

MINUTES

Edmonds Public Facilities District Board of Directors Virtual Online Meeting July 22, 2021

The Edmonds Public Facilities District Board virtual meeting convened at 7:32 a.m. via Zoom.

EPFD Board Members Present

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

ECA Staff Present

Joseph Mclalwain, Executive Director

City Staff Present

Dave Turley, Finance Director (Ex-Officio)

EPFD Board Members Absent

Greg Hinton

Other Guests Present

Adrienne Fraley-Monillas, City Council Liaison

ECA Board Members Present

David Schaefer, President

1. Call to Order

Board President Brewster called the meeting to order.

2. Land Acknowledgement

Board President Brewster read the Land Acknowledgement statement.

3. Board President's Comments

Board President Brewster urged board members and attendees to support the ECA's summer programming.

4. Consent Agenda

Approval of the minutes was deferred to next month.

- **EPFD Board Minutes – 6-24-2021**
- **EPFD Board Minutes – 7-08-2021 Special meeting**

5. Old Business

- **Prior Action Items Review**

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

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

Board Member Maloney thanked staff on behalf of the board for the great work they have been doing under extraordinary circumstances and said it was great to have them back more than part-time. Mr. Turley will be added to the Staff Report distribution list.

6. PFD Board Business

- **Review Proposed Changes to Edmonds PFD Charter**

Mr. Mclalwain explained amendments to the charter need to be provided to the board at least 15 days in advance of discussion of the changes which these were. The proposed changes are primarily administrative issues. The changes need to be approved via board resolution prior to recommending the changes to the City Council for approval. A draft resolution was prepared and sent to Board President Brewster and Board VP Liaw for their consideration, but it is not ready for formal adoption today. Mr. Mclalwain reviewed the changes proposed to the charter.

Discussion followed regarding whether Council committee needed to review the resolution prior to adoption by Council, other documents that state the City's Finance Director is the treasurer, including details in the bylaws regarding the process for holding meetings via telephone/video conferencing, and previous changes made to the charter.

Mr. Mclalwain will work with Board VP Liaw to develop a formal resolution for approval by the board, review by the Council's Public Safety, Planning & Personnel Committee and then approval by the City Council.

- **ACTION: Approve Changes to Charter**

Board President Brewster relayed his interest in completing this process quickly so the board can seek candidates to replace Board Member Hinton who has now missed five meetings. Once the language is finalized, he suggested calling a brief special meeting to approve the resolution.

7. Inclusion & Accessibility, Education & Outreach

- **Equity Statement**

Board President Brewster relayed that work on the equity statement is ongoing. Drafts have been circulated, but more work need to be done.

With regard to Education & Outreach, Mr. Mclalwain advised summer camps are coming up, one is full and there is still space available in the Time Travel camp. Scholarships are available. Much of camps will be outside.

8. Finance, Facilities & Operations

- **Finance Report – June 2021 DRAFT**

Mr. Mclalwain relayed the June 2021 Finance Report is still being developed and will be provided at next month's meeting. He described challenges that diverted staff's time from the reports.

- **Monthly Cashflow Analysis Report**

Mr. Mclalwain reviewed the updated Monthly Cashflow Analysis, identifying the projected shortfall in operations that should be corrected by federal, county and local government support.

Discussion followed regarding the July 12th 90% back-to-work date for exempt personnel and plans to return to full-time September 1st, in office requirements (at least 2 days/week, staggered to have coverage during business hours), hopefully more in-office days in September/October/November but continuing to allow staff to work from home 1-2 days/week, and the Health Department's expectation of a fifth COVID wave in approximately October.

9. Executive Report / Steering Committee

- **Staffing – Update**

Mr. McIalwain reported staff is back to 90%. The offer made to a candidate for the Director of Finance and Operation (DFO) position was declined due to an unexpected family move. The candidate proposed engaging in a 6-12 month contract while they prepare to move. He is reviewing the contract that the candidate proposed and will share it with the Admin & Finance Committee. The contract could be 10-15 hours/week to support specific projects and assist the accountant until the DFO position is filled. She has a great deal of experience in HR so one of her projects will be to assist with filling the DFO position, update the job description, repost the job, establish a timeline and oversee the interview process. A brief discussion followed regarding why the job description needs to be updated.

