

MINUTES

Edmonds Public Facilities District Board of Directors Meeting June 23, 2022

The Edmonds Public Facilities District Board hybrid meeting convened at 7:34 a.m. in the Edmonds Center for the Arts Green Room, 410 4th Avenue North, Edmonds, and via Zoom.

EPFD Board Members Present

David Brewster, President
Ray Liaw, Vice President
Robert White
Suzy Maloney (virtually, non-voting)
Bill Willcock (virtually, non-voting)

ECA Staff Present

Joseph McIalwain, Executive Director
Lori Meagher, Director of Finance and Operations
Elizabeth Gromko, Director of Development

City Staff Present

Dave Turley, Admin. Serv. Director (Ex-Officio)

ECA Board Members Present

David Schaefer, President

1. Call to Order

Board President Brewster called the meeting to order.

2. Land Acknowledgement

Board VP Liaw read the Land Acknowledgement statement.

3. Board President's Comments

Board President Brewster reported:

- ❖ Councilmember K. Johnson has been selected as the new council liaison to the EPFD, replacing Councilmember Paine.
 - ❖ June is Pride Month.
 - ❖ Facilities Manager Kalani Kahalalii resigned. Board President Brewster recognized the work Kalani has done for the ECA, especially during COVID.
- Agenda Review

4. Public Comment

Board President Brewster pointed out Board Members Willcock and Maloney, who are attending today's meeting virtually, are unable to vote until the bylaws are approved that allow them to participate in the meeting virtually.

5. Consent Agenda

- **EPFD Board Meeting Minutes – May 26, 2022**
- **EPFD Disbursement Report – May 2022**

BOARD VP LIAW MOVED TO APPROVE THE CONSENT AGENDA. BOARD MEMBER WHITE SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

6. 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).

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

Board President Brewster expressed appreciation staff’s contribution to the report and especially Executive Assistant Lisa Helber who puts it together. He was touched by Mr. Mclalwain’s comment about his Leadership for Racial Equity experience and anticipated he will provide great leadership in that area.

- **Executive Director Contract – Review**

Ms. Meagher advised the redlines in the document were made after comments from Board VP Liaw and Board President Brewster. Board VP Liaw recommended circulating the original and the redlined contracts. It has been reviewed by the EPFD Board’s attorney Matt Hendricks; Mr. Mclalwain still needs to review the contract. The contract will be scheduled for action at the July meeting.

7. PFD Board Business

- **Building Envelope Project, HKP Report- Update**

Ms. Meagher recalled the need for a building envelope evaluation was presented to the EPFD Board last month. At that meeting, the board requested staff follow an RFQ process. EPFD Board attorney Matt Hendricks provided an RFPs template. She and Mr. Mclalwain will complete the RFP and develop a process and timeline to present at next month’s meeting.

- **Cellular Lease Draft Agreement / Process – Review**

Ms. Meagher relayed staff engaged Terabonne who specializes in cell tower leases. The lease in the packet has been updated and reviewed by EPFD Board’s attorney. His only questions were whether the board was comfortable with the 25-year term and the option to terminate the lease by the tenant with 120 day notice. Terabonne was comfortable with the language, advising it was standard for this type of agreement. It is presented today for review by the board; DISH is eager to begin installing their equipment. If the board is unable to approve the agreement today, she requested a special meeting be scheduled to approve it.

Discussion followed regarding the rent set for 60 months with 4 renewals and only 2.25% rent escalator per lease term, increased rent and escalator as a result of involving Terrebonne, rooftop cellular agreement with Sprint that was negotiated by the City and inherited by the EPFD, the fee paid to Terabonne, what happens if Terabonne dissolves, process for relocating the equipment if necessary by the tenant, notice required to relocate the equipment, indemnification on hazardous materials on adjacent area, and a request to change “City” in 12.11 to “EPFD.” Board members requested the EPFD Board attorney address the following questions:

- a. What happens if Terabonne dissolves?

- b. Insurance requirements for DISH
- c. Notice to relocate the equipment
- d. Indemnification on hazardous materials adjacent to the premises

A special meeting will be scheduled to approve the DISH cellular lease agreement.

- **Officer Elections**

Board President Brewster provided background and introduced the proposed slate of officers: Ray Liaw as Board President and Bill Willcock as Board VP.

THE PROPOSED BOARD OFFICERS WERE APPROVED UNANIMOUSLY.

