

## Minutes

Washington State Convention Center  
Public Facilities District

Regular Meeting of the Board of Directors  
December 19, 2023

### I. CALL TO ORDER

Frank K. Finneran, Board Chairman, convened a regular meeting of the Washington State Convention Center Public Facilities District (SCC) at 1:00 p.m., by video conference via Microsoft Teams. At the chairman's request, Mrs. Castle conducted a roll call of Board Directors to ensure a quorum in attendance, as well as to identify meeting attendees.

### MEETING ATTENDANCE

#### Board Directors in Attendance (by video conference)

Frank K. Finneran, Chair  
Deryl Brown-Archie, Vice Chair  
Tom Norwalk  
Craig Schafer  
Katie Garrow  
J. Terry McLaughlin  
Susana Gonzalez-Murillo

#### Board Directors Absent

Taylor Hoang  
Robert Flowers

#### Officers in Attendance

Jeffrey A. Blosser, President / CEO  
Linda Willanger, Vice President of Administration / AGM  
Sam Hecker, Director of Finance / CFO  
Jon Houg, Vice President of Operations

#### Consultants / Vendors in Attendance

Melinda Altamirano, ARAMARK  
Matthew Hendricks, Hendricks - Bennett, PLLC  
Tammy Canavan, Visit Seattle  
Kelly Saling, Visit Seattle  
Peter Andersen, Visit Seattle  
Troy Anderson, Visit Seattle  
Chris Connelly, Visit Seattle  
Eileen Sullivan, Sullivan Advocacies  
Emelie East, CBE Strategic  
Inger Johnson, Pine Street Group

#### Staff in Attendance

Melina Bermudez	Lorraine Kelly
Krista Daniel	Earl Taylor
Katie Castle	Tony Sheehan
Michael McQuade	Renee Wasisco
Loni Syltebo	Jules Miller
Hannah Ermi	

II. APPROVAL OF MINUTES

October 24, 2023, WSCC PFD Board Special Meeting

Mr. Norwalk made a motion to approve the minutes of the October 24, 2023, Special Board meeting, as presented. Mr. McLaughlin seconded, and the motion was carried by the unanimous affirmative vote of all Directors present via video conference call.

III. PUBLIC COMMENTS

Mr. Finneran advised that anyone wishing to speak before the Board, either as an individual or as a member of a group, may do so at this time. Individuals desiring to speak shall give their name, address, and the group they represent, if any. There were no public comments.

IV. CHAIRMAN'S REPORT

A. Board of Director's 2024 Committee Assignments, Resolution 2023-12

A RESOLUTION by the District Board ratifying recommendations related to the appointment of District Committees for 2024

Mr. Finneran advised that a list of Board Committees for 2024 and their designated members is attached to Resolution 2023-12 and was provided to the Board in the board packets in advance of today's meeting.

Mr. Schafer made a motion to approve Resolution 2023-12, ratifying the committee structure and assignments on the Board Committees for 2024, as presented. Mr. Norwalk seconded, and the motion was carried by unanimous affirmative vote of all Directors present by video conference call.

B. Election of Board Officers (Motion)

Mr. Hendricks advised that a motion is needed to rescind the action taken at the November 21, 2023, board meeting selecting new board officers and to confirm the continuation of Frank Finneran, as Board chair and Deryl Brown-Archie as Vice Chair through the end of their respective terms ending in 2024.

Mr. Schafer made the motion and Mr. Norwalk seconded, and the motion was carried by the unanimous affirmative vote of all Directors present by video conference.

C. Consent Agenda

Mr. Finneran presented the Consent Agenda to the Board. The following action items and informational reports had been sent to the Board for review prior to today's meeting:

Action Items:

1. Ratification of Additional Facility Project Contract List (December) (Motion)
2. Approval of Additional Facility Project Draw Schedule Payments, #109 (December) (Motion)

Informational Items:

1. SCC Monthly Expenditures Auditing Officer Certification
2. Visit Seattle Sales Report
3. SCC Sales and Productivity Report
4. SCC Parking Report
5. Food Service Report (ARAMARK)

Mr. McLaughlin made a motion to approve the Consent Agenda as presented. Mr. Schafer seconded, and the motion was carried by the unanimous affirmative vote of all Directors present, in via video conference call.

