edmonds College as a source of interns, exploring an intern program, the Boys & Girls Club’s interest in an intern program for older teens, and Edmonds-Woodway High School’s theater production program.

Board Member Grotheer reported the IDEA Committee’s recommended update to the Land Acknowledgement statement will be forwarded to the Steering Committee. The IDEA Committee continues its work on the Community Reception and identifying learning needs for committee members. The next culture conversation will be rescheduled to March/April. The Facilities &

Operations Committee is reviewing Mithun's final draft report. A working group is discussing how to proceed with presentations. The music building task force, led by Bob Gregg, a local developer, plans to meet weekly to develop options and a fully defined plan by mid-April. Steps in that effort include staff identifying what can be moved, thrown away and stored elsewhere by the end of March, and consideration of three options, 1) patch the roof, 2) replace the roof and 3) demolition.

Board Member Grotheer reported the Universal Access task force, a combination of Finance & Operations and IDEA Committee members, held its first meeting last week and plan to meet monthly through the end of the year. They will be developing a charter and updating language on the website related to accessibility. Upgraded "ADA doors" to the theater lobby will be their first project.

Questions and discussion followed regarding whether there is a list of small capital projects that need to be addressed, creating a list of short and long term projects with priorities for 2024 and 2025 organized by dollar amount after Mithun's presentation, and non-operating capital expenses in 2024 budget.

Board Member Grotheer reported on the tour Ms. Liu and he took of the Edmonds and Mukilteo Boys & Girls Clubs and their meeting with the executive director and club director about long term partnering and space needs during construction of the Edmonds facility.

Board President Liaw reported the Steering Committee is also reviewing its charter. The Hosting Committee did not meet this month. Admin & Finance Committee is reviewing their charter; several items they discussed are included on today's EPFD agenda. The committee discussed a job description for the ECA board treasurer when Rick Canning is no longer in that role such as whether the ECA treasurer should have an ex-officio role on the EPFD Board. Discussion followed regarding the City's Finance Director's role as an ex-officio EPFD member.

10. Associate Executive Director Update

- **Operations Update**
 - Narcan Administration

Ms. Meagher explained this arose as a result of conversation at the Safety Committee. She relayed input from the EPFD's attorney and insurance company, read from the EPFD's policy with Enduris, and commented on policies and practices that would be required.

Questions and discussion followed regarding whether a person administering Narcan would be acting as a representative or employee of the EPFD or as an individual; having the admin team, attorney and Enduris discuss this further; researching what other performing arts and public organizations are doing; and proximity of the ECA to the Edmonds police and fire station who can administer Narcan.

- **Human Resources Update**
 - Hiring Update

Ms. Meagher reported the new production manager is doing a phenomenal job and the new accounting associate who has over 20 years of experience with QuickBooks is doing a great job. An offer was made yesterday for the rental events assistant position. The production team identified the need for a part-time sound person due to the increased number of events and a job description is being developed.

- Policy Updates
 - Youth Protection & Safety Policy

Ms. Meagher relayed the attorney deferred the policy to insurance who is still reviewing it. As the intent is to incorporate this policy into the employee handbook, the attorney recommended separate policies for board members, volunteers and staff. The attorney and insurance reviewed the Pet and Children at Work Policy; she will summarize their input and present it to Admin & Finance Committee and the EPFD Board next month.

- **Facilities Update**

- Mithun Building Envelope & Seismic Assessment Update

Board Member Grotheer referred to information he provided in the Facilities and Operations Committee report. Board President Liaw advised a task force (Board Member Grotheer, Norm Brown, Kathy Liu, Lori Meagher and herself) is considering materials to present to the boards regarding Mithun's study, anticipating questions, and preparing their thoughts/recommendations about how to proceed. The Mithun study intentionally excluded the music building.

- Music Building Update

Board President Liaw recalled last month Ms. Meagher reported on a leak in the music building. She summarized the damage to the music building was extensive enough that if the building will continue to be used for storage, doing nothing is not an option. Board Member Grotheer relayed the water damage from this event was covered by insurance; without additional repairs, further damage is likely to occur. Board President Liaw advised the task force is considering ramifications of abandoning the building now, repairing the building to extend its life for a few years, the likelihood that replacing the roof would require bringing the building up to code, etc.

- Security Upgrades

Ms. Meagher relayed staff has been getting quotes to enhance/replace the current ADT security system. After vetting, staff is proceeding with a contract with Verkada for equipment and monitoring to better meet the needs of the organization and ensure the campus, staff and patrons are safe. She applied for and was awarded a \$25,000 Department of Commerce security upgrade grant which to assist with funding equipment costs.

- **Finance Update**

- December/January Draft Financials

Ms. Meagher relayed the yearend financials took longer due to the need to implement GASB 96 related to IT contracts. The December financial are draft pending completion of the annual report for the audit in May. She reviewed the Income Statement, highlighting operating revenue and expenses, contributed revenue variances, total operating loss, non-operating revenues and expenses including interest expense, and yearend surplus.

Ms. Meagher reviewed the Balance Sheet. She highlighted funds in the Board Designated Fund for Capital which has not yet been approved by the EPFD Board. There is an operating spending freeze due to cash flow and a \$250,000 transfer from the LGIP account was necessary to meet operating needs this month. To have cash available for such occurrences, she recommended moving \$500,000 to the Board Designated Fund for Capital for fiscal year 2023 and leaving \$250,000 in LGIP for operations if necessary. Tier 2 funds from Snohomish County will also help replenish the debt service balance. No funds have been moved into the Board Designated Fund for Capital since the policy was created. Board action is required to move those funds.

