

MINUTES

Edmonds Public Facilities District Board of Directors Meeting September 26, 2024

The Edmonds Public Facilities District Board hybrid meeting convened at 7:30 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
Wayne Grotheer, Vice President
Suzy Maloney
David Brewster

EPFD Board Members Absent

Bill Willcock

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

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 Maloney read the Land Acknowledgement & Equity Statement.

3. Agenda Review & Approval

BOARD MEMBER BREWSTER MOVED TO AMEND THE AGENDA TO REMOVE THE AUGUST 22, 2024 MINUTES FROM THE CONSENT AGENDA. BOARD VP GROTHEER SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

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

4. Board President's Comments

Board President Liaw looked forward to the Gala and expressed appreciation for the team's hard work.

5. Public Comment

There were no public comments.

6. Consent Agenda

- **2024-2025 Rental Rates**

BOARD VP GROTHEER MOVED TO APPROVE THE CONSENT AGENDA. 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).

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

8. **PFD Board Business**

- **Acceptance of Completion of Barrier Removal ECA Auditorium Project**

Ms. Meagher explained this agenda item is related to the barrier removal project in the ECA auditorium that began in 2018 which included upgrading the soundboard area and installing accessible seating in the auditorium. The EPFD Board's formal acceptance of the project completion needs to be reported in the board's meeting minutes in order to receive the remaining funds from Snohomish County. The project is complete and final reporting occurred in 2022.

BOARD MEMBER BREWSTER MOVED TO ACCEPT COMPLETION OF THE BARRIER REMOVAL THE ECA AUDITORIUM PROJECT. BOARD MEMBER MALONEY SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

9. **PFD Board Member Reports**

Board VP Grotheer reported the boiler repairs are proceeding, replacing the heat exchanger and installing isolation valves. Staff has made tremendous progress cleaning out the Music Building. The Facilities & Operations Committee discussed the need to develop talking points regarding campus development. Today's Universal Access Taskforce meeting will include a report out on the accessibility conference, the operating budget, and 3-year capital budget items related to universal access.

Board Member Brewster reported the Education & Community Outreach Committee did not meet last month, but as the staff report indicates, there is a lot going on for which he commended Diana Ortega-Chance. Programming has begun which included a very successful matinee yesterday, planning and scheduling for the Dementia Inclusive program as well as other matinees. The ECA's new season started last Thursday with the fantastic show by Rebirth Brass Band. At the Creative District Advisory Committee meeting, he reported on Association of WA State PFDs conference and emphasized the importance of 4th Avenue Arts Corridor. That CDAC meeting included a report from the Olympia Ballet Theater regarding their Gala and a free, public instructional season led by a prominent ballet artist.

Board Member Brewster reported on rental space in the Port's new building, the Port's plan to demolish their old building and to refurbish the walkway and seawall in the next 2-3 years. The City's Arts Commission has narrowed art submissions for the mini park next to the ferry lanes to three artists. Arts Commission Chair Tanya Sharp will accept a proclamation from the mayor next week declaring October as Arts & Humanities Month.

Board Member Maloney reported the Philanthropy Committee meeting was primarily about the Gala including an exciting, new menu provided by Shooby Doo Catering, logistics, and a report on an impressive list of Gala sponsorships that includes many local businesses.

Board President Liaw reported she missed the first half of the Steering Committee meeting which was largely an update on the Strategic Plan and the Gala. The Committee discussed the

partnership with Boys & Girls Club and the BGC's request for a board-to-board conversation. As she and David Schaefer are the only members of the Steering Committee that were part of the prior conversation with the BGC, they updated the Committee about what had been done. Ms. Liu advised a preliminary meeting has been confirmed between the Steering Committee and the Edmonds BGC. She confirmed with Snohomish County Boys & Girls Club Executive Director Bill Tsoukalas that the meeting is simply to update each other and no decisions are expected. The BGC has gotten all their permits for the new building and plan to break ground next year. Board President Liaw advised an update will be provided to the EPFD Board following that meeting.

Ms. Liu reported the Hosting Committee brainstormed partnerships and rental clients who could be considered partners and what they should be called. In some organizations, longer term clients are called resident companies. Ms. Meagher reported as she was researching rental rates, she found a signed document requesting a partnership agreement in 2010. She will bring that information and what she discovered to the Hosting Committee and EPFD Board next month.

Board Member Brewster relayed he missed last month's IDEA committee, but ECA President Lindsay Geyer provided him documents and emails about the work being done. His goal upon returning from Ireland is to be caught up and ready for the next meeting in late October.

Board President Liaw reported the Admin & Finance Committee did not meet due to the Association of WA State PFDs conference. She reported it was a good conference and it was great to connection with other PFDs and learning about what they are doing related to sustainability and their economic contribution to the community.

Discussion followed regarding the ECA's economic impact, patron surveys, ECA patrons from within and outside Edmonds and leveraging opportunities to capture the growth in downtown restaurants and daytime tourism activities. Ms. Liu offered to provide patron survey information at the EPFD Board's next meeting.

Board Member Brewster reported on the Explore Edmonds media tour that the Creative District held last week that included two freelance writers from Seattle and one from California. He joined the writers for dinner and brought them to a show at the ECA. The Creative District is interested in expanding their media presence and highlighting the creative profile of Edmonds. He reported on the very successful Arts Studio Tour last weekend; a sign-in sheet at Graphite indicated there were over 1,000 attendees from all over.