- **SBA Opportunities: SVOG Update**

Mr. McIalwain reported some notification has been received and things are looking good. The ECA's request may have been funded, but he is waiting to hear specifics. A lot of other Pacific NW venues are receiving notification. More information will be available shortly.

- **Request to City of Edmonds – America Rescue Plan**

Mr. McIalwain relayed the Mayor's proposed plan was approved. It is still unclear whether the ECA will receive support through that process. If the ECA qualifies, it would be as a nonprofit, but the process and amount are unclear at this point.

- **Request to Snohomish County – American Rescue Plan**

The PFDs in Snohomish County as a group made a presentation to the County Council's Finance Committee requesting \$5 million. The committee asked for more specifics about how the funds would be utilized. The Snohomish County Executive's office subsequently recommended \$2.5 million for the three PFDs. He is working with the other PFD executive directors to provide information regarding how the funds would be spent and how they would be divided among the three projects. The County Council could change the Executive recommendation.

- **2012 Bond Refinancing Update**

Mr. Turley relayed progress was made at the July 13 Finance Committee meeting. The bond refinancing discussion includes the PFD's bonds as well as refunding of City bonds and reissuance of City bonds.

Discussion followed regarding a Councilmember who is in support of the refinancing but wants further discussion, anticipation the PFD refinancing will forward even if the other items in the package do not, establishing a timeline related to the bond refinancing, and anticipated notification regarding the SVOG grant.

10. Marketing & Business Development

- **Ticket Sales Update**

Mr. Mclalwain said he did not have an update on the 21-22 season but the summer series is doing okay. The first indoor/hybrid performance was not well attended, but there has been a lot more success with outdoor experiences. He expected a good return on investment for the outdoor experiences which will offset any losses on indoor experiences. Tickets to exclusively live streamed events are also not selling well. The series was built to test the waters and he expected an overall season win due to outdoor performances selling well.

- **Summer Series**
- **21-22 – Announcements, Process**

Mr. Mclalwain referred to a draft letter created by the Marketing Team to reintroduce the ECA to the community. There is a good mix of about 30 presentations, more of them after January but a few key events between September and December. Ticket sales will start with full season subscribers, followed by 5-8 show subscribers and then single tickets. He highlighted shows in the 21-22 season including Judy Collins, Jesse Cook, Jake Shimabukuro holiday show, and the Temptations. The relief funds the ECA receives are critical to long term success and will help bring artists to the stage. Board Member Willcock complimented Kendall Hill's Backstage at ECA YouTube Channel.

11. Programming

- **21-22 Season – Special Engagements**
- **22-23 – Initial Planning**

Mr. Mclalwain reported Jillian Jones and he will attend the Western Arts Alliance Booking Conference in late August/early September in Portland and the Association of Performing Arts Professions Conference in New York in January; these are key conferences for building future seasons. He anticipated the 22-23 season will be back to normal with an in person Center Stage event in May to announce the season and engage in sponsorship support. He was hopeful fiscal year 2022 would be a balanced budget post pandemic; 2021 will still be a challenge, and hopefully the relief funds and refinancing will get the organization through to 2022.

12. Hosting

- **Update**

Board VP Liaw reported Sarah Mixson has developed a spreadsheet for rentals and several regular rental clients plan to return in October/November. There still needs to be communication with rental clients regarding streaming capabilities.

Board VP Liaw questioned why there was an update from the Hosting Committee on every agenda and suggested rotating reports from other committees. Board Member Maloney said 90% of the Admin & Finance Committee's work brought to the Board via the finance update. She offered to provide an update on the committee's discussions regarding succession and retention.