- **Board Leadership Transition**

Board President Brewster advised the new officers are effective with the next meeting. He was excited about Ray Liaw and Bill Willcock's leadership. Board VP Liaw thanked Board President Brewster for his leadership.

Staff was asked to change the Board President's name on the signature line of documents.

- **APAP REDI Pledge**

Ms. Meagher referred to data in the packet regarding the APAP REDI pledge, a 10 year commitment the organization is making toward work related to racial equity and gender justice. She thanked Gillian Jones for her assistance compiling information regarding the makeup of ECA's artist roster, vendors, and employees. She reviewed the requirements of the pledge and how the data was gathered and analyzed, advising the ECA meets or exceeds the expectations of the pledge. The ECA's commitment to the pledge will be benchmarked each year.

Discussion followed regarding publicizing that the EPFD Board signed the pledge, the pledge assisting with obtaining grants, whether the ECA Board has been involved, and involvement of I&A Committee.

BOARD VP LIAW MOVED TO APPROVE THE APAP REDI PLEDGE. BOARD MEMBER WHITE SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

- **EPFD Bylaws**

Discussion included city council approval of amendments to the charter, approving the bylaws and the DISH agreement at a special meeting, and a suggestion to strike the document tracking number on the bylaws.

A special meeting was scheduled for Wednesday, July 13 at 7:30 a.m. (later rescheduled). All board members were encouraged to be present in-person at the meeting. Staff will send out a calendar invite and the packet will include a redline of the original bylaws and a clean version

8. Finance & Operations

- **State Audit - Update**

Ms. Meagher reported the audit is going well. The financial audit will wrap up at the end of July; the accountability audit will follow and wrap up in October. She and ECA Board Treasurer Rick Canning are meeting with the state auditor's office today to review depreciation calculations.

- **Finance Reports – Draft May 2022**

Ms. Meagher reported Mr. Canning has been assisting the accounting department while the accountant position is filled and helped prepare the May financials. She reviewed the Income Statement, highlighting rentals, total contributions, Center Stage, concession expenses, facilities and utilities expense, and sales tax revenue. She reviewed the Balance Sheet, highlighting total assets, accounts payable, and year end cash flow target.

Discussed followed regarding Snohomish County ARPA funds, the board's appreciation for the graphs, payroll savings as a result of staff transition, and anticipated increase in payroll expense when the organization is fully staffed.

- **HR Update**

Ms. Meagher reported on efforts to update the employee handbook. A first draft will be reviewed by the Admin & Finance Committee and hopefully presented to the EPFD Board next month. She reported Facilities Manager Kalani Kahalalii is leaving next week to take a Director of Facilities position; consideration is being given to restructuring that department as well as the org chart. Staff is being consulted about their vision in order to create a model that is supportive and fiscally responsible. She reported on the challenge to fill the finance position.

Questions and discussion followed regarding difficulty everyone is having retaining and hiring staff, the number of staff who have been with the ECA for many years, similarities to the Great Recession, posting jobs on governmentjobs.com, and investigating and posting where the City posts jobs.

9. Executive Report / Steering Committee

- **Boys & Girls Club - Update**

Mr. McIalwain reported a team representing both organizations is meeting monthly to be updated on the subcommittees' work. Board VP Liaw reported the building/facility piece is led by a consultant who is gathering input for a conceptual master site plan in late summer/early fall. If a partnership proceeds, the intent is to enter into a development agreement for the entire campus that addresses overall site issues such as traffic, noise, stormwater, etc.. She and Mr. McIalwain plan to discuss that with Development Services Director Susan McLaughlin who toured the facility recently.

Mr. McIalwain reported on the other subcommittees (programming, MOU and fundraising); he invited Ms. Gromko to participate in the fundraising subcommittee. The fundraising subcommittee identified 4-5 key community donors to float a conversion with over the summer.

- **Board Professional Development – Fundraising Workshop**
 - **Upcoming sessions- Tuesday, July 12, 2022 (Maya Hemachandra)**
- **Strategic Planning - Update**

Mr. McIalwain reported the RFP from the last process will be used as a template. Once it is updated and reviewed by the Steering Committee, it will be presented to the EPFD for review and approval. Board President Brewster asked to be copied on the RFP.

- **Executive Leadership Training Update**

Mr. McIalwain reported on the leadership racial equity training he completed through Leadership Snohomish County and information, tools and strategies he learned that he will share with the Inclusion & Accessibility Committee. Rentals & Event Coordinator Gracelynn Shibayama attended the training last year and also has a great deal of information to share.