Board President Liaw thanked Board Member Brewster for his service on the Association of WA State PFDs and the newly formed committee. Board Member Brewster relayed the Association Chair was pleased with the group's interest in establishing a better structure.

10. Associate Executive Director Update

- **Finance Update**
 - Audit Update

Ms. Meagher reported there were no financials in the packet due to approval of the reforecasted budget last month; next month's meeting will include financials. With regard to the audit, she was informed by the State Auditor that the City is unable to meet their deadline for the end of this month which delays the EPFD/ECA's ability to complete their financials and close out its audit. All the notes from the auditor have been provided; staff is working on redrafting the annual report for the organization due to adjustments related GASB 87 and 96. Further discussion will occur at the exit conference. She anticipated the audit would be completed before the end of October. She

has requested the SAO start the audit sooner as it is challenging to start the audit mid/late July in conjunction with opening the season, starting the budget cycle, and dealing with other operational challenges.

Discussion followed regarding the lateness of completing audit creating an strain on human resources, the accountant having more experience next year which will take some of the responsibility off Ms. Meagher, and challenges of starting the audit so late in the year.

- Insurance Coverage/Assessment

Ms. Meagher referred to the Insurance Analysis in the packet, relaying since she has been here, there has not been a deep dive into the polices, levels of coverage, and potential overlaps and gaps. Operations Manager Sandra Nestorovic's worked with Enduras (EPFD) and NPIP (ECA) to review the policies, create the assessment, and highlight areas where coverage may be needed or there are coverage overlaps. Determining risk versus coverage is the next step which she hoped to bring to the board next month. The insurance policies were renewed in August. Board VP Grotheer suggested considering an independent review of coverage. Ms. Meagher relayed as part of the assessment, staff learned there is equipment coverage. Ms. Nestorovic will research whether there is an opportunity for a claim related to the boiler and other past repairs.

- 2025 Budget Cycle

Ms. Meagher reviewed the proposed EPFD ECA Consolidate FY2025 Budget Cycle, commented staff is getting a later start on the budget this year due to the audit. Department heads have their templates; she and Ms. Liu will meet with them over the next few weeks to build first drafts which will be consolidated into a draft and a final draft budget presented to the EPFD Board in December. Board President Liaw expressed appreciation for scheduling a Joint Admin/Fin & EPFD meeting on November 21. She requested staff send out meeting notices for the November 21 joint meeting and the December EPFD Board meeting.

- **Human Resources Update**

Ms. Meagher reported she is working on an update of the employee handbook to include policies approved over the last year. Ms. Liu reported on the hiring of the new Education Coordinator.

- **Facilities Update**

This was addressed during previous reports.

11. Executive Director Update

- **Development Update - Gala**

Ms. Liu reported 3 weeks from the Gala, 160 tickets have been sold and there is work to be done in the coming weeks. She expressed appreciation for the 100% participation from the EPFD Board and to the Gala Chairs and Co-Chairs for their extraordinary commitments in addition to ticket purchases. She reported on some new-to-ECA participants, loss of a major corporate donor, invites for Edmonds College, UW and ESD students to attend the concert, redesign of the gym to a lounge-like atmosphere to provide a robust social hour prior to the concert, and silent auction items.

- **Programming/Revenue Update**

Ms. Liu reviewed the Ticket Sales report, highlighting the cancelation of the Karla Bonoff and JD Souther show due to the sad passing of JD Souther, a show that had sold very well which will impact revenue goals for 2024. Ticket holders are encouraged to donate the cost of their tickets to ECA or exchange them for another event, but a number of refunds are expected. She reported on ticket sales for other performances, relaying a lot of organizations are seeing slow and declining ticket sales for the fall.

- **Strategic Planning Update**

Ms. Liu relayed Board President Liaw reviewed the draft RFP for a consultant which will be posted on Monday. Board President Liaw anticipated the consultant contract will be a 2025 budget item.

- **Partnership**

Ms. Liu reported the Steering Committee and other committees are discussing partnerships.

12. New Business

Board President Liaw referred to Board VP Grotheer's comment about the Facilities & Operations Committee's request for talking point about the campus, relaying the importance of memorializing next steps in the process. Ms. Liu commented on misinformation in the community and offered to prepare talking points for both boards.

14. Executive Session per RCW 42.30.140 Evaluate the Performance of a Public Employee

At 8:30 a.m., the Board recessed to an approximately 10 minute executive session per RCW 42.30.140 to evaluate the performance of a public employee.

13. Closed Session per RCW 42.30.140 - Negotiations

At the conclusion of the executive session, the Board recessed to an approximately 15 minute closed session per RCW 42.30.140 related to negotiations.

The meeting was reconvened at _____ a.m.

15. Adjourn

The meeting was adjourned at _____ a.m.

Next EPFD Board Meeting: Thursday, October 24, 2024 - 7:30 AM

ACTION ITEMS:

1. Consider independent review of insurance coverage
2. Send meeting hold for rescheduled November EPFD Board meeting (Nov. 21)
3. Send meeting hold for November 21 Joint Admin & Finance Committee/EPFD Board meeting
4. Develop talking points for Facilities & Operations Committee
5. October 24 EPFD Board meeting
 - a. Approval of Surplus Policy
 - b. Results of research re 2010 partnership rate/partnership agreement
 - c. Results of past patron surveys
 - d. Risk versus coverage insurance analysis