V. PFD COMMITTEE REPORTS

**A. Facility Committee**

1. Update

Mr. Finneran provided an update on the Facility Committee meeting that was held earlier today, December 19, 2023, and stated that there is progress being made on two main items: the funding gap and the punch list for Summit.

## 2. Review and Approval of 2024 Capital Projects and Budgets

Mr. Finneran invited Mr. Blosser to present on the 2024 Capital Projects and Budgets as contained in the board packets. Mr. Blosser advised the committee reviewed the staff's list of Capital Projects items to be completed in 2024 and that staff is seeking approval for these items, as well as the budget for 3.5MM for 2024.

Ms. Brown-Archie made a motion to approve the 2024 Capital projects list as presented in the board packets. Mr. Norwalk seconded, and the motion was carried by the unanimous affirmative vote of all the Directors present via video conference call.

### **B. Finance Committee**

#### 1. Update

In Mr. Flowers absence, Mr. Blosser provided an update from the Finance Committee meeting held earlier today, December 19, 2023.

#### 2. Approval to Recognize Additional Spending Authority for 2023 Operating Budget, amending/superseding Resolution 2022-15, Resolution 2023-13

A RESOLUTION approving additional spending authority for the Budget of the SCC for fiscal year for 2023 amending and superseding Resolution 2022-15.

Mr. Blosser advised that the Board approves the budget each year by broad line items for staff to follow and manage. As required by Board Policy, any single line items that are projected to be \$100,000 over the approved budget must come back to the Board for approval. Mr. Blosser stated that there are four (4) line items / expenditures for review and recommendation to the full board for approval. These categories are 1) Food Service, 2) Supplies, 3) Repair and Maintenance Work, and 4) Other Services. Mr. Blosser invited Mr. Hecker to provide more details to the board and a discussion ensued. Mr. Blosser stated that the Finance Committee has reviewed and are recommending approval of Resolution 2023-13 to revise the 2023 Operating Budget as documented in the resolution.

Mr. McLaughlin made the motion to approve Resolution 2023-13. Ms. Gonzalez-Murillo seconded, and the motion was carried by the unanimous affirmative vote of all Directors present via video conference call.

#### 3. Approval of 2024 Operating Budget, Resolution 2023-14

A RESOLUTION by the District Board adopting an operating budget for the District for 2024.

Mr. Blosser advised that the proposed 2024 Operating Budget and budget overview narrative is contained in the board packet and had been sent to the Board prior to today's meeting. Mr. Blosser and Mr. Hecker provided a summary of the 2024 budget narrative revenue and expense outlook and a discussion ensued.

Mr. Schafer made a motion to approve Resolution 2023-14 adopting the Operating Budget for 2024. Mr. Norwalk seconded, and the motion was carried by the unanimous affirmative vote of all of the Director's present via video conference call.

#### 4. Report to Board on Property & Earthquake Insurance

Mr. Blosser reminded the Board that on September 26, 2023, the Board gave authority to the Finance Committee to secure the PFD's earthquake and property insurance for the facilities and operations. Mr. Blosser's memo to Finance Committee regarding the acquisition of earthquake insurance was included in the board packets. Mr. Blosser provided a brief overview of the acquired \$50MM Insurance of earthquake insurance that the Finance Committee reviewed and approved as it fell in the cost boundaries established by the Board for the Finance Committee.

### **C. Government Relations & Civic Outreach Committee**

#### 1. Update

Ms. Brown-Archie reported that the Government Relations & Civic Outreach Committee did not meet in the month of December, but that the committee received reports from Ms. East and Ms. Sullivan regarding City, County, and State activities. Ms. Brown-Archie advised that the Committee is expecting to meet in January and will likely have more to report on then.

Ms. Brown-Archie invited Ms. East from CBE Strategic to provide brief updates of the consultant reports which were presented to the Committee.

2. Consultant's Report

Ms. Brown-Archie advised that the consultant update reports from Ms. East (CBE Strategic) and Ms. Sullivan (Sullivan Advocacy) are contained within the Board packets.

**D. Art Committee**

1. Report on Art Celebration Event at Summit

Ms. Gonzalez-Murillo provided an update on the Celebration of Art Event that took place on November 28, 2023. Ms. Gonzalez-Murillo reported that it was a very successful event where we were able to celebrate the artists, the artwork, and the public art, as well as thank all the people that contributed to the Art project at Summit. Ms. Gonzalez-Murillo shared that the Native American Artwork Blessing was small but quaint and a beautiful addition to the celebration.