Mr. McIalwain reported on his work with an executive coach. He and the coach reviewed responses to a survey regarding his leadership style and a personality test to identify strengths and opportunities for growth and plan to develop an action plan.

10. **Inclusion & Accessibility, Education & Outreach**

- **General Update**

Ms. Meagher advised the equity statement approved by the EPFD Board last month will be presented to the ECA Board at their July meeting and then return to the Inclusion & Accessibility Committee for next steps, action items and prioritization of action items. The committee is also evaluating the land acknowledgement to ensure the language respectfully represents the tribes. Diversity commissions throughout the area are meeting at the ECA in July to discuss challenges, successes and how to partner in this work. She will provide more information regarding that at the next meeting.

11. **Philanthropy**

- **General Update**

Elizabeth Gromko reported the new Google ad grant is \$10,000/month for Goggle ad words for searches. Once configured, it just needs to be managed. It is a tool to increase the ECA's visibility and digital presence in the community. Analytics show it brings up to 60,000 new website visits which will increase exposure, sales, donations, etc.

She displayed and reviewed the updated development report which includes Center Stage revenue through end of May. She highlighted the increase in performance sponsorships, and total 2022 contributions to-date compared to budget and to 2021. She reported on Gala planning, advising the caterer, live performers, auctioneer, MC and event company have been secured and the procurement team is developing live auction items.

Board Member White offered to help with Google ad words and said help is likely available from UW entrepreneur and marketing students.

12. **Marketing & Business Development**

- **Ticket Sales Update**

Mr. McIalwain reported ticket sales continue to improve and he anticipated finishing the season with four sold out shows. The summer series is beginning; the current season ends with the Mavericks on August 2nd. He encouraged board members to purchase tickets and introduce their

friends to the ECA summer season. Sales for next season are off to a good start and are comparable to 2018/2019. All the name-recognizable artists are doing well; there will be storytelling and hard work to sell tickets for other shows.

- **General Update**

13. Programming/Outreach

- **General Update**

Mr. Mclalwain reported registration for summer camps is wrapping up and the numbers are improving. Staff submitted an application for a multi-year CMP grant to support the expansion of Windows to Arts throughout the state. The state approved the ECA's grant application and recommended approval to the federal government for funding; staff is answering one question related to federal approval. He and Diana Ortega are looking the expansion of education and engagement programs especially focused on health and wellness.

14. New Business

Mr. Mclalwain reminded Robert White was appointed to a position whose term expires this month. Discussion followed regarding whether formal approval of his reappointment by the board was required. Mr. Mclalwain will research the bylaws and if necessary, schedule reappointment at the next meeting.

15. Adjourn

The meeting was adjourned at 9:04 a.m.

Next EPFD Board Meeting: Thursday, July 28, 2022 - 7:30 AM

ACTION ITEMS:

1. Schedule Facilities as separate agenda item, provide monthly update to EPFD Board
2. Mr. Mclalwain and Ms. Meagher work on developing a timeline and process for drafting, reviewing and releasing an RFQ for the building envelope assessment
3. Schedule approval of Executive Director Contract on July meeting agenda
4. Contact EPFD Board attorney regarding cellular lease:
 - e. What happens if Terabonne dissolves?
 - f. Insurance requirements for DISH
 - g. Notice to relocate the equipment
 - h. Indemnification on hazardous materials adjacent to the premises
5. Change name of Board President on signature line of documents
6. Review bylaws regarding reappointment of board member who completed term of previous board member
7. Schedule special meeting on July 13th at 7:30 a.m. and send out Outlook calendar invite
8. July 13 special meeting agenda items:
 - a. Approve cellular lease agreement
 - b. Approve bylaws – include redline (to original) and clean version in packet and strike document tracking number
 - c. Approve reappointment of Board Member White (if required by bylaws)
9. Schedule review of updated employee handbook at the next EPFD Board meeting
10. Post ECA openings where the City and other governments posted openings

11. Mr. McIlwain and Ms. Meagher meet with the City to discuss development agreement for ECA site
12. Provide further information at the next meeting regarding update of the land acknowledgement statement
13. Present updated Strategic Plan RFP to EPFD Board after review by steering committee
14. Copy Board Member Brewster on RFP for strategic planning process
15. In Section 12.11 of the cellular lease agreement, change “City” to “EPFD.”