Questions and discussion followed regarding the policy related moving funds, whether to move the funds all at once or as needed, funds designated as a separate account in internal reports, requirement in the policy for the EPFD Board to approve the use of funds, having a strategic

discussion about the overall approach to those funds and priorities, emailing the adopted resolution regarding the Board Designated Fund to EPFD Board Members prior to the March meeting and board members submitting comments to Ms. Meagher, Admin & Finance Committee's review of the policy and recommendation to the EPFD Board, and considering comments on the policy and approval to move funds at the March meeting.

Ms. Meagher reviewed the January Income statement, highlighting operating revenue and expenses. She also reviewed the Balance Sheet, highlighting key balances. Discussion included appreciation for the dashboard in the January financials, and a suggestion to move financial reports and the Executive Director's report closer to the beginning of the agenda and possibly moving Board reports later on the agenda.

11. Executive Director Update

- **Development Update**
 - Monthly Status Update

Ms. Liu reported development is slightly under for January. February has been very positive and productive. The team is working on Center Stage and the Spring Appeal.

- Center Stage & Upcoming Events

Ms. Liu reported the team is looking at the structure of special events and making tweaks to Center Stage. Center Stage will be May 15 and will include a \$50 admission to help mitigate expenses. The target is 24 confirmed shows and 10 mystery shows.

Ms. Liu reported on the February 8 Center Circle Reception to acknowledge current show sponsors and donors and the first Gala buying event. Amy Stagno is focused on corporate season sponsorships and formalizing the planned giving program and she and Ms. Stagno plan to begin board philanthropy reviews.

Staff evaluating a consolidated CRM for marketing and development data and hope to make a . a decision by June for implementation by yearend. The new Momentus calendaring system is being implemented.

(Board VP Willcock left the meeting at 9:00 a.m.)

Ms. Liu displayed and reviewed the 2023 Ticketing Spreadsheet. The Okareka Dance Company show is being cancelled. Board Member Brewster suggested the Ticket Spreadsheet compare ticket sales to budget instead of capacity.

- **Programming/Revenue Update**

Ms. Liu reported staff is in the process of 2024/2025 programming and are balancing genres, diversity of artists, revenue and anticipated audiences. She and Ms. Meagher led a staff meeting about aligning rentals and programming and are considering the evolution of self-produced events such as We Speak and Kidstock!. A website refresh will be done in conjunction with the season launch and staff is discussing a free community event to share the upcoming season.

- **Education – Kidstock!**

Ms. Liu reported 1500 people attended. There were 2700 pre-registrations, but the rain that morning likely affected attendance. Diana Ortega-Chance did a fabulous post mortem event and improvements and ideas for next year have been identified. Due to limited interest in afterschool programs, staff is considering whether to offer them in the future. We Speak has been finalized

for Friday and the winner was announced on Instagram. Ms. Ortega-Chance is planning the Educator Preview in March, the launch event for education activities. She and Ms. Ortega-Chance recently met with the school district to speak the word regarding that event.

- **City Council Presentation: Update**

Ms. Liu advised the presentation will include an overview of the ECA history and 2023 activities and financials.

- **Strategic Plan Update**

Ms. Liu advised a general outline for the strategic plan will be discussed with the Steering Committee. The plan is to internally define organization goals during March/April followed by drafting and publishing an RFP in May.

Ms. Liu relayed senior staff have been making presentations to the ECA Board about their departments. Board members agreed that would be of interest and to fit those reports in when possible.

12. New Business

13. Adjourn

The meeting was adjourned at 9:05 a.m.

Next EPFD Board Meeting: Thursday, March 28, 2024 - 7:30 AM

City Council Presentation: March 5, 2024

ACTION ITEMS:

1. Correct spelling of Ms. Meagher's name in list of ECA Staff Present in September 23, 2023 Joint Meeting with ECA Board & Staff minutes
2. Circulate adopted resolution regarding Board Designated Fund via email to EPFD Board prior to March meeting and board members provide comments to Ms. Meagher
3. Include reports from senior staff at EPFD Board meetings when agendas permit
4. Prepare bulleted list of items in Interlocal & Administrative Agreements between EPFD and ECA for Steering Committee
5. Notice March 19 Philanthropy Committee meeting as EPFD Board meeting if quorum of EPFD Board members plan to attend
6. Provide EPFD Board members access to approved resolutions
7. Mithun provide presentation to EPFD Board following presentation to Facilities & Operations Committee. Invite ECA Board members to that EPFD Board meeting.
8. After Mithun presentation, create list of short and long term capital projects organized by dollar amount that identifies priorities for 2024 and 2025
9. Explore intern program
10. March EPFD Meeting
 - a. Revise agenda so financials and directors' reports are earlier in meeting
 - b. Add external committees to list of external and internal committees with assigned board members
 - c. Timeline and elements for strategic plan
 - d. Review and approve Pets at the Workplace and Children at the Workplace policies
 - e. Consider EPFD Board members' comments on Board Designated Fund and recommendation to transfer \$500,000.