Mr. Mclalwain requested the following be added to future agenda: updates from Admin & Finance specific to HR development as well as updates on Facilities, Board Governance, Education & Outreach, invite specific staff members who represent those departments to give update on rotating basis. It was agreed to start with providing the EPFD Board the PowerPoint from reports the committees give to the ECA Board, make it part of the staff report discussion, and have the lead staff member present to respond to questions.

13. Philanthropy

- **SHINE! – 2021 Gala – September 24**

Mr. Mclalwain reported the Philanthropy Committee divided itself into planning and procurement. Procurement is going well. With regard to planning, the format of the event is being adjusted, there will not be a formal sit-down dinner like was done in the past. The committee plans to have a standing reception prior to the auction in gymnasium with food stations and tray-passed hors d'oeuvres and an opportunity for the community to reconnect. That will be followed by the formal live auction, fund-a-need and a 30 minute performance in the theater. After the event, there will be a reception in the lobby with food and beverages to celebrate the success of the event. The silent auction will be online only, broadly disseminated to community; anyone can participate in the silent auction and the fund-a-need. There have been discussions about broadcasting the theater event; it is an approximately \$4,000 investment and there is concern with a lack of participation.

Board President Brewster reported on the Musical Caring Project gala, an in-person and streamed event, and offered to inquire about their online audience. He encouraged board members to alert their friends and families of the upcoming gala such as forwarding the placeholder to prior years' guests. Once more details are available about the format, hosts can begin building tables for people to attend in person or online.

Discussion followed regarding pricing the event given modifications in the format, expenses that are similar to previous years, conversations about accessibility and equity and tension between the need to raise enough to money to meet budgeted obligations but also provide access to this event to those unable to afford it, the need for critical mass to meet the fundraising target, and another local organization's auction in August whose ticket price doubled. He will keep the board informed about the conversations and the rationalization regarding pricing.

Discussion continued regarding organizations that have scholarships for those in need, status of procurement, inability to have the same number of auction items without a sit-down dinner, determining if there is enough value in auction items to meet budgeted targets, packaging items, and ensuring there are people in the audience to purchase items at the required level.

- **Format of the Event**
- **Board Engagement**

14. New Business

Board VP Brewster reported he is becoming a grandfather around the first of the year.

Board Member Willcock inquired about returning to in-person meetings. Mr. Mclalwain said he was happy to make that happen when the board is ready. Board VP Liaw advised the state

requires a virtual option for the public; governing bodies can make their own decision regarding returning to in-person meetings. Mr. McIalwain relayed it will depend on equipment; TJ and the production crew have purchased equipment (microphones, cameras, etc.) for the green room and the center classroom to facilitate hybrid meetings. The equipment is not in place yet and he was not sure when it would be. He and Board President Brewster will work on that and provide an update to the board when they can return to meeting in-person. Discussion followed regarding the hybrid City Council meeting.

15. Adjourn

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

Next EPFD Board Meeting: Thursday, August 26, 2021 - 7:30 AM

ACTION ITEMS:

1. Carried forward from previous meeting:
 - a. Provide EPFD Board an update on the 5-year financial plan
 - b. Follow up with Snohomish County re timeline for payment of \$100,000 from Lodging Tax Fund
2. Add to August agenda: Approval of EPFD Board Minutes 6-24-2021 & 7-08-2021 Special meeting
3. Add Dave Turley to Staff Report distribution list
4. Develop resolution with changes to the charter. Possibly schedule special PFD Board meeting to approve resolution.
5. Schedule Final June Financial Reports on next PFD Board meeting agenda
6. Establish a timeline for 2012 bond refinancing
7. Provide update from Admin & Finance specific to HR development
8. Provide the EPFD Board the PowerPoint from reports the committees give to the ECA Board, make it part of the staff report discussion, and have the lead staff member present to respond to questions
9. Keep PFD Board informed regarding conversations/rationalization regarding the price of Gala tickets
10. Provide update to PFD Board about returning to in-person (hybrid) meetings