2. Art Foundation Directors, Resolution 2023-15

A RESOLUTION by the Board of Directors approving members of the SCC's Art Foundation.

WHEREAS, according to the Art Foundation Bylaws, members of the Board of Directors of the Art Foundation are appointed by the Chair of the District Board Art Committee, with the approval of the District Board; and

WHEREAS, the following individuals have the necessary qualifications to serve as members of the Art Foundation Board of Directors, and have been designated for renewal for an additional three (3) year term of service for such membership by the Chair of the District Board Art Committee:

1. Jane McConnell Term renewal 3 years 1/1/2024 to 12/31/2026
2. Donna Wolter Term renewal 3 years 1/1/2024 to 12/31/2026

Ms. Gonzales-Murillo made a motion to approve Resolution 2023-15, approving the appointment of Ms. McConnell and Ms. Wolter to the SCC Art Foundation Board of Directors for a three (3) year term commencing January 1, 2024. Mr. Finneran seconded, and the motion was carried by the unanimous affirmative vote of all of the Directors present via video conference call.

VI. PRESIDENT'S REPORT

A. Recap of November 30, 2023, All-Staff Meeting

Mr. Blosser provided a brief recap of the All-Staff meeting held on November 30, 2023. The meeting was held from 8am-1pm in the Arch building and the program consisted of active shooter training with Mr. Mark Herrera from IAVM, safety and harassment training, employee conduct training, business updates for 2024, and a QSP activity with a team building event. Staff received new SCC rain jackets as an appreciation gift and then gathered for the Staff Appreciation Luncheon.

B. Former Board Member Recognition Language

Mr. Blosser provided an update on the language for the plaque recognizing former board members who contributed and served on the District Board during the Summit Build as contained in the board packet. The Board by affirmation approved this list and the language on the plaque to be created and placed in Summit.

VIII. FINANCIAL REPORT

The Financial Report was distributed to the Board in their packets in advance of this meeting. Mr. Hecker congratulated the SCC team for their tremendous operational efforts to breakeven in 2023 (absent one-time revenues). Mr. Hecker reminded the Board that regular lodging taxes are the funding source of Marketing Tax Revenues. Year over year results in the lodging tax do not reflect lodging performance. Please refer to the Lodging Report for a more detailed analysis of lodging revenue activities.

Mr. Hecker reported that November continued to be a great month for the Center with operations beating expectations with a \$827K surplus compared to a budget loss of \$1.3MM. The surplus was due to very heavy F&B margins beating budget and better revenue generation from building rents and facility services. Year-over year (YoY) operating surplus improved 162.1% or \$1.1MM. Year to date operating loss

was 47.2% or \$4.1MM better than budget but 231% or \$3.21MM larger than last year. Overall, YTD results can be described as significantly improved. Looking forward December looks healthier than anticipated and will likely lead to a reduction in the operating deficit of 39.7% or 4.7MM which is extremely good news headed into 2024.

XI. Executive Session

Mr. Finneran announced that the Board of Directors would hold a closed Executive Session for fifteen (15) minutes to discuss one item and the Executive Session commenced at 3:33pm with all the board members present via conference call, and Mr. Hendricks.

Consistent with RCW 42.30.110(1)(g), as permitted by the Open Public Meetings Act, the purpose of the executive session was to review the SCC President's performance for fiscal year 2023 and to consider his contract and compensation for fiscal year 2024. In addition to the Board members present by video conference call (Mr. Finneran, Ms. Brown-Archie, Ms. Garrow, Ms. Gonzalez-Murillo, Mr. McLaughlin, Mr. Norwalk, and Mr. Schafer), attendance was limited to Mr. Hendricks.

XII. Possible Action Relating to President's Contract and Compensation (*Motion*)

The regular meeting reconvened at 2:45pm and at the chairman's request, Ms. Castle conducted a roll call of the Board Directors to ensure a quorum in attendance following the Executive Session.

Mr. Schafer made a motion to authorize the Board Chair to renew the President's employment contract until his retirement on May 31, 2024, and to approve the President's maximum bonus compensation as permitted in the employment contract for 2023. Ms. Gonzalez-Murillo seconded, and the motion was carried by the affirmative vote of all Directors present by video conference call.

XIII. ADJOURNMENT

The December 19, 2023, Board meeting was adjourned at 3:48 